

CGX ENERGY INC (V.OYLU)

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PROXY CIRCULAR

MANAGEMENT PROXY / INFORMATION CIRCULAR - ENGLISH (BC, ON - FORM 30,
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CGX ENERGY INC.
120 Adelaide Street West, Suite 512
Toronto, Ontario
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INFORMATION CIRCULAR AS AT MAY 14, 1999

SOLICITATION OF PROXIES

THIS INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF CGX ENERGY INC. (the "Company") of proxies to be used at the Annual and Special Meeting of Shareholders of the Company (the "Meeting") to be held at the East Dining Room, The Board of Trade, First Canadian Place (Adelaide Street Entrance) Toronto, Ontario, M5X 1C1, on Tuesday, the 22nd day of June, 1999, at the hour of 4:00 o'clock in the afternoon (Toronto time), and at any adjournment thereof for the purposes set forth in the enclosed Notice of Meeting (the "Notice"). Proxies will be solicited primarily by mail and may also be solicited personally or by telephone by the directors and/or officers of the Company at nominal cost. The cost of solicitation by management will be borne by the Company.

The Company may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of voting shares of the Company (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this circular, the Notice and the form of proxy to the beneficial owners of such shares. The Company will provide, without cost to such persons, upon request of the Secretary of the Company, additional copies of the foregoing documents required for this purpose.

ELECTION OF DIRECTORS

The board of directors consists of a minimum of three and a maximum of nine, and has been fixed at four. The following table and the notes thereto state the names of all the persons proposed to be nominated by management for election as directors, all other positions and offices with the Company now held by them, their principal occupations or employment during the last five years, the period or periods of service as directors of the Company and the approximate number of common shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof.

Name, Office and Principal Occupations During Last Five Years	Director Since	No. of Common Shares Owned, Controlled or Directed as at May 14th, 1999(1)
John Cullen • Director • Independent businessman. Founder of CGX Resources Inc., formerly investment advisor, Nesbitt Burns Inc	October 22, 1998	5,236,000

<p>Denis Clement. (2)(3)</p> <ul style="list-style-type: none"> • Director • Chairman, Dumont Nickel Corp. (a mineral exploration company) from October 1998 to March 1999; President of the Company from October 1998 to March 1999, from December 1996 to August 1998 and from July 1994 to January 1996; Chairman, Northpoint Corporation 	<p>October 22, 1998</p>	<p>2,250,528</p>
<p>Oliver Lennox-King</p> <ul style="list-style-type: none"> • Director • Mining executive • Chairman of Southern Cross Resources Inc. (a mineral exploration company) since January 1997. President Tiomin Resources Inc. (a mineral exploration company) from 1992 to 1996 	<p>December 20, 1996</p>	<p>1,259,000</p>
<p>Kerry Sully (2)(3)</p> <ul style="list-style-type: none"> • Director, President and CEO • Director - Birch Mountain Resources Ltd (a public mining company) May 1995 to present – Chairman since June 1998; Director - Keralase International Inc. (a biotech company) since January 1999, Director – Tesla Industries Inc. (an oil well servicing company) since April 1996, Director – Doreal Energy Corporation (global oil & gas exploration company) since April 1996, Director – Canpet Marketing (crude oil marketing company) from November 1985 to December 1997. President, CEO and a Director of Ranchmen's Resources Ltd. (a TSE 300 oil and gas company). 	<p>October 22, 1998</p>	<p>200,000</p>

Notes:

- (1) *The information as to common shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the audit committee.*
- (3) *Mr. Clement was President and Chief Executive Officer of Northwest Explorations Inc. until August 27, 1998 and was President of CGX Energy Inc. from October 22, 1998 to March 24, 1999, when Mr. Sully was appointed President.*

The term of office of each director will be from the date of the Meeting until the next annual meeting, or until his successor is elected or appointed.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, THE PERSONS NAMED IN THE ENCLOSED FORM OF

**PROXY RESERVE THE RIGHT TO VOTE FOR ANOTHER NOMINEE IN THEIR
DISCRETION.**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Results of operations

The Company's only source of income is interest earned on its term deposits. No comparative figures are presented due to reverse take-over accounting principles.

Liquidity and Capital Resources

In August of 1998 the Company raised almost US\$520,000 (net of share issuance costs). These funds were primarily raised through private placements and the conversion of trade debts. In April 1999 the Company completed a "Rights Offering" for 4,441,333 common shares at US\$0.25 per share.

The following discussion should be read in conjunction with the accompanying consolidated financial statements and related notes, which are presented in United States dollars and have been prepared in accordance with Canadian generally accepted accounting principles. There were no differences between Canadian and United States generally accepted accounting principles which would have had a material impact on such consolidated financial statements.

Corporate Income and Expenses

The Company and its subsidiaries have no income from production since they are presently at the exploration stage. The Company continues to review production assets for purchase, but the primary emphasis, at present, is to complete the budget and financing for the April high-resolution 2-D seismic program. The Company spends about \$30,000 monthly for management and outside consulting, including all oil geology consulting, travel and other expenses.

Risks and Uncertainties

Any prospective shareholder or investor should carefully consider the following risks:

- the Company may be unable to raise more capital in the equity markets or attract a partner;
- the Company may be unable to discharge its obligations under the concession;
- the Company's operational and administrative expenses may deplete its present capital assets;
- the risks generally present in the oil industry, including low prices, high supply, poor marketing, alternative sources of energy;
- political interference and country risk with Suriname and Venezuela;
- monetary exchange risks with Guyana.

EXECUTIVE COMPENSATION

Compensation Summary

The table below sets forth information concerning the compensation of Denis Clement (the "CEO"), the Company's Chief Executive Officer and President until March 1999, during the Company's fiscal years ended December 31, 1998 and 1997.

Summary Compensation Table

Name and Principal Position	ANNUAL COMPENSATION				LONG-TERM COMPENSATION			All Other Compensation (\$)
	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options/SARs(1) Granted (#)	Restricted Shares or Restricted Share Units (\$)	LTIP (2) Payouts (\$)	
Denis Clement Former President and Chief Executive Officer	1998	--	--	US\$46,800	571,200	--	--	--
	1997	--	Cdn.\$50,000	--	325,000(3)	--	--	--

Notes:

- (1) *Stock appreciation rights.*
- (2) *Long-term incentive plans.*
- (3) *These were returned to the Company for cancellation*

The Company's Stock Option Plan

The Company has established a stock option plan (the "Plan"), pursuant to which options may be granted to employees, officers, directors or consultants of the Company, exercisable into common shares of the Company.

The principal provisions of the Plan, as amended, are summarized as follows:

- (a) the maximum number of common shares of the Company that may be issued pursuant to the exercise of options granted under the Plan (the "Maximum Number") is currently limited to 2,400,000, provided that the board of directors, by resolution passed effective December 16, 1998, approved an amendment to the Plan to increase the Maximum Number to 2,600,000 and, by resolution passed effective April 27, 1999, approved a second amendment to the Plan to increase the Maximum Number to 3,500,000 (which represents 13.1% of the number of common shares currently issued and outstanding), subject to receipt of shareholder and any required regulatory approval. **Shareholders will be asked at the Meeting to pass a resolution approving the said second amendment to the Plan, the text of which resolution is set forth below.**
- (b) the maximum number of common shares which may be reserved for issuance to any one person under the Plan is 5% of the common shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of common shares reserved for issuance to such person under any other option to purchase shares from treasury granted as a compensation or incentive mechanism;

- (c) the exercise price of common shares in respect of which an option may be granted shall not be less than the market price of the common shares at the time the option is granted, determined based on the closing price of the common shares quoted by the Canadian Dealer Network ("CDN") on the trading day immediately preceding the day upon which the option is granted, or if not traded on such day, the average between the closing bid and asked price thereof as reported for the day immediately preceding the day upon which the option is granted.
- (d) Options granted under the Plan are exercisable over a period not exceeding five (5) years, subject to earlier cancellation upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, senior officer, director or consultant of the Company or any of its subsidiaries, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The options are non-transferable. The Plan contains provisions for adjustment in the number of shares issuable in the event of a subdivision, consolidation, reclassification or change of the common shares, a merger or other relevant changes in the Company's capitalization. The Plan does not contain any provision for financial assistance by the Company in respect of options granted thereunder.

As of the date hereof, options to purchase an aggregate of 2,455,000 common shares are outstanding pursuant to the Plan.

The text of the said proposed resolution approving the said amendment to the Plan is as follows:

BE IT RESOLVED THAT:

1. The amendment of the stock option plan (the "Plan") of the Company, as authorized and approved by the board of directors of the Company as of April 27th 1999, to increase the maximum aggregate number of common shares of the Company which may be issued and sold under the Plan to 3,500,000, is hereby ratified, confirmed and approved.
2. Any one director or officer of the Company be and he is hereby authorized and directed to take all such steps or proceedings and execute and deliver under the corporate seal or otherwise, all documents and to do all such other acts and things as in his opinion may be necessary or desirable to give effect to this resolution.

In order to approve the above resolution, a majority of the votes cast at the meeting must be voted in favour thereof. **PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE VOTED AGAINST THIS RESOLUTION.**

Stock Option Grants

The following table summarizes the options that were granted to the CEO during the financial year ended December 31, 1998.

Name	Securities Under Options Granted (#)	% of Total Options Granted to Employees in Financial Year	Exercise or Base Price (Cdn\$/Security)	Market Value of Securities Underlying Options on the Date of the Grant (Cdn\$/Security)	Expiration Date
Denis Clement	571,200	25.2%	0.21	0.21	June 30, 2003

Stock Options Exercised and Held

No options were exercised during the most recently completed financial year by the CEO. The following table identifies the unexercised options held by the CEO as at December 31, 1998 and the financial year-end value of such options, on an aggregate basis.

Aggregated Option/SAR Exercise During the Most Recently Completed Financial Year and Financial Year-end Option/SAR Values

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options/SARs at FY-End (#) Exercisable/Unexercisable	Value of Unexercised in-the-Money Options/SARs at FY-End (Cdn\$) Exercisable/Unexercisable
Denis Clement	--	--	571,200	79,968

Composition and Report of the Compensation Committee

During the fiscal year ended December 31, 1998 the board members performed the function of a compensation committee. The remuneration payable to executive officers is based on the amount of time and attention such executive officers devote to the affairs of the Company.

However, the primary goal of the board of directors is to assure that the compensation provided to executive officers is determined with regard to the Company's business strategies and objectives and financial condition, so that the financial interest of the executive officers is matched with the financial interest of the shareholders.

The board of directors believes that stock options encourage the Company's executive officers to own and hold shares in the Company and tie their long-term interests directly to those of the shareholders. Under the terms of the Company's stock option plan, the board of directors may designate employees, including executive officers, eligible to receive options to acquire such numbers of common shares as the board of directors determines at the then current trading price on the CDN.

When awarding options, consideration is given to the exercise price of the aggregate options that would be held by an individual after the award under consideration is made. In determining the individual grants, the board of directors considers the following factors: the executive officer's relative position and performance, and past equity grants.

Other Compensation Matters

There are no pension plan benefits in place for an officer or director of the Company and no officer or director of the Company, or associate of any such officer or director, is indebted to the Company or to any subsidiary of the Company.

Employment Contracts

The Company does not have an employment contract with the CEO.

Compensation of Directors

Other than as described below, directors of the Company were not compensated by the Company during the financial year ended December 31, 1998 for their services in their capacity as directors or for services as consultants or experts.

During the financial year ended December 31, 1998, options to purchase an aggregate of 1,390,000 common shares of the Company were granted to the Company's directors pursuant to the Company's stock option plan. None of these options has been exercised. 1,190,000 of these options are exercisable at a price of Cdn\$0.21 per share and the other 200,000 are exercisable at a price of US\$0.21 per share.

During the financial year ended December 31, 1998, consulting fees of US\$32,000 were paid by the Company to John Cullen, a director of the Company.

SPECIAL BUSINESS

Advance Shareholder Approval for the Issuance of Shares by Private Placement

The Company from time to time investigates opportunities to raise financing on advantageous terms. It expects to undertake one or more financings over the next year and expects some of them to be structured as private placements. Under the rules of the CDN, the aggregate number of shares of a quoted company which are issued or made subject to issuance (i.e. issuable under a share purchase warrant or option or other convertible security) by way of one or more private placement transactions during any particular six-month period must not exceed 25% of the number of shares outstanding (on a non-diluted basis) prior to giving effect to such transactions (the "25% Rule"), unless there has been shareholder approval of such transactions.

The application of the 25% Rule may restrict the availability to the Company of funds which it may wish to raise in the future by private placement of its securities.

In particular, management of the Company considers it to be in the best interests of the Company to solicit private placement funds for working capital and its operations. The CDN has a working practice that it will accept advance approval by shareholders in anticipation of private placements that may exceed the 25% Rule, provided such private placements are completed within 12 months of the date such advance shareholder approval is given.

THE COMPANY'S ISSUED AND OUTSTANDING SHARE CAPITAL IS CURRENTLY COMPRISED OF 26,684,981 COMMON SHARES AND THE COMPANY PROPOSES THAT THE MAXIMUM NUMBER OF SHARES WHICH EITHER WOULD BE ISSUED OR MADE SUBJECT TO ISSUANCE UNDER ONE OR MORE PRIVATE PLACEMENTS IN THE TWELVE MONTH PERIOD COMMENCING ON JUNE 23, 1999 WOULD NOT EXCEED 26,684,981 SHARES, OR 100% OF THE COMPANY'S ISSUED AND OUTSTANDING AS AT THE DATE OF THIS INFORMATION CIRCULAR.

Any private placement proceeded with by the Company under the advance approval being sought at the Meeting will be subject to the following additional restrictions:

- (a) it must be substantially with parties at arm's length to the Company;
- (b) it cannot materially affect control of the Company;

- (c) it must be completed within a twelve month period following the date the shareholder approval is given; and
- (d) it must comply with the private placement pricing rules of the CDN. In certain circumstances, a discount is permitted from the closing market price of the common shares on the CDN on the trading date prior to the date of notice of the transaction, as follows:

Market Price	Maximum Discount Therefrom
\$0.50 or less	25%
\$0.51 to \$2.00	20%
above \$2.00	15%

In any event, the CDN retains the discretion to decide whether or not a particular placement is "substantially" at arm's length or will materially affect control, in which case specific shareholder approval may be required. Notwithstanding any of the foregoing, application must be made to the CDN for acceptance of all private placements.

In anticipation that the Company may wish to enter into one or more private placements in the next twelve months that will result in it issuing and/or making issuable such number of its common shares, taking into account any common shares that may be issued upon exercise of any warrants, options or other rights granted in connection with the private placements, that will exceed the 25% Rule, management is requesting that shareholders pass the following resolution at the Meeting:

"RESOLVED that the issuance by the Company in one or more private placements during the twelve month period commencing June 23, 1999 of such number of securities that would result in the Company issuing or making issuable a number of common shares aggregating up to 100% of the number of issued and outstanding common shares as at May 14, 1999, as more particularly described in and subject to the restrictions described in the Company's Information Circular dated May 14, 1999, is hereby approved."

The directors of the Company believe the passing of the resolution is in the best interests of the Company and recommends that shareholders vote in favour of the resolution. In the event the resolution is not passed, the CDN will not approve any private placements that result in the issuance or possible issuance of a number of shares which exceed the 25% Rule, without specific shareholder approval. Such restriction could impede the Company's timely access to required funds on favourable terms.

In order to approve the above resolution, a majority of the votes cast at the Meeting must be voted in favour thereof. **PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE VOTED AGAINST THIS RESOLUTION.**

Shareholder Approval for Amendment to Stock Option Plan

See the disclosure in this circular under "Executive Compensation – The Company's Stock

Option Plan”.

Ratification of Acts of Directors and Officers

In order to pass the resolution ratifying, confirming and approving the acts of the directors and officers of the Company, at least a majority of the votes cast at the Meeting must be voted in favour of the resolution. The proposed resolution is set forth in Appendix “A” attached hereto.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE ORDINARY RESOLUTION RATIFYING, CONFIRMING AND APPROVING THE ACTIONS OF THE DIRECTORS AND OFFICERS, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

APPOINTMENT OF AUDITORS

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PARKER & SIMONE, CHARTERED ACCOUNTANTS LLP, AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE AUDITORS' REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Parker & Simone were first appointed auditors of the Company on October 28, 1998.

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The 1998 Annual Report, including the consolidated financial statements for the fiscal year ended December 31, 1998 and the report of the auditors thereon, will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Company's consolidated financial statements for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year or any associate of any such director or officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Information Circular.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

The management knows of no matters to come before the Meeting other than as set forth in the Notice. **HOWEVER, IF OTHER MATTERS WHICH ARE NOT KNOWN TO THE MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.**

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy represent management of the Company. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A**

SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM AT THE MEETING MAY DO SO by filling in the name of such person in the blank space provided in the proxy or by completing another proper form of proxy. A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed proxy with the Company's transfer agent and registrar, Equity Transfer Services Inc, Suite 420, 120 Adelaide Street West Toronto, Ontario, M5H 4C3, telephone, (416) 361-0152, facimile (416) 361-0470 on or before the close of business of the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used, or deliver it to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy should be executed by the shareholder or his or her attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

In addition to any other manner permitted by law, a proxy may be revoked before it is exercised by instrument in writing executed in the same manner as a proxy and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof and thereupon the proxy is revoked.

A shareholder attending the Meeting has the right to vote in person and, if he does so, his or her proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

EXERCISE OF DISCRETION BY PROXIES

The shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if a shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the shares represented by the proxy shall be voted accordingly. **WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR EACH OF THE MATTERS TO BE VOTED ON AT THE MEETING AS DESCRIBED IN THIS CIRCULAR. THE ENCLOSED FORM OF PROXY ALSO CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE WITH RESPECT TO ANY AMENDMENTS OR VARIATIONS TO THE MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING IN SUCH MANNER AS SUCH NOMINEE IN HIS JUDGMENT MAY DETERMINE.** At the time of printing this circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

At the date hereof, the Company has outstanding 26,684,981 common shares, each of which carries one vote. To the knowledge of the directors and officers of the Company, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over securities carrying in excess of 10% of the voting rights attached to any class of outstanding voting securities of the Company, other than Jaguar Holdings Ltd. which owns 5,236,000 common shares or approximately 19.6% of the class of common shares. Jaguar Holdings Ltd. is controlled by John Cullen who is a director of the Company (see "Election of Directors").

Persons registered on the books of the Company at the close of business on May 17, 1999 (the "Record Date") and persons who are transferees of any shares acquired after such Record Date and who have produced properly endorsed certificates evidencing such shares or who otherwise establish ownership

thereof and demand, not later than 10 days before the Meeting, that their names be included in the list of shareholders, are entitled to vote at the Meeting.

YEAR 2000 STATUS

The year 2000 issue relates to the existence and use of "two digit" instead of "four digit" dates embedded in computer hardware and software. The Company is not reliant on computer systems other than for financial and business reporting and new financial systems will be introduced to address this. This is not a major investment, and otherwise hardware and systems utilized are year 2000 compatible and therefore no related business risks have been identified.

DIRECTORS' APPROVAL

The contents and the sending of this Information Circular have been approved by the directors of the Company. Except where otherwise indicated, information contained herein is given as of May 14, 1999.

Dated the 14th day of May, 1999

BY ORDER OF THE BOARD

(Signed)

Kerry Sully
President and C.E.O.

APPENDIX "A"

BE IT RESOLVED THAT:

1. notwithstanding (i) any failure to properly convene, constitute, proceed with, hold, record any meeting of the Board of Directors or shareholders of the Corporation for any reason whatsoever, including, without limitation, the failure properly to waive or give notice of a meeting, hold a meeting in accordance with a notice of a meeting, have a quorum present at a meeting, sign the minutes of a meeting or sign a ballot electing a slate of Directors; or (ii) any failure to pass any resolution of the directors or shareholders of the Corporation or any by-law of the Corporation for any reason whatsoever, all by-laws, approvals, appointments, elections, resolutions, contracts, acts and proceedings, enacted, passed, made, done or taken since the last annual meeting of the shareholders held on June 10, 1998 (the "Annual Meeting") as set forth to in the minutes of the meetings, or resolutions of the Board of Directors or shareholders of the Corporation or other documents contained in the minute and record book of the Corporation, or in the financial statements of the Corporation, and all action heretofore taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, confirmed and approved; and
2. without limiting the generality of paragraph 1 above, all by-laws, resolutions, contracts, acts and proceedings of the Board of Directors of the Corporation enacted, passed, made, done or taken since the Annual Meeting as set forth or referred to in the minutes of the meetings and resolutions of the Board of Directors in the minute and record book of the Corporation or in the financial statements of the Corporation are hereby approved, ratified and confirmed."