EAGLE PLAINS RESOURCES LTD.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR

THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON DECEMBER 15, 2011

RELATING TO A PLAN OF ARRANGEMENT INVOLVING

EAGLE PLAINS RESOURCES LTD., ITS SHAREHOLDERS AND

YELLOWJACKET RESOURCES LTD.

Dated as of November 15, 2011

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the transaction described in this Information Circular.

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SUMMARY

The following is a summary of certain information contained elsewhere in this Circular, including the schedules attached hereto, which are incorporated into and form part of this Circular. Certain capitalized words and terms used in this summary are defined in the Glossary of Terms which follows. This summary is qualified in its entirety by the more detailed information and financial statements appearing or referred to elsewhere in this Circular and the schedules attached hereto.

The Meeting

The Meeting will be held December 15, 2011 at 200, 44 – 12th Avenue South, Cranbrook, B.C., V1C 2R7. Telephone: (250) 426-0749 at 2:00 p.m. (local time MST).

Purpose of the Meeting

At the Meeting, the Shareholders will receive the audited financial statements of Eagle Plains for the fiscal year ended December 31, 2010 and will be asked to consider and, if thought fit, to pass resolutions concerning the following matters:

(a) electing management nominees as directors;
(b) appointing auditors and authorizing the directors to fix their remuneration; and
(c) approving the Eagle Plains Stock Option Plan.

At the Meeting, Shareholders will also be asked to consider, and if thought fit, to:

(a) pass the Arrangement Resolution approving the Arrangement pursuant to Part 15, Section 193 of the ABCA; and
(b) subject to the approval of the Arrangement Resolution, pass an organizational resolution approving the Yellowjacket Stock Option Plan and the Yellowjacket Shareholder Rights Plan Agreement.

By passing the Arrangement Resolution approving the Arrangement, the Shareholders will also be giving authority to the Board of Directors of Eagle Plains to use its best judgment to proceed with and cause Eagle Plains to complete the Arrangement in the event of any variation of, or amendments to, the Arrangement Agreement without any requirement to seek or obtain any further approval of the Shareholders.

Meeting Record Date

Eagle Plains has fixed November 15, 2011 as the record date for determining the Shareholders entitled to receive notice of and vote at the Meeting.

The Arrangement

The Arrangement has been proposed to facilitate the separation of Eagle Plains' Yellowjacket Project located in British Columbia from its other base and precious metals exploration properties in Canada. This separation will enable Yellowjacket Resources Ltd. ("Yellowjacket") to focus on the development of the Yellowjacket Project and to allow Eagle Plains to concentrate on separately financing and exploring the other exploration properties currently held by Eagle Plains. Pursuant to the Arrangement, Yellowjacket will acquire the Spin-off Property, which includes all of Eagle Plains' interest in the Yellowjacket Project, together with $600,000 in cash, investment assets valued at $1,286,684, property and equipment relating to the Yellowjacket Project valued at $773,100, and a reclamation bond relating to the Yellowjacket Project of $150,000. Each Eagle Plains Shareholder, other than a Dissenting Shareholder, will, immediately after the Arrangement, hold one new common share in the capital of Eagle Plains ("Eagle Plains New Share") and one-third of a common share in the capital of Yellowjacket ("Yellowjacket Share") for each Eagle Plains common share ("Eagle Plains Share") held immediately prior to the Arrangement, where the Eagle Plains New Shares will be identical in every respect to the present Eagle Plains Shares. Eagle Plains will own fifteen percent (15%) of the issued and outstanding Yellowjacket Shares upon completion of the Arrangement. See "The Arrangement - Details of the Arrangement".

Effect of the Arrangement on Eagle Plains Stock Options

As of the Effective Date, Eagle Plains Stock Options will be exercisable into Eagle Plains New Shares and Yellowjacket Shares on the basis that the holder will receive upon exercise, at the exercise price under the respective Eagle Plains Stock Options, a number of Eagle Plains New Shares pursuant to the Eagle Plains Options Commitment that equals the number of Eagle Plains Shares that would have been received under the Eagle Plains Stock Option, and a number of Yellowjacket Shares pursuant to the Yellowjacket Options Commitment that equals one-third of the number of Eagle Plains Shares that would have been received under the Eagle Plains Stock Option. Yellowjacket has agreed, pursuant to the Yellowjacket Options Commitment, to issue Yellowjacket Shares upon exercise of Eagle Plains Stock Options and Eagle Plains is obligated pursuant to the Eagle Plains Options Commitment, as the agent of Yellowjacket, to collect and pay to Yellowjacket an amount for each Yellowjacket Share so issued that is equal to the exercise price under the Eagle Plains Stock Option multiplied by the Butterfly Proportion. Any entitlement to a fraction of a Yellowjacket Share resulting from the exercise of an Eagle Plains Stock Option will be cancelled without compensation.

Recommendation and Approval of Board of Directors

The directors of Eagle Plains have reviewed the Arrangement and have concluded that the terms of the Arrangement are fair and reasonable to, and in the best interests of, Eagle Plains and the Eagle Plains Shareholders. Accordingly, the Board of Directors of Eagle Plains has approved the Arrangement and authorized the submission of the Arrangement to the Eagle Plains Shareholders and the Court for approval. The Board of Directors of Eagle Plains recommend that Eagle Plains Shareholders vote for the approval of the Arrangement. See "The Arrangement - Recommendation of Directors".

Reasons for the Arrangement

The decision to proceed with the Arrangement was based on the following primary determinations:

1. Eagle Plains' recent and present focus has been the development of the Yellowjacket Project. This focus has and will continue to hamper the exploration and development of the other exploration properties currently held by Eagle Plains.

2. The formation of Yellowjacket to hold the Yellowjacket Project will provide management of Yellowjacket with the ability to focus entirely on the development of an advanced project and core mining asset, and free management of Eagle Plains to facilitate separate fund-raising, exploration and mining strategies that will be required to move its remaining exploration properties forward.

3. The formation of Yellowjacket will give current Eagle Plains Shareholders an interest in a company focused on the development of the Yellowjacket Project and a continuing interest in a more aggressive pure exploration company that will continue to search for base-precious metal deposits and that will pursue the grassroots exploration of these properties as well as the acquisition of new properties.

See "The Arrangement - Reasons for the Arrangement".

Conduct of Meeting and Shareholder Approval

The Interim Order provides that, in order for the Arrangement to proceed, the Arrangement Resolution must be passed, with or without variation, by at least two-thirds of the eligible votes cast with respect to the Arrangement Resolution by Eagle Plains Shareholders present in person or by proxy at the Meeting. See "The Arrangement - Shareholder Approval".

If the Arrangement Resolution is not passed by an adequate majority of eligible votes at the Meeting, the Arrangement will not be completed, and Eagle Plains will continue to hold and manage the Spin-Off Property in the same manner as it presently does. Yellowjacket will continue as a private company.

Court Approval

A Plan of Arrangement under the ABCA requires court approval. Prior to the mailing of this Information Circular, Eagle Plains obtained an interim order of the Court (the "Interim Order") which is attached as Schedule "E" to this Information Circular. The Interim Order, among other things, provides for the calling and holding of the Meeting and for a further hearing for the final order of the Court (the "Final Order"). The Interim Order does not constitute approval of the Plan of Arrangement or the contents of this Information Circular by the Court. As set forth in the Interim Order, the hearing in respect of the Final Order is scheduled to take place before the Court on December 19, 2011, at 1:30 p.m. (Calgary time) at the Law Courts at Calgary Courts Centre, North Tower, 601 – 5th Street S.W., Calgary, Alberta, subject to the adoption of the Plan of Arrangement by Eagle Plains' shareholders at the Meeting. At this hearing any security holder of Eagle Plains has the right to appear, provided that such person, or an Alberta lawyer acting for such person, prepares a notice of appearance in the proper form, serves such notice of appearance on the solicitors for Eagle Plains and files such notice of appearance, with proof of service, with the Court, and may present evidence and examine witnesses, provided that such person, or Alberta lawyer acting for such person, in addition to serving a notice of appearance, serves a copy of such evidence on the solicitors for Eagle Plains, with proof of service, with the Court as soon as possible, but in any event not later than 12:00 p.m. on December 19, 2011.

The authority of the Court is very broad under the ABCA. Eagle Plains has been advised by its counsel that the Court may make any enquiry it considers appropriate and may make any order it considers appropriate with respect to the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with any terms and conditions, if any, as the Court deems fit. The Final Order is required for the Arrangement to become effective, and prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for the Section 3(a)(10) Exemption under the U.S. Securities Act with respect to the Yellowjacket Shares to be issued pursuant to the Arrangement. It is presently contemplated that the Effective Date will be on or about December 20, 2011. In the event that the hearing is adjourned then, subject to further order of the Court, only those persons having previously filed and delivered an appearance will be given notice of the adjournment.

Income Tax Considerations

Canadian Federal income tax considerations to Eagle Plains Shareholders who participate in the Arrangement or who dissent from the Arrangement are set out in the summary herein entitled "Certain Canadian Federal Income Tax Considerations". Tax considerations applicable to U.S. Shareholders have not been included in this Circular. U.S. Shareholders are advised to consult their own tax advisors to determine the particular tax consequences to them of the Arrangement.

Eagle Plains Shareholders should carefully review the tax considerations applicable to them under the Arrangement and are urged to consult their own tax advisors in regard to their particular circumstances.

Right to Dissent

The Interim Order provides that Eagle Plains Shareholders will have the right to dissent from the Plan of Arrangement as provided in the Plan of Arrangement and Section 191 of the ABCA. If an Eagle Plains Shareholder dissents, he will be entitled to be paid in cash the fair value for his Eagle Plains Shares so long as such Dissenting Shareholder does not vote any of his Eagle Plains Shares in favour of the Arrangement Resolution, provides to Eagle Plains written objection to the Plan of Arrangement no later than 2:00 p.m. (local time MST) on the second business day prior to the Meeting, and otherwise complies with the requirements of the Plan of Arrangement and Section 191 of the ABCA. See "Rights of Dissent".

Stock Exchange Listings

The Eagle Plains Shares are currently listed and traded on the TSX Venture Exchange (the "Exchange") and will continue to be listed following completion of the Arrangement. **The closing of the Arrangement is conditional upon the Exchange approving the listing of the Yellowjacket Shares on the Exchange. There is no assurance that such approval will be granted by the Exchange**

Information Concerning Eagle Plains and Yellowjacket

See "Information Concerning Eagle Plains Post-Arrangement" for a summary description of Eagle Plains, assuming completion of the Arrangement, including pro forma unaudited financial information for Eagle Plains and "Information Concerning Yellowjacket Post-Arrangement" for a description of the Yellowjacket Project, corporate structure and business, including pro forma unaudited financial information, of Yellowjacket, assuming completion of the Arrangement.

Selected Unaudited Pro Forma Consolidated Financial Information for Eagle Plains

The following selected unaudited pro forma consolidated financial information for Eagle Plains is based on the assumptions described in the respective notes to the Eagle Plains unaudited pro forma consolidated financial statements as at June 30, 2011 attached to this Circular as Schedule "G". These pro forma consolidated financial statements have been prepared based on the assumption, among other things, that the Arrangement had occurred on June 30, 2011.

	June 30, 2011 (unaudited)
Cash and Receivables:[1]	$5,268,485
Investments:[2]	$ 4,646,649
Property and Equipment:	$ 1,539,646
Mineral Exploration Properties:	$ 3,060,159
Total Assets:	**$ 14,514,939**
Liabilities:	$ 1,408,860
Shareholders' Equity:	$ 13,106,079
Total Liabilities and Shareholders' Equity:	**$ 14,514,939**

Notes: 1. Comprised of 'cash and cash equivalents', 'accounts receivable' and 'mineral exploration tax credits recoverable'.
2. Comprised of 'investments', 'investment in and advances to related company', 'long term investments', and 'reclamation bonds'.

Selected Unaudited Pro Forma Consolidated Financial Information for Yellowjacket

The following selected unaudited pro forma consolidated financial information for Yellowjacket is based on the assumptions described in the respective notes to the Yellowjacket unaudited pro forma consolidated financial statements as at June 30, 2011 attached to this Circular as Schedule "G". These pro forma consolidated financial statements have been prepared based on the assumption, among other things, that the Arrangement had occurred on June 30, 2011.

	June 30, 2011 (unaudited)
Cash:	$ 600,000
Reclamation Bond:	$ 150,000
Investments:[1]	$1,286,684
Property and Equipment:	$ 773,100
Mineral Exploration Properties:	$2,500,708
Total Assets:	**$5,310,492**
Current Liabilities:	$0
Future Income Tax Liability	$625,177
Shareholders' Equity:	$4,685,315
Total Liabilities and Shareholders' Equity:	**$5,310,492**

Notes: 1. Comprised of 'investments, and 'long term investments'.

Risk Factors

In considering whether to vote for the approval of the Arrangement, Eagle Plains Shareholders should be aware that there are various risks, including those described below and those described in the Circular. Eagle Plains Shareholders should carefully consider these risk factors, together with other information included in this Circular, before deciding whether to approve the Arrangement.

There is no assurance that the Arrangement will receive regulatory, Court or Shareholder approval or will be completed. If the Arrangement is not completed, Shareholders will lose the prospective benefits of the Arrangement and continue to be subject to the risk factors of both Eagle Plains and Yellowjacket as disclosed in this Circular.

There is no assurance that the Canada Revenue Agency will agree with Eagle Plains and Yellowjacket on the amounts and classification of assets for the butterfly portion of the Arrangement, in which case Eagle Plains and/or Yellowjacket could be taxable on completion of the Arrangement.

Eagle Plains will have, upon completion of the Arrangement, no producing property. There is no assurance that commercial quantities of minerals will be discovered on the properties held by Eagle Plains nor is there any guarantee that Eagle Plains' exploration programs on its properties will yield positive results leading to additional third-party property option agreements, or that Eagle Plains will generate any revenue from such property option agreements. Eagle Plains has a limited source of revenue through its wholly owned subsidiary TerraLogic Exploration Inc., and will fund its exploration activities from its working capital. Exploration, development and mining operations involve a high degree of risk that even a combination of experience, knowledge and careful evaluation may not be able to overcome. It will be necessary for Eagle Plains to raise additional funds to carry out further exploration and development of its mineral properties and Eagle Plains may not be able to raise such funds on terms acceptable to it or at all. Eagle Plains' operations will continue to be subject to regulatory and environmental control by and require licenses, permits and approvals from governmental bodies over which Eagle Plains has no control.

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Yellowjacket include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. Yellowjacket's share price financial condition and results of operations are all also likely to be significantly affected by short-term changes in metal prices. There can be no assurance that continual fluctuations in metal prices will not occur. As a result of any of these factors, the market price of the Yellowjacket Shares at any given point in time may not accurately reflect Yellowjacket's long-term value.

See "Risk Factors".

Post-Arrangement Matters

Following the Effective Date, each Eagle Plains Shareholder will be a shareholder of Eagle Plains, with each currently held Eagle Plains Share representing one Eagle Plains New Share in the capital of Eagle Plains, and each Eagle Plains Shareholder on the Effective Date, will be the holder of its pro rata share of the 27,746,223 Yellowjacket Shares to be distributed to such Eagle Plains Shareholders under the Arrangement. Concurrently, 4,896,392 Yellowjacket Shares will be distributed to Eagle Plains (either for cash or through the conversion of Debt for the Cost Amount of the Spin-off Property – See "Arrangement – Details of the Arrangement"), resulting in a total of 32,642,615 Yellowjacket Shares issued and outstanding.

As of the Effective Date, the Eagle Plains New Shares will continue to be listed and traded on the Exchange. The closing of the Arrangement is conditional upon the Exchange approving the listing of the Yellowjacket Shares on the Exchange. **There is no assurance that such approval will be granted by the Exchange**

GLOSSARY OF TERMS

The following is a glossary of general terms and abbreviations used in this Circular:

"**ABCA**" means the *Business Corporations Act* (Alberta), as amended, together with all regulations promulgated pursuant thereto;

"**Arrangement**" means the arrangement under the Arrangement Provisions pursuant to which Eagle Plains proposes to reorganize its business and assets, and which is set out in detail in the Plan of Arrangement attached as Exhibit I to the Arrangement Agreement;

"**Arrangement Agreement**" means the agreement dated as of November 14, 2011 between Eagle Plains and Yellowjacket, a copy of which is attached as Schedule "D" to this Circular, and any amendments or variations thereto;

"**Arrangement Provisions**" means Part 15, Section 193 of the ABCA;

"**Arrangement Resolution**" means the special resolution which will be considered by the Eagle Plains Shareholders to approve the Arrangement, the full text of which is set out in Schedule "B" to this Circular;

"**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Calgary, Alberta;

"**Butterfly Proportion**" means the fraction A/B where:

A is the net fair market value of the Spin-off Property to be transferred by Eagle Plains to Yellowjacket, determined immediately before such transfer; and

B is the net fair market value of all property owned by Eagle Plains immediately before the transfer of the Spin-off Property to Yellowjacket;

"**CIBC Mellon**" means CIBC Mellon Trust Company;

"**Circular**" means this Management Information Circular dated November 15, 2011;

"**Court**" means the Alberta Court of Queen's Bench;

"**Debt for the Cost Amount of the Spin-off Property**" means the amount elected under section 85 of the Tax Act in respect of the transfer of the Spin-off Property, as described in the Arrangement Agreement;

"**Dissenting Shareholders**" means Eagle Plains Shareholders who validly exercise their rights of dissent provided to them with respect to the Arrangement and who will be paid fair value for their Eagle Plains Shares in accordance with the Interim Order and the Arrangement Provisions;

"**Dissenting Shares**" means the Eagle Plains Shares in respect of which Dissenting Shareholders have exercised a right of dissent;

"**Eagle Plains**" means Eagle Plains Resources Ltd., a public corporation incorporated under the ABCA, whose shares are listed on the Exchange;

"**Eagle Plains Butterfly Shares**" means the new series of preferred shares which Eagle Plains will create and issue as described in the Plan of Arrangement and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the Plan of Arrangement;

"**Eagle Plains Class A Shares**" means the Eagle Plains Shares as renamed and redesignated as Class A Common shares under the Arrangement;

"**Eagle Plains New Shares**" means a new class of common shares without par value which Eagle Plains will create and issue as described in the Plan of Arrangement and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Eagle Plains Shares;

"**Eagle Plains Options Commitment**" means the covenant of Eagle Plains described in Arrangement Agreement to issue Eagle Plains New Shares and to deliver Yellowjacket Shares to the holders of Eagle Plains Stock Options which are outstanding as of the Effective Date, and to pay to Yellowjacket its share of the exercise price, upon the exercise of such stock options;

"**Eagle Plains Shareholder Rights Plan Arrangement**" means the Shareholder Rights Plan Agreement in the form approved by Eagle Plains Shareholders on June 13, 2007;

"**Eagle Plains Shareholders**" means the shareholders of Eagle Plains;

"**Eagle Plains Shares**" means the common shares without par value which Eagle Plains is authorized to issue as the same are constituted on the date of this Circular;

"**Eagle Plains Stock Option Plan**" means the stock option plan of Eagle Plains;

"**Eagle Plains Stock Options**" means options to purchase Eagle Plains Shares issued pursuant to the Eagle Plains Stock Option Plan which are outstanding on the Effective Date;

"**Effective Date**" means the date upon which the Arrangement becomes effective;

"**Exchange**" means the TSX Venture Exchange Inc.;

"**Excluded Assets**" means all of the other mineral properties and assets currently owned by Eagle Plains which do not form part of the Spin-off Property, as described in this Circular under the heading "Information Concerning Eagle Plains Post-Arrangement";

"**Final Order**" means the final order of the Court approving the Arrangement;

"**Interested party**" means an interested party within the meaning of OSC Rule 61-501;

"**Interim Order**" means the interim order of the Court dated November 21, 2011 providing, among other things, for the calling and holding of the Meeting, a copy of which Interim Order is set out as Schedule "E" to this Circular;

"**Listing Date**" means the date the Yellowjacket Shares are listed on the Exchange;

"**Meeting**" means the annual and special meeting of the Eagle Plains Shareholders to be held on December 15, 2011 and includes any adjournment thereof;

"**Notice of Meeting" or "Notice"** means the Notice of Annual and Special Meeting of Shareholders in respect of the Meeting;

"**OSC Rule 61-501**" means Ontario Securities Commission Rule 61-501;

"**Plan of Arrangement**" means the plan of arrangement attached as Exhibit II to the Arrangement Agreement, and any amendments or variations thereto;

"**Proxy**" means the form of proxy which accompanies this Circular;

"**Qualified Person**" means an individual who is a "qualified person" within the meaning of National Instrument 43-101;

"**Registrar**" means the Registrar of Corporations under the ABCA;

"**Related Liabilities**" means liabilities that relate to the Spin-off Property as described in the Arrangement Agreement;

“**Related Party**” means a related party within the meaning of Multilateral Instrument 61-101;

“**Shareholder**” means an Eagle Plains Shareholder;

“**Spin-Off Property**” means the assets of Eagle Plains which are to be transferred to Yellowjacket pursuant to the Arrangement, which assets include the Yellowjacket Project and are described in Exhibit I to the Arrangement Agreement;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended;

“**United States**” or “**U.S.**” means the United States of America;

“**U.S. Person**” means a U.S. person as defined in Rule 902(k) under Regulation S under the U.S. Securities Act, including, but not limited to, any natural person resident in the United States; and

“**U.S. Shareholder**” means a Shareholder who is, at the Effective Time, either in the United States or a U.S. Person.

“**Yellowjacket**” means Yellowjacket Resources Ltd., a private corporation incorporated under the ABCA;

“**Yellowjacket Options Commitment**” means the covenant of Yellowjacket to issue Yellowjacket Shares to the holders of Eagle Plains Stock Options who exercise their rights thereunder after the Effective Date and are entitled pursuant to the corporate reorganization provisions thereof to receive Eagle Plains New Shares and Yellowjacket Shares;

“**Yellowjacket Project**” or “**Yellowjacket Gold Project**” means the Yellowjacket gold project located in the Atlin Mining Division in northwestern British Columbia;

“**Yellowjacket Reorganization Shares**” means the new series of preferred shares which Yellowjacket will create and issue as described in the Plan of Arrangement and for which the Spin-off Property is, in part, to be exchanged under the Plan of Arrangement;

“**Yellowjacket Shareholders**” means the shareholders of Yellowjacket;

“**Yellowjacket Shareholder Rights Plan Agreement**” means the proposed Shareholder Rights Plan Agreement of Yellowjacket, identical in form and content to the Eagle Plains Shareholder Rights Plan Agreement, which is subject to Exchange acceptance and Eagle Plains Shareholders approval;

“**Yellowjacket Shares**” means the common shares without par value which Yellowjacket is authorized to issue as the same are constituted on the date hereof;

“**Yellowjacket Stock Option Plan**” means the proposed Stock Option Plan of Yellowjacket, identical in form and content to the Eagle Plains Stock Option Plan, which is subject to Exchange acceptance and Eagle Plains Shareholders approval;

GLOSSARY OF MINING TERMS

The following is a glossary of technical terms and abbreviations used in this Circular:

“alkalic” means igneous rocks that contain more sodium and potassium than the group of rocks to which they belong, or is required to form feldspar with the available silica;

“**alteration**” means any change in the mineralogical composition of a rock that is brought about by physical or chemical means;

“**anomaly**” means data and results having a geochemical or geophysical character which deviates from the norm;

“**basalt**” means a volcanic rock, usually dark grey green to black in colour, that is the extrusive equivalent of gabbro;

“**base metal**” means a metal, such as copper, lead, zinc or nickel;

“**bedrock**” means solid rock underlying surficial deposits;

“Bi” means bismuth, a lustrous reddish white metallic mineral, atomic number 83 in the periodic table;

“**blebs**” means small irregular masses of material;

“**breccia/brecciated**” means a rock consisting of fragments of one or more rock types;

“**carbonate**” means a rock composed principally of calcium carbonate ($CaCO_3$);

“**chalcopyrite**” means copper iron sulphide mineral ($CuFeS_2$), a common copper ore;

“**claim (mineral/mining)**” means the area that confers mineral exploration/exploitation rights to the registered holder under the laws of the governing jurisdiction;

“**clastic**” means a sedimentary rock composed of fragments from pre-existing rock;

“**concentrate**” means the valuable fraction of an ore that is left while the worthless material is removed in processing;

“**Cretaceous**” means a period of geological time from 136 to 65 million years ago;

“**diamond drilling/drill hole**” means a method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit;

“**diorite**” means an igneous rock that is of a “salt and pepper” appearance and is composed primarily of sodium/calcium feldspar and mafic minerals with little or no quartz;

“**dip**” means the angle at which a stratum is inclined from the horizontal;

“**disseminated/dissemination**” means distribution of mineralization usually as small grains or blebs homogeneously throughout the host rock;

“**dyke**” means a tabular body of igneous rock cross cutting the host strata at a high angle;

“**fault**” means a fracture in a rock along which there has been relative movement between the two sides either vertically or horizontally;

“**feasibility study**” means a comprehensive study of a deposit in which all geological, engineering, operating, economic and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production;

“**feldspar**” means a group of common sodium-potassium-calcium alumino silicate rock-forming minerals;

“**felsic**” means igneous rock composed principally of feldspar and quartz;

“**fold**” means a bend in strata or any planar structure;

“**formation**” means a body of rock identified by lithological characteristics and stratigraphic position;

“**fracture**” means breaks in rocks due to intensive folding or faulting;

“**fragmental**” means designation of rocks formed of the fragments of older rocks; clastic;

“**gabbro**” means a coarse grained mafic igneous intrusive rock;

“**geology/geological**” means the study of the Earth’s history and life, mainly as recorded in rocks;

“**geophysics/geophysical**” means the study of the earth by quantitative physical methods, either by surveys conducted on the ground, in the air (by fixed wing aircraft or helicopter) or in a drillhole;

“**gossan**” means a cap of hydrated oxides of iron, which form from the oxidation of primary sulphide ores;

“gypsum” means a mineral consisting of hydrous calcuim sulphite;

“**hectare**” means a square of 100 meters on each side;

“**hornblende**” means common rock-forming mineral of the amphibole group;

“**host**” means a rock or mineral that is older than rocks or minerals introduced into it;

“**hydrothermal**” means pertaining to heated water, particularly of magmatic origin associated with the formation of mineral deposits or the alteration of rocks;

“IOCG” means Iron Oxide Copper Gold, a type or class of mineral deposit;

“**igneous**” means a classification of rocks formed from the solidification from a molten state;

“**induced polarization**”or **“IP”** means the geophysical method of applying an electrical charge to the ground and measuring the electrical chargeability of the minerals in the rocks and the decay of the induced electrical charge to define the presence of sulphide and other minerals;

“**intrusive/intrusions**” means an igneous rock that invades older rocks;

“**limestone**” means carbonate-rich sedimentary rock;

“**mafic**” means an igneous rock composed chiefly of dark iron and manganese silicate minerals;

“**magma**” means a naturally occurring molten rock material;

“**magmatic**” means pertaining to magma;

“manto” means a flat lying bedded style of mineralization or deposit;

“**mineralization**” means the concentration of metals and their chemical compounds within a body of rock;

“**mineral reserve**”[1] is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined;

“**mineral resources**”[2] is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth’s crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge;

“molybdenum” means a grey metallic metal, number 42 in the periodic table;

“**Net Smelter Return**” or “**NSR**” means a term used to determine the net proceeds from the sale of ores, concentrates, dore or other minerals to a smelter, concentrator, refinery or other mineral processor, commonly less deductions for freight and transportation, insurance, penalties and deductions, processing fees, mineral and other taxes, and sales and marketing fees. The term is generally used to define royalty interests on production of minerals;

“**ore**” means rock containing mineral(s) or metals that can be economically extracted to produce a profit;

“**outcrop**” means an exposure of bedrock at the surface;

“**pyrite/pyritization**” means a common iron sulphide (FeS2) mineral;

“**quartz**” means a mineral composed of silicon dioxide (SiO2);

“**reconnaissance**” means a general examination or survey of a region with reference to its main features, usually preliminary to a more detailed survey;

“SEDEX” or **“SedEx”** means Sedimentary Exhalitive, a type of mineral deposit;

“**sediment**” means solid material that has settled down from a state of suspension in a liquid. More generally, solid fragmental material transported and deposited by wind, water or ice, chemically precipitated from solution, or secreted by organisms, and that forms in layers in loose unconsolidated form;

“**sedimentary**” means pertaining to or containing sediment or formed by its deposition;

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[1] The terms “Mineral Reserve” is a Canadian mining term as defined in accordance with National Instrument 43-101 -Standards of Disclosure for Mineral Projects under the guidelines set out in the CIM Standards.

[2] The terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource”, “Inferred Mineral Resource” are common Canadian mining terms as defined in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) Standards on Mineral Resources and Mineral Reserves Definitions and guidelines adopted by the CIM Council on August 20, 2000.

"**shear**" means a planar zone of deformed rock caused by the movement of the rock;

"**silica/silicified**" means the mineral quartz comprised of silicon and oxygen and the addition of quartz or silica as an alteration of a pre-existing rock;

"**soil sampling**" means systematic collection of soil samples at a series of different locations in order to study the distribution of soil geochemical values;

"**staking/staked**" means some jurisdictions require the applicant to place stakes, usually at four corners, on the ground to acquire a mineral claim;

"stratabound" means mineralization confined to a single stratigraphic unit;

"stratigraphic" means the arrangement of sedimentary rocks in strata with reference to the different properties of the rocks;

"**strike**" means direction or trend of a geologic structure;

"**structure/structural**" means pertaining to geological structure; i.e. folds, faults, shears, etc;

"**sulphide**" means a group of minerals in which one or more metals are found in combination with sulphur;

"**tonne**" means metric unit of weight equivalent to 1.102 short tons;

"**tons**" means dry short tons (2,000 pounds);

"**trenching**" means the act of blasting or digging through overburden and/or outcrop to expose fresh outcrop for mapping and sampling;

"VMS" means Volcanogenic Massive Sulphide, a type of mineral deposit;

"**vein**" means a thin sheet-like intrusion into a fissure or crack, commonly bearing quartz and other minerals;

"**volcanic**" means descriptive of rocks originating from volcanic activity;

FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements. All statements other than statements of historical fact contained in this Circular are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, litigation, projected costs and plans and objectives of or involving Eagle Plains or Yellowjacket. Eagle Plains has tried to identify these forward-looking statements by using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans, "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or similar words or phrases in their negatives. Forward-looking statements necessarily involve known and unknown risks and uncertainties that may cause Eagle Plains' and Yellowjacket's actual results, performance, prospects and opportunities in future periods to differ materially from those expressed or implied by the forward-looking statements. These risks and uncertainties include, among other things, risks inherent in the exploration for and development of minerals, risks associated with future commodity prices, risks related to amounts available to Eagle Plains and Yellowjacket for future growth and capital expenditures, risks inherent in the prices for services and governmental fiscal regimes, the risk that actual results will vary from the results forecasted and such variations may be material, and risks related to the timing of the Effective Date of the Arrangement. There can be no assurance that such expectations will prove to be correct. Although Eagle Plains has attempted to identify important factors that could cause actual results to vary materially from expectations, there may be other factors that cause results to differ from those anticipated, estimated or intended.

All forward-looking statements speak only as of the date of this Circular or, in the case of any document incorporated by reference, the date of that document. Eagle Plains and Yellowjacket do not undertake any obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this Circular. Readers are cautioned against attributing undue certainty to forward-looking statements.

GENERAL PROXY INFORMATION

PURPOSE OF SOLICITATION

This Management Information Circular ("Circular") is furnished in connection with the solicitation of proxies by the management of Eagle Plains for use at the annual and special meeting of common shareholders of Eagle Plains, to be held at 200, 44 – 12th Avenue South, Cranbrook, British Columbia, on December 15, 2011 at 2:00 p.m. (MST local time) or at any adjournment for the purposes set out in the accompanying notice of meeting (the "Meeting").

The cost of such solicitation will be borne by Eagle Plains and will be made primarily by mail. Directors and officers of Eagle Plains may without special compensation solicit proxies by telephone, facsimile or in person.

APPOINTMENT AND REVOCATION OF PROXIES

Shareholders have the right to appoint a nominee (who need not be a shareholder) to represent them at the Meeting other than the persons designated in the enclosed form of proxy, and may do so by inserting the name of the appointed representative in the blank space provided in the form of proxy.

A form of proxy will not be valid for the Meeting or any adjournment unless it is completed by the shareholder or by his attorney authorized in writing and must be delivered to the attention of Proxy Department, Canadian Stock Transfer Company Inc., P.O. Box# 721, Agincourt, Ontario, M1S 0A1, or by fax at (416) 368-2502 (Toll Free: 1-866-781-3111 Canada & U.S. Only), not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment of the Meeting. Canadian Stock Transfer Company Inc. acts as the Administration Agent for CIBC Mellon Trust Company.

In addition to revocation in any other manner permitted by-law, a shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by depositing the proxy bearing a later date with CIBC Mellon Trust Company at any time up to and including the last business day preceding the date of the Meeting or any adjournment at which the proxy is to be used, or by depositing the revocation of proxy with the chairman of such Meeting on the day of the Meeting, or any adjournment of the Meeting.

VOTING OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of Eagle Plains and have indicated their willingness to represent as proxy the shareholder who appoints them. Each shareholder may instruct his proxy how to vote his shares by completing the proxy form.

The person indicated in the accompanying proxy shall vote the shares in respect of which they are appointed in accordance with the direction of the shareholder appointing them.

In the event of a direction to vote the shares in respect of which they are appointed, the management appointees named in the accompanying proxy will vote such shares in favour of:

1. **The election of the persons proposed to be nominated by management as directors; and**
2. **The appointment of MacKay LLP, as auditors of Eagle Plains.**

Furthermore, in the absence of any direction to vote for or against, the shares will be voted by management appointees in favour of:

1. **The approval of Eagle Plains' Stock Option Plan;**
2. **Approving the special resolution approving and adopting the Eagle Plains' Plan of Arrangement; and**
3. **Approving the ordinary resolution approving the organization of Yellowjacket including the stock option plan and a shareholder rights plan agreement;**

all as more specifically described in this Circular.

THE ENCLOSED FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSON INDICATED IN THE PROXY WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS (THE "NOTICE") AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. At the time of printing of the Circular, the management of Eagle Plains knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice and the Circular. If any matters which are not now known to the directors and senior officers of Eagle Plains should properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders of Eagle Plains, as a substantial number of shareholders do not hold Eagle Plains Shares in their own name. Shareholders who do not hold their Eagle Plains Shares in their own name (referred to in this Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of Eagle Plains as the registered holders of Eagle Plains Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those shares will not be registered in the shareholder's name on the records of Eagle Plains. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Eagle Plains Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The majority of the brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("Broadridge"). Broadridge typically uses its own form of proxy, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to either return the proxy forms to Broadridge or alternatively provide voting instructions by utilizing an internet on-line or automated telephone system. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy from Broadridge cannot use that proxy to vote Eagle Plains Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Eagle Plains Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Eagle Plains Shares registered in the name of his broker (or an agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the Eagle Plains Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Eagle Plains Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the Instrument of Proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

All references to shareholders in this Circular, the accompanying instrument of proxy and Notice are to shareholders of record unless specifically stated otherwise.

VOTING SHARES

Only the Eagle Plains Shares are entitled to vote at the Meeting. As of the date of this Circular, 83,238,669 Eagle Plains Shares without nominal or par value are issued and outstanding. Each Eagle Plains Share entitles the holder to one vote on all matters to come before the Meeting. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Eagle Plains Shares.

The directors of Eagle Plains have fixed November 15, 2011, as the record date for determination of the persons entitled to receive notice of the Meeting. A shareholder of record as of the record date is entitled to vote his Eagle Plains Shares except to the extent that he has transferred the ownership of any of his shares after the record date, and the transferee of those shares produces properly endorsed share certificates or otherwise establishes that he owns the shares, and demands, not later than 10 days before the Meeting, that his name be included in the shareholder list before the Meeting, in which case the transferee is entitled to vote his shares at the Meeting.

INFORMATION CONCERNING EAGLE PLAINS

EAGLE PLAINS' YEAR-END AUDITED FINANCIAL STATEMENTS

Eagle Plains' consolidated audited financial statements for the years ended December 31, 2009 and 2010 are attached hereto as Schedule "I".

PRINCIPAL SHAREHOLDERS

To the knowledge of management of Eagle Plains, as of the date of this Circular, no person or company beneficially owned or exercised control or direction over, directly or indirectly, voting shares of Eagle Plains carrying more than ten percent (10%) of the voting rights attached to all outstanding shares of Eagle Plains.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this section, "Named Executive Officers" means the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of Eagle Plains and each of Eagle Plains' three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year ended December 31st, 2010 and whose compensation, in the aggregate, exceeded $150,000.

Compensation Discussion and Analysis & Option-Based Awards

Compensation policies and programs are designed to focus on shareholder return. Eagle Plains' objective is to attract, motivate and retain high quality executives. The executive compensation program and its various components are constructed to reflect market practices. Several components of this compensation vary with results, aligning executive interests with the interests of Eagle Plains' shareholders. The executive compensation is also designed to provide an incentive to executives to achieve other objectives in a matter consistent with Eagle Plains' strategic plan.

Components of Executive Compensation:

The components of the executive compensation program are described in the table below.

Compensation element	How it is paid	What it is designed to reward
Base salary	Cash	Rewards skills, capabilities, knowledge and experience, reflecting the level of responsibility, as well as the contribution expected from each executive.
Short-term Incentive	Cash	Rewards contribution to both department's performance and Eagle Plains' overall performance. Rewards for results within the current fiscal year.
Long-term Incentive	Stock Options	Provides alignment between the interests of executives and shareholders. Rewards contribution to the long-term performance of Eagle Plains and demonstrated potential for future contribution. Aligns with long-term corporate performance and provides added incentive for executives to enhance shareholder value.

The Corporate Governance and Compensation Committee ("CGCC") considers a broad range of factors when setting compensation for executive management, including but not limited to, market data, individual performance, corporate performance and sector performance.

Base Salary

The base salary provides an executive with basic compensation and reflects individual responsibility, knowledge and experience, market competitiveness and the contribution expected from each individual. At its discretion, the CGCC may compare each executive officer's salary with the base salaries for similar positions in the comparator group, and recommends appropriate adjustments, as needed.

Short-term Incentive

Short-term incentive compensation is based on annual results. The short-term incentive ensures that a significant portion of an executive's compensation varies with actual results in a given year, while providing financial incentives to executives to achieve short-term financial and strategic objectives. It communicates to executives the key accomplishments the CGCC wishes to reward and ensures that overall executive compensation correlates with corporate objectives. The short-term incentive component is structured to reward not only increased value for shareholders but also performance with respect to key operational factors and non-financial goals important to long-term success.

Long-term Incentive

The long-term incentive component of executive compensation is designed to ensure commonality of interests between management and shareholders. This is accomplished by connecting shareholder return and long-term compensation, motivating executives to achieve long-range objectives that directly benefit shareholders.

Stock options reward executives for growth in the value of Eagle Plains' stock over the long term. This is the high risk, high-return component of the executive total compensation program because stock options deliver value to an executive only if the share price is above the grant price. This long-term equity incentive includes both a corporate and personal component.

Summary Compensation Table

For the financial year ended December 31, 2010, Eagle Plains had two (2) Named Executive Officers.

The following table sets forth information concerning the total compensation paid by Eagle Plains to its Named Executive Officers for three (3) most recently completed financial years.

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($) Annual incentive plans	Non-equity incentive plan compensation ($) Long-term incentive plans	Pension value ($)	All other compensation ($)	Total compensation ($)
Timothy J. Termuende CEO & President	2010	-	-	283,650(3)	-	-	n/a	89,250(1)(4)	372,900
	2009	21,666	-	4,050(3)	-	-	n/a	53,750(1)(4)	79,466
	2008	65,000	-	-	-	-	n/a	5,250(1)	70,250
Glen J. Diduck CFO	2010	12,500	-	202,150(3)	-	-	n/a	12,675(1)(2)	227,325
	2009	Nil	-	4,050(3)	-	-	n/a	21,475(1)(2)	25,525
	2008	Nil	-	-	-	-	n/a	29,650(1)(2)	29,650

Notes:

(1) Eagle Plains paid to all directors an annual retainer fee of $5,000 in 2010, 2009 and 2008 and a stipend of $250 per board or committee meeting attended as compensation for services rendered as directors.

(2) Eagle Plains paid professional fees to Glen J. Diduck, Chartered Accountant during the 2010, 2009 and 2008 years in the amounts of $7,425, $15,975 and $24,150 respectively.

(3) These amounts reflect Eagle Plains' accounting values and do not correspond to the actual value that has been or will be realized by the named executives

(4) Eagle Plains paid consultant fees to Toklat Resources Inc, during the 2010 and 2009 years in the amounts of $84,000 and $48,500 respectively.

(5) All monetary amounts in Canadian Dollars.

Incentive Plan Awards

Eagle Plains presently maintains a Stock Option Plan (the "Plan"). The purpose of the Plan is to provide an incentive for directors, officers, key employees and consultants of Eagle Plains to directly participate in Eagle Plains' growth and development by providing them with the opportunity through options to purchase common shares to acquire an increased financial interest in Eagle Plains.

The CGCC believes that granting of options is an effective way to support the achievement of Eagle Plains' long-term performance objectives, ensure executive and employee commitment to the longer term interests of Eagle Plains and its shareholders, and provide compensation opportunities to attract, retain and motivate employees critical to the success of Eagle Plains. At its discretion, the CGCC grants options to individuals taking into account Eagle Plains' long-range objectives, comparing and matching in most cases option grants and holdings for similar positions in the comparator group, and previous grants to such individuals.

Outstanding Share-based Awards and Option-Based Awards

The following table sets out all the share-based awards and option-based awards outstanding with Named Executive Officers at December 31, 2010.

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($) [as at December 31, 2010]	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Timothy J. Termuende CEO & President	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	300,000	1.00	Dec 10, 2015	Nil		
Glen Diduck CFO	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	200,000	1.00	Dec 10, 2015	Nil		

Incentive Plan Awards-Value Vested or Earned During the Year

The following table sets out the value vested or earned during the fiscal year ended December 31, 2010.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Timothy J. Termuende	283,650	Nil	Nil
Glen Diduck	202,150	Nil	Nil

Notes:

1. These amounts reflect Eagle Plains' accounting values and do not correspond to the actual value that has been or will be realized by the named executives.

Pension Plan Benefits

Eagle Plains does not have a defined benefit, defined contribution or deferred compensation plan.

Termination and Change of Control Benefits

Eagle Plains does not have any compensatory plan or arrangement in respect of compensation received or that may be received by the Named Executive Officers in Eagle Plains' most recently completed or current financial year to compensate such executive officer in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change in control, where in respect of the Named Executive Officer the value of such compensation exceeds $50,000.

Composition of the Compensation Committee

The Corporate Governance and Compensation Committee (the "CGCC") is currently comprised of Glen J. Diduck, David L. Johnston and Darren B. Fach. See "Election of Directors".

Director Compensation

Directors are compensated for their services as directors through an annual retainer fee of $5,000 and a stipend of $250 per board or committee meeting attended. This fee structure was implemented effective June 15, 2006.

The CGCC reviews director compensation every year and recommends updates to the Board for approval when considered appropriate or necessary to recognize the workload, time commitment and responsibility of Board and committee members and to remain competitive with director compensation trends of Eagle Plains' peer group. To do so, the CGCC uses industry comparative data and may, from time to time, retain independent external consultants to assist in reviewing director compensation. The following table shows the compensation paid to Eagle Plains' directors for the year ended December 31, 2010.

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Charles C. Downie	5,250	Nil	283,650	Nil	n/a	Nil	288,900
David Johnston	5,550	Nil	202,150	Nil	n/a	Nil	207,650
Ron Netolitzky	5,550	Nil	202,150	Nil	n/a	Nil	207,650
Darren B. Fach	5,550	Nil	202,150	Nil	n/a	Nil	207,650

Notes:

1. These amounts reflect Eagle Plains' accounting values and do not correspond to the actual value that has been or will be realized by the named executives.

Eagle Plains has a formalized stock option plan for the granting of incentive stock options to the directors, officers, key employees and consultants. The purpose of granting options pursuant to the stock option plan is to assist Eagle Plains in compensating, attracting, retaining and motivating the directors, officers, key employees and consultants of Eagle Plains and to closely align the personal interests of such persons to that of the shareholders.

Outstanding Share-based Awards and Option-Based Awards

The following table sets out all the share-based awards and option-based awards outstanding with the directors' as at December 31, 2010.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Charles C. Downie	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	300,000	1.00	Dec 10, 2015	Nil		
David L. Johnston	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	200,000	1.00	Dec 10, 2015	Nil		
Ronald K. Netolitzky	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	200,000	1.00	Dec 10, 2015	Nil		
Darren B. Fach	50,000	0.40	Dec 11, 2011	12,000	Nil	Nil
	100,000	0.40	Jun 20, 2013	24,000		
	50,000	0.40	May 22, 2014	12,000		
	200,000	0.25	Apr 30, 2015	78,000		
	150,000	0.25	Oct 19, 2015	58,500		
	200,000	1.00	Dec 10, 2015	Nil		

The following table shows share-based awards, option based awards and non-equity incentive plan compensation for the directors for the year ended December 31, 2010.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Charles C. Downie	283,650	Nil	Nil
David L. Johnston	202,150	Nil	Nil
Ronald J. Netolitzky	202,150	Nil	Nil
Darren B. Fach	202,150	Nil	Nil

Notes:

1. These amounts reflect Eagle Plains' accounting values and do not correspond to the actual value that has been or will be realized by the named executives.

Equity Compensation Plans

The following table sets forth details with respect to compensation plans under which equity securities of Eagle Plains are authorized for issuance as of the year ended December 31, 2010.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weight-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	13,761,128	0.40	401,838
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	**13,761,128**	**0.40**	**401,838**

Notes:

1. Common Shares reserved for issuance under Eagle Plains' "rolling" stock option plan, which automatically increases the number of Eagle Plains Shares available for issuance to 10% of the issued and outstanding Eagle Plains Shares.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

There is no indebtedness, now nor at any time since the beginning of the most recently completed financial year of Eagle Plains, of any director, executive officer, senior officer, proposed nominee for election as a director or associate of any of them to or guaranteed or supported by Eagle Plains or any of its subsidiaries either pursuant to an employee stock purchase program of Eagle Plains or otherwise.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, no informed person of Eagle Plains or any associate or affiliate of the foregoing had any material interest, direct or indirect, in any transaction or proposed transaction since January 1, 2010 which has materially affected or would materially affect Eagle Plains or any of its subsidiaries.

MANAGEMENT CONTRACTS

The management functions of Eagle Plains are substantially performed by directors and senior officers of Eagle Plains, and, not to any substantial degree, by any other person with whom Eagle Plains has contracted.

AUDIT COMMITTEE

The Audit Committee Charter

The following is Eagle Plains' "Audit Committee Charter" (the "Charter"):

Purpose

The primary function of the audit committee of Eagle Plains (the "Committee") is to assist the board of directors (the "Board") of Eagle Plains in fulfilling its responsibilities by reviewing the financial reports and other financial information provided by Eagle Plains to any regulatory body or the public, Eagle Plains' systems of internal controls regarding preparation of those financial statements and related disclosures that management and the Board have established and Eagle Plains' auditing, accounting and financial reporting processes generally. Consistent with this function, the Committee encourages continuous improvement of, and fosters adherence to, Eagle Plains' policies, procedures and practices at all levels. The Committee's primary objectives are to:

- assist directors in meeting their responsibilities in respect of the preparation and disclosure of the financial statements of Eagle Plains and related matters;
- provide for open communication between directors and external auditors;
- enhance the external auditor's independence;
- increase the credibility and objectivity of financial reports; and
- strengthen the role of the outside or "independent" directors by facilitating in depth discussions between directors on the Audit Committee, management and external auditors.

Composition

The Committee is comprised of three or more directors as determined by the Board, if at all possible with the majority of whom shall be "independent" (as such term is used in National Instrument 52-110 - Audit Committees ("NI 52-110")) unless the Board shall have determined that the exemption contained in section 3.6 of NI 52-110 would be applicable and is to be adopted by Eagle Plains.

All of the members of the committee shall be "financially literate" (as defined in NI 52-110) unless the Board shall determine that an exemption under NI 52-110 from such requirement in respect of any particular member would be applicable and is to be adopted by Eagle Plains in accordance with the provisions of NI 52-110.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and remain as members of the Committee until their successors shall be duly elected and qualified.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its mandate to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. The Chief Financial Officer (if appointed) is required to be present at the meetings of the Committee and may be excused from all or part of any such meetings by the independent sitting members.

Minutes of all meetings of the Committee shall be taken and the Committee shall report the results of its meetings and reviews undertaken and any associated recommendations or resolutions to the Board. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee shall be valid resolution of the Committee.

A quorum for meetings of the Committee shall be majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the committee shall be the same as those governing the Board.

Members of the Committee may participate in a meeting of the Committee by means of telephone or other communication device or facilities that permit all persons participating in any such meeting to hear one another.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

A. Documents/Reports Review

1. Review and update this Charter, as conditions dictate.
2. Review the financial statements, prospectuses, MD&A, annual information forms and all public disclosures containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval where required.
3. Review the reports to management prepared by the external auditors and management responses.

4. Established procedures for:

    (a) the receipt, retention and treatment of complaints received by Eagle Plains regarding accounting, internal accounting controls, or auditing matters; and

    (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

5. Review and approve Eagle Plains' hiring policies regarding employees and former employees of the present and former external auditors of the issuer.

6. Review of significant auditor findings during the year, including the status of previous audit recommendations.

7. Be satisfied with and periodically assess the adequacy of procedures for the review of corporate disclosure that is derived or extracted from the financial statements.

B. External Auditors

1. Be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.

2. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.

3. Recommend to the Board the terms of engagement of the external auditor, including their compensation and a confirmation that the external auditors shall report directly to the Committee.

4. On an annual basis, review and discuss with the auditors all significant relationships the auditors have with Eagle Plains to determine the auditors' independence.

5. Review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.

6. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.

7. Periodically consult with the external auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.

8. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor.

9. Pre-approved the completion of any non-audit services by the external auditors and determined which non-audit services the external auditor is prohibited from providing and the Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services, provided that such member(s) reports to the Committee at the next scheduled meeting such pre-approval and the members(s) complies with such other procedures as may be established by the Committee from time to time.

C. Financial Reporting Processes

1. In consultation with the external auditors and management, review the integrity of the organization's financial reporting processes both internal and external. Consider judgments concerning the appropriateness of Eagle Plains' accounting policies.

2. Consider and approve, if appropriate, major changes to Eagle Plains' auditing and accounting principles and practices as suggested by the external auditors or management.

3. Review risk management policies and procedures of Eagle Plains (i.e., hedging, litigation and insurance).

D. Process Improvement

1. Review with external auditors their assessment of internal controls, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit, and upon completion of the audit, their reports upon the financial statements.

E. Ethical and Legal Compliance

1. Ensure that management has the proper review system in place to ensure that Eagle Plains' financial statements, reports and other financial information disseminated to regulatory organizations and the public satisfy legal requirements.

2. Conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain, and to set and pay compensation for any independent counsel and other professionals to assist in the conduct of any investigation, subject to the Board approving any expenditure in excess of $10,000 in this regard.

3. Perform any other activities consistent with this Charter, Eagle Plains' by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Composition of the Audit Committee

The Committee consists of three members:

1. One is not considered to be independent:

    (a) Glen J. Diduck, a director, Treasurer and Chief Financial Officer; and

2. Two are directors considered to be independent:

(a) David L. Johnston; and

(b) Ronald K. Netolitzky.

All are considered to be financially literate.

Relevant Education and Experience

Glen J. Diduck, Chartered Accountant was formerly self-employed with over 20 years experience in public practice, and has been an officer and/or director of a number of public companies since 1993.

Ronald K. Netolitzky has been involved with public mining companies for over 25 years.

David Johnston has been involved with mining companies at a senior management level for over thirty years including 13 years as a vice president with Cominco Ltd. and Cominco Metals.

Audit Committee Oversight

At no time since the commencement of Eagle Plains' most recently completed financial year were any of the Committee's recommendations to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of Eagle Plains' most recently completed financial year has it relied on any exemption under Part 8 of National Instrument 52-110.

Pre-Approval Policies and Procedures

The Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The fees paid by Eagle Plains to its auditor in each of the last two fiscal years are set out in the following table.

Financial Year Ending December 31	Audit Fees	All Other Fees
2010	$39,000	$2,402
2009	$44,000	$2,397

Venture Issuer Exemption

Eagle Plains, as a "Venture Issuer", is relying upon section 6.1 of National Instrument 52-110 exempting it from certain requirements relating to the composition of the audit committee requirements and reporting obligations.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the board of directors (the "Board"), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of Eagle Plains. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices ("NI 58-101") which came into effect for financial years ending on or after June 30, 2005, Eagle Plains is required to disclose its corporate governance practices in compliance with NI 58-101, as summarized below.

Board of Directors

The Board facilitates its exercising of independent supervision over management through meetings of the Board and both directly and indirectly through its committees.

Ronald K. Netolitzky and David L. Johnston are "independent" directors in that they are independent and free from any interest, and any business or other relationship which could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of Eagle Plains, other than interests and relationships arising from shareholdings.

Glen J. Diduck, Tim J. Termuende, Charles C. Downie and Darren B. Fach are members of management and therefore are not independent.

Nomination of Directors

The Board determines new nominees to the Board, although no formal process has been adopted.

Directorship

Certain of the directors are presently directors in one or more other reporting issuers, as follows:

Directors	Other Issuers
Timothy J. Termuende	Aben Resources Ltd., Blackrock Resources Ltd., Kestrel Gold Inc., Northern Freegold Resources Ltd. and Omineca Mining and Metals Ltd.
Glen J. Diduck	Northern Freegold Resources Ltd. and Omineca Mining and Metals Ltd.
Charles C. Downie	Omineca Mining and Metals Ltd.
Ronald K. Netolitzky	Aben Resources Ltd., American Bonanza Gold Corp., Blue Sky Uranium Corp., Boss Power Corp., Golden Band Resources Inc., Masuparia Gold Corporation, Pacific Iron Ore Corporation, Skeena Resources Limited, Solomon Resources Limited, Strongbow Exploration Inc. and Virginia Energy Resources Inc.
David L. Johnston	Omineca Mining and Metals Ltd.
Darren B. Fach	Leeward Capital Corp., Northern Freegold Resources Ltd. and Omineca Mining and Metals Ltd.

Compensation

Eagle Plains has a Corporate Governance and Compensation Committee (the "CGCC") with a mandate including determination of (i) remuneration to directors and officers, (ii) allocation of incentive stock options, and (iii) monitor over-all Board activities to ensure compliance with NI 58-101. The CGCC members are currently Glen J. Diduck, David L. Johnston and Darren B. Fach. See "Election of Directors".

Orientation and Continuing Education

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of Eagle Plains' business will be necessary and relevant to each new director. Eagle Plains provides continuing education to its directors as such need arises and encourages open discussion at all meetings which format encourages learning by the directors.

Ethical Business Conduct

Eagle Plains endeavours to select only people of the highest personal moral stature and expects them to follow a high ethical standard when exercising their authority or discretion in all of Eagle Plains' business dealings.

Other Board Committees

Eagle Plains also has an Operations Committee (the "OC"), currently consisting of Tim J. Termuende, Charles C. Downie and David Johnston. The OC is responsible for approving and authorizing mineral property interest acquisitions not exceeding $500,000 in payment obligations and dispositions of non-material properties. See “Election of Directors”.

Assessments

Eagle Plains has contemplated a plan for the annual review of the performance of every director and officer, however to date no formal plan or procedure has been adopted.

ADDITIONAL INFORMATION

Additional information relating to Eagle Plains is available on SEDAR at **www.sedar.com** and on Eagle Plains' website at **www.eagleplains.ca**. Additional financial information is provided in Eagle Plains’ comparative financial statements and management's discussion and analysis for its most recently completed financial year, and a copy of such documents may be obtained upon request from the office manager at the corporate head office located at Eagle Plains Resources Ltd., Suite #200, 44 – 12th Avenue S., Cranbrook, British Columbia, V1C 2R7 (Phone: (250) 426-0749; Fax: (250) 426-6899; E-mail: **info@eagleplains.ca**).

THE ARRANGEMENT

GENERAL

The purpose of the Arrangement is to reorganize Eagle Plains and its present operations into two separate public companies: Eagle Plains and Yellowjacket. On the Effective Date, each of Eagle Plains and Yellowjacket will have the same shareholders and each shareholder will have the same percentage interest in each of Eagle Plains and Yellowjacket as they had in Eagle Plains prior to the Effective Date, excepting that Eagle Plains will become a shareholder of Yellowjacket and will hold a fifteen percent (15%) interest in Yellowjacket. Yellowjacket will apply to have its shares listed on the Exchange.

Each Shareholder on the Effective Date will, as of the Effective Date, hold one Eagle Plains New Share and one-third of a Yellowjacket Share for each Eagle Plains Share held by such Shareholder on the Effective Date.

On September 29, 2011, the Board of Directors of Eagle Plains announced the proposed Arrangement to reorganize Eagle Plains' mineral property assets in an effort to maximize shareholder value. The Arrangement has been proposed in order to facilitate the separation of Eagle Plains’ Yellowjacket Project from the other base-precious metal exploration interests of Eagle Plains. Pursuant to the Arrangement, the Yellowjacket Project will be transferred to Yellowjacket, while Eagle Plains will retain all of the other exploration properties currently held by Eagle Plains (see “Information Concerning Eagle Plains Post-Arrangement - Other Mineral Properties to be Held Following the Arrangement”). Concurrently, Eagle Plains will transfer to Yellowjacket, (i) $600,000 cash to provide working capital and exploration funding, (ii) investment assets with a fair market value on the Effective Date of $1,286,684, (iii) property and equipment relating to the Yellowjacket Project valued at $773,100, and (iv) a reclamation bond relating to the Yellowjacket Gold Project of $150,000.

REASONS FOR THE ARRANGEMENT

The reorganization is designed to improve the identification and valuation of specific Eagle Plains’ properties, to enhance Eagle Plain's ability to divest specific properties through less complex corporate ownership, and to enable Eagle Plains to separately finance and develop its various assets, selectively reducing stock dilution.

The rationale for the formation of Yellowjacket is to generally, directly oversee the development of the Yellowjacket Project and in the immediate future, to direct and complete the 2012 exploration program on the Yellowjacket Project. The formation of Yellowjacket will allow Eagle Plains to continue to focus on its core business model of acquiring and advancing grass roots base and precious metal exploration properties.

The Board of Directors of Eagle Plains is of the view that the Arrangement will benefit Eagle Plains and the Eagle Plains Shareholders. This conclusion is based on the following primary considerations:

1. Eagle Plains' recent and present focus has been the development of the Yellowjacket Project. This focus has and will continue to hamper the exploration and development of the other mineral exploration properties currently held by Eagle Plains.

2. The formation of Yellowjacket to hold the Yellowjacket Project will provide management of Yellowjacket with the ability to focus entirely on the development of an advanced project and core mining asset, and free management of Eagle Plains to facilitate separate fund-raising, exploration and mining strategies that will be required to move its remaining exploration properties forward.

3. The formation of Yellowjacket will give current Eagle Plains Shareholders an interest in a company focused on the development of the Yellowjacket Project and a continuing interest in a more aggressive pure exploration company that will continue to search for base-precious metal deposits and that will pursue the grassroots exploration of these properties as well as the acquisition of new properties.

RECOMMENDATION OF DIRECTORS

The Board of Directors of Eagle Plains approved the Arrangement and recommended and authorized the submission of the Arrangement to the Eagle Plains Shareholders and the Court for approval.

The Board of Directors of Eagle Plains has concluded that the Arrangement is in the best interests of Eagle Plains and the Eagle Plains Shareholders, and recommends that the Eagle Plains Shareholders vote in favour of the Arrangement Resolution proposed to be passed at the Meeting as set forth in the Notice of Meeting.

In reaching this conclusion, the Board of Directors of Eagle Plains considered the benefits to Eagle Plains and the Eagle Plains Shareholders, as well as the financial position, opportunities and the outlook for the future potential and operating performance of Eagle Plains and Yellowjacket, respectively.

FAIRNESS OF THE ARRANGEMENT

The Arrangement was determined to be fair to the Eagle Plains Shareholders by management and the Board of Directors of Eagle Plains based upon the following factors, among others:

1. The procedures by which the Arrangement will be approved, including the requirement for two-thirds shareholder approval and approval by the Court after a hearing at which fairness will be considered.

2. The proposed listing of the Yellowjacket Shares and the continued listing of the Eagle Plains New Shares on the Exchange.

3. The opportunity for Shareholders who are opposed to the Arrangement, upon compliance with certain conditions, to dissent from the approval of the Arrangement in accordance with the Interim Order, and to be paid fair value for their Eagle Plains Shares.

The deemed value of $10,809,785 of the Yellowjacket Shares received by Eagle Plains for the Spin-off Property (calculated using a fair market value of $8,000,000 for the Yellowjacket Project, together with the book value of the balance of the Spin-off Property) exceeds the aggregate book value of the Spin-off Property of $5,310,492 as at June 30, 2011.

Each Eagle Plains Shareholder on the Effective Date will participate in the Arrangement on a pro rata basis and, upon completion of the Arrangement, will continue to hold the same pro rata interest that the Eagle Plains Shareholder held in Eagle Plains prior to completion of the Arrangement through the Eagle Plains Shareholder's holdings of Eagle Plains New Shares and Yellowjacket Shares.

DETAILS OF THE ARRANGEMENT

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is annexed as Schedule "D" to this Circular, and the Plan of Arrangement, which forms Exhibit II to the Arrangement Agreement. Each of these documents should be read carefully in its entirety.

Pursuant to the Plan of Arrangement, save and except for Dissenting Shares, the following principal steps will occur and be deemed to occur in the following chronological order as part of the Arrangement:

a) The authorized share capital of Eagle Plains will be altered by:

   i) renaming and redesignating all of the issued and unissued Eagle Plains Shares as Class A Common shares (the "**Eagle Plains Class A Shares**");

   ii) creating an unlimited number of common shares without par value (the "**Eagle Plains New Shares**"); and

   iii) creating an unlimited number of new Series Z Preferred shares without par value having the rights and restrictions described in Appendix I to the Plan of Arrangement (the "**Eagle Plains Butterfly Shares**").

b) Eagle Plains' Articles will be amended to reflect the alterations in (a) above.

c) Each issued and outstanding Eagle Plains Class A Share outstanding on the Effective Date shall be exchanged for one Eagle Plains New Share and one-third of an Eagle Plains Butterfly Share and such non-dissenting Eagle Plains Shareholders shall cease to be the holders of the Eagle Plains Class A Shares so exchanged. The name of each Eagle Plains Shareholder who is so deemed to exchange his, her or its Eagle Plains Class A Shares, shall be removed from the register of shareholders of Eagle Plains Class A Shares with respect to the Eagle Plains Class A Shares so exchanged and shall be added to the registers of shareholders of Eagle Plains New Shares and Eagle Plains Butterfly Shares as the holder of the number of Eagle Plains New Shares and Eagle Plains Butterfly Shares, deemed to have been received on the exchange, whereupon all of the issued Eagle Plains Class A Shares shall be cancelled with the appropriate entries being made in the register of shareholders of Eagle Plains Class A Shares. The paid-up capital (as that term is used for purposes of the Tax Act) of the Eagle Plains Class A Shares immediately prior to the Effective Date shall be allocated between the Eagle Plains New Shares and the Eagle Plains Butterfly Shares so that the paid-up capital of the Eagle Plains New Shares and the Eagle Plains Butterfly Shares is based on the proportion that the fair market value (as that term is used for purposes of the Tax Act) of the Eagle Plains New Shares or the Eagle Plains Butterfly Shares, as the case may be, is of the fair market value of all new shares issued on exchange.

d) Each holder of Eagle Plains Butterfly Shares ("**Eagle Butterfly Holder**") issued pursuant to (c) above will transfer to Yellowjacket their Eagle Plains Butterfly Shares having an aggregate fair market value equal to the amount by which the fair market value of the Spin-off Property exceeds the aggregate of the Related Liabilities assumed by Yellowjacket and the Debt for the Cost Amount of the Spin-off Property. As sole consideration, Yellowjacket will issue to each particular Eagle Butterfly Holder an equal number of Yellowjacket Shares having an aggregate fair market value at that time equal to the aggregate fair market value of the Eagle Plains Butterfly Shares that each particular Eagle Butterfly Holder so transferred to Yellowjacket.

e) Eagle Plains shall transfer the Spin-off Property to Yellowjacket in exchange for:

   i) that number of Yellowjacket Reorganization Shares that equal the amount by which the fair market value of the Spin-off Property exceeds the aggregate of the Related Liabilities assumed by Yellowjacket and the Debt for the Cost Amount of the Spin-off Property; and

   ii) Yellowjacket entering into the Yellowjacket Commitment.

f) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to (e) above, Yellowjacket will purchase for cancellation all of the Yellowjacket Reorganization Shares held by Eagle Plains and will issue to Eagle Plains, as payment therefore, a demand non-interest bearing promissory note having a principal amount and fair market value equal to the aggregate redemption amount and fair market value of the Yellowjacket Reorganization Shares so redeemed (the "**Yellowjacket Note**"). Eagle Plains will accept the Yellowjacket Note as full satisfaction for the redemption price of its Yellowjacket Reorganization Shares so redeemed.

g) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to (e) above, Eagle Plains will purchase for cancellation all of the Eagle Plains Butterfly Shares held by Yellowjacket for an amount equal to their fair market value at that time and will issue to Yellowjacket, as payment thereof, a demand non-interest bearing promissory note having a principal amount and fair market value equal to that amount (the "**Eagle Plains Note**"). Yellowjacket will accept the Eagle Plains Note as full satisfaction for the purchase price of its Eagle Plans Butterfly Shares so purchased.

h) The principal amount and fair market value of the Eagle Plains Note and Yellowjacket Note will be equal to each other.

i) Eagle Plains will satisfy the principal amount of the Eagle Plains Note by transferring to Yellowjacket the Yellowjacket Note that will be accepted by Yellowjacket as full repayment of the Eagle Plains Note. Concurrently, Yellowjacket will satisfy the principal amount of the Yellowjacket Note by transferring to Eagle Plains the Eagle Plains Note that will be accepted by Eagle Plains as full repayment of the Yellowjacket Note. The Eagle Plains Note and Yellowjacket Note will both be marked paid in full and cancelled.

j) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to (e) above, Eagle Plains will acquire, either by subscribing for and purchasing for cash consideration and/or by converting some or all of the Debt for the Cost Amount of the Spin-off Property, that number of Yellowjacket Shares which shall equal fifteen percent (15%) of the aggregate number of Yellowjacket Shares issued pursuant to this paragraph (j) and paragraph (d) above. Yellowjacket shall issue such Yellowjacket Shares at a deemed price per share equal to the Fair Market Value of each Yellowjacket Share issued pursuant to paragraph (d) above. If any such Yellowjacket Shares are subscribed for and purchased by Eagle Plains for cash (the aggregate amount of the cash purchase price being a "**Cash Subscription**"), the cash portion of the Spin-off Property shall be reduced by an amount which equals such Cash Subscription.

k) The Eagle Plains Class A Shares and the Eagle Plains Butterfly Shares, none of which will be allotted and issued once the steps referred to in (a), (c), (d) and (g) above are completed, shall be cancelled and the authorized capital of Eagle Plains shall be diminished by deleting the Eagle Plains Class A Shares and the Eagle Plains Butterfly Shares as classes or series of shares of Eagle Plains.

l) The Articles of Eagle Plains shall be amended to reflect the alterations in (k) above.

m) The Yellowjacket Reorganization Shares, none of which will be allotted and issued once the steps referred to in (e) and (f) above are completed, shall be cancelled and the authorized capital of Yellowjacket shall be diminished by deleting the Yellowjacket Reorganization Shares as a series of preferred shares of Yellowjacket.

n) The Articles of Yellowjacket shall be amended to reflect the alterations in (m) above; and

o) After the Effective Date, pursuant to the Eagle Plains Options Commitment all Eagle Plains Stock Options shall be exercisable into that number of Eagle Plains New Shares that equals the number of Eagle Plains Shares that would have been issued under the Eagle Plains Stock Options, and pursuant to the Yellowjacket Commitment, Yellowjacket shall issue that number of Yellowjacket Shares that equals one-third of the number of Eagle Plains Shares that would have been issued under the Eagle Plains Stock Options, and Eagle Plains shall, as agent for Yellowjacket, collect and pay to Yellowjacket an amount for each Yellowjacket Share so issued that is equal to the exercise price under the Eagle Plains Stock Options multiplied by the Butterfly Proportion.

In addition to the principal steps of the Arrangement occurring in the chronological order set out above, the time for the redemption of the Eagle Plains Butterfly Shares set out in step (g) above will be deemed to occur immediately upon the listing of the Eagle Plains Butterfly Shares on the Exchange. After the time of redemption, the Eagle Plains Butterfly Shares will be delisted from the Exchange. The Eagle Plains New Shares and the Yellowjacket Shares will be listed on the Exchange on the Effective Date at the conclusion of the steps set out above.

AUTHORITY OF BOARD OF DIRECTORS OF EAGLE PLAINS

By passing the Arrangement Resolution approving the Arrangement, the Eagle Plains Shareholders will also be giving authority to the Board of Directors of Eagle Plains to use its best judgement to proceed with and cause Eagle Plains to complete the Arrangement in the event of any variation of, or amendments to, the Arrangement Agreement, without any requirement to seek or obtain any further approval of the Eagle Plains Shareholders.

The Arrangement Resolution also provides that the Plan of Arrangement may be amended by the Board of Directors of Eagle Plains before or after the Meeting without further notice to Eagle Plains Shareholders. The Board of Directors has no current intention to amend the Plan of Arrangement; however, it is possible that management of Eagle Plains may determine, on the basis set forth below, that it is appropriate that amendments be made.

CONDITIONS TO THE ARRANGEMENT

The Arrangement Agreement provides that the Arrangement will be subject to the fulfillment of certain conditions, including the following:

a) the Arrangement Agreement must be approved by the Eagle Plains Shareholders in the manner referred to under "Eagle Plains Shareholder Approval" (see below);

b) the Arrangement must be approved by the Court in the manner referred to under "Court Approval of the Arrangement" (see below);

c) the Exchange will have conditionally approved the Arrangement, including the listing of the Eagle Plains Class A Shares in substitution for the Eagle Plains Shares, the delisting of the Eagle Plains Class A Shares and in substitution the listing of the Eagle Plains New Shares and the Eagle Plains Butterfly Shares, the subsequent delisting of the Eagle Plains Butterfly Shares, and the listing of the Yellowjacket Shares issuable under the Arrangement as of the Effective Date, subject to compliance with the requirements of the Exchange;

d) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders, required, necessary or desirable for the completion of the Arrangement will have been obtained or received, each in form acceptable to Eagle Plains and Yellowjacket;

e) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement;

f) notices of dissent will not have been delivered by Eagle Plains Shareholders holding greater than 3% of the outstanding Eagle Plains Shares; and

g) the Arrangement Agreement will not have been terminated as provided for therein.

If any of the conditions set out in the Arrangement Agreement are not fulfilled or performed, Eagle Plains may terminate the Arrangement Agreement, or Eagle Plains may waive certain of the conditions in whole or in part. As soon as practicable after the fulfillment of the conditions contained in the Arrangement Agreement, the Board of Directors of Eagle Plains intends to cause a certified copy of the Final Order to be filed with the Registrar under the ABCA, together with such other material as may be required by the Registrar in order that the Arrangement will become effective.

Management of Eagle Plains believes that all material consents, orders, regulations, approvals or assurances required for the completion of the Arrangement will be obtained prior to the Effective Date in the ordinary course upon application therefor.

If the Arrangement Resolution is not passed by an adequate majority of eligible votes at the Meeting, the Arrangement will not be completed, and Eagle Plains will continue to hold and manage the Spin-Off Property in the same manner as it presently does. Yellowjacket will continue as a private company.

EAGLE PLAINS SHAREHOLDER APPROVAL

In order for the Arrangement to become effective, the Arrangement Resolution must be passed, with or without variation, by at least two-thirds of the eligible votes cast in respect of the Arrangement Resolution by Eagle Plains Shareholders present in person or by proxy at the Meeting.

The Arrangement Resolution must not include votes attached to Eagle Plains Shares which, to the knowledge of Eagle Plains or its directors or executive officers, are beneficially owned or over which control or direction is exercised by the following persons:

a) an interested party who is not treated identically to all other holders of Eagle Plains Shares and who receives, directly or indirectly, as a consequence of the related party transaction, consideration of greater value than that received by all other holders of Eagle Plains Shares;

b) a related party of an interested party, unless:

    i) the related party is a director of the issuer who is independent of the interested party; or

    ii) the related party and the interested party are treated identically to all other holders of Eagle Plains Shares and do not receive, directly or indirectly, as a consequence of the related party transaction, consideration of greater value than that received by all other holders of Eagle Plains Shares and the related party of an interested party does not hold, directly or indirectly, whether alone or jointly or in concert with others, securities of more than one party to the related party transaction sufficient to affect materially the control of such parties;

c) person or company acting jointly or in concert with a person or company referred to in paragraph (a) or (b) in respect of the transaction.

Certain directors and executive officers of Eagle Plains own Eagle Plains Shares and/or Eagle Plains Options. Such persons will receive Yellowjacket Shares based on the same pro rata distribution as all other Eagle Plains Shareholders under the Arrangement, and will receive Eagle Plains New Shares and Yellowjacket Shares based on the same pro rata distribution as all other holders of Eagle Plains Stock Options upon the exercise of such Eagle Plains Stock Options after the completion of the Arrangement. Accordingly, the Arrangement is not a "related party transaction" or "business combination" as contemplated by Multilateral Instrument 61-101, and the directors and officers of Eagle Plains are not considered to be "interested parties" within the meaning of Multilateral Instrument 61-101.

If the Arrangement Resolution is not passed by an adequate majority of eligible votes at the Meeting, the Arrangement will not be completed, and Eagle Plains will continue to hold and manage the Spin-Off Property in the same manner that it presently does. Yellowjacket will continue as a private company.

COURT APPROVAL OF THE ARRANGEMENT AND EFFECTIVE DATE

The Arrangement as structured requires the approval of the Court. Prior to the mailing of this Circular, Eagle Plains obtained the Interim Order authorizing the calling and holding of the Meeting and providing for certain other procedural matters. The Interim Order is attached as Schedule "E" to this Circular.

Assuming approval of the Arrangement Resolution by the Eagle Plains Shareholders at the Meeting, the Interim Order states that the hearing for the Final Order is scheduled to take place before the Court on December 19, 2011, at 1:30 p.m. (Calgary time) at the Law Courts at Calgary Courts Centre, North Tower, 601 – 5th Street S.W., Calgary, Alberta, or at such other date and time as the Court may direct. At this hearing any security holder of Eagle Plains has the right to appear, provided that such person, or an Alberta lawyer acting for such person, prepares a notice of appearance in the proper form, serves such notice of appearance on the solicitors for Eagle Plains and files such notice of appearance, with proof of service, with the Court, and may present evidence and examine witnesses, provided that such person, or Alberta lawyer acting for such person, in addition to serving a notice of appearance, serves a copy of such evidence on the solicitors for Eagle Plains, with proof of service, with the Court as soon as possible, but in any event not later than 12:00 p.m. on December 19, 2011.

The authority of the Court is very broad under the ABCA. Eagle Plains has been advised by its counsel that the Court may make any enquiry it considers appropriate and may make any order it considers appropriate with respect to the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with any terms and conditions, if any, as the Court deems fit. The Final Order is required for the Arrangement to become effective, and prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for the

Section 3(a)(10) Exemption under the U.S. Securities Act with respect to the Yellowjacket Shares to be issued pursuant to the Arrangement. It is presently contemplated that the Effective Date will be on or about December 20, 2011. In the event that the hearing is adjourned then, subject to further order of the Court, only those persons having previously filed and delivered an appearance will be given notice of the adjournment.

YELLOWJACKET SHARE CERTIFICATES AND CERTIFICATES FOR EAGLE PLAINS NEW SHARES

Pursuant to the Plan of Arrangement, the Effective Date shall be the date for purposes of determining Eagle Plains Shareholders who will be entitled to receive certificates representing Yellowjacket Shares. After the Effective Date, the share certificates representing, on their face, Eagle Plains Shares are deemed to represent Eagle Plains New Shares and an entitlement to Yellowjacket Shares in accordance with the terms of the Arrangement. As soon as practicable after the Effective Date, share certificates representing the Yellowjacket Shares will be sent to all Eagle Plains Shareholders of record on the Effective Date.

No new share certificates will be issued for the Eagle Plains New Shares issued pursuant to the Arrangement and therefore holders of Eagle Plains Shares must retain their certificates as evidence of their ownership of Eagle Plains New Shares. Certificates representing, on their face, Eagle Plains Shares will constitute good delivery in connection with the sale of Eagle Plains New Shares completed through the facilities of the Exchange after the Effective Date.

RELATIONSHIP BETWEEN EAGLE PLAINS AND YELLOWJACKET AFTER THE ARRANGEMENT

On completion of the Arrangement, Eagle Plains and Yellowjacket will both have the same individuals filling director positions and the same individuals filling similar executive officer positions. See "Information Concerning Yellowjacket – Directors and Officers of Yellowjacket".

EFFECT OF ARRANGEMENT ON OUTSTANDING STOCK OPTIONS OF EAGLE PLAINS

As of the Effective Date, pursuant to the Eagle Plains Option Commitment all Eagle Plains Stock Options shall be exercisable into that number of Eagle Plains New Shares that equals the number of Eagle Plain's Shares that would have been issued under the Eagle Plains Stock Option prior to completion of the Arrangement. Pursuant to the Yellowjacket Commitment, Yellowjacket shall issue that number of Yellowjacket Shares that equals one-third of the number of the number of Eagle Plains Shares that would have been issued under the Eagle Plains Stock Option prior to the completion of the Arrangement. Pursuant to the Eagle Plains Option Commitment, Eagle Plains is further obligated, as the agent of Yellowjacket, to collect and pay to Yellowjacket an amount for each Yellowjacket Share so issued that is equal to the exercise price under the Eagle Plains Stock Option multiplied by the Butterfly Proportion. Any entitlement to a fraction of a Yellowjacket Share resulting from the exercise of an Eagle Plains Stock Option will be cancelled without compensation.

EXPENSES OF ARRANGEMENT

Pursuant to the Arrangement Agreement, the costs relating to the Arrangement, including without limitation, financial, advisory, accounting, and legal fees will be borne by Eagle Plains.

SECURITIES CONSIDERATIONS

RESALE OF EAGLE PLAINS SHARES AND YELLOWJACKET SHARES

The distribution of Eagle Plains New Shares and Yellowjacket Shares pursuant to the Arrangement constitute a distribution of securities which is exempt from the registration and prospectus requirements of Canadian securities legislation. Such Eagle Plains New Shares and Yellowjacket Shares may be resold in each of the provinces and territories of Canada provided that the trade is not a "control distribution", as defined in National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid in respect of that sale and, if the selling security holder is an insider or officer of Eagle Plains or Yellowjacket, respectively, the insider or officer has no reasonable grounds to believe that Eagle Plains or Yellowjacket, respectively, is in default of securities legislation.. In addition, unless otherwise exempted, existing hold periods on any Eagle Plains Shares in effect prior to the Effective Date, will be carried forward to the Eagle Plains New Shares and the Yellowjacket Shares that result from such Eagle Plains Shares under the Arrangement.

The foregoing discussion is only a general overview of the requirements of Canadian securities laws for the resale of the Eagle Plains New Shares and the Yellowjacket Shares received upon completion of the Arrangement. All holders of Eagle Plains Shares are urged to consult with their own legal counsel to ensure that any resale of their Eagle Plains New Shares and Yellowjacket Shares complies with applicable securities legislation.

RELATED PARTY TRANSACTION – MULTILATERAL INSTRUMENT 61-101

Certain directors and executive officers of Eagle Plains own Eagle Plains Shares and/or Eagle Plains Options. Such persons will receive Yellowjacket Shares based on the same pro rata distribution as all other Eagle Plains Shareholders under the Arrangement, and will receive Eagle Plains New Shares and Yellowjacket Shares based on the same pro rata distribution as all other holders of Eagle Plains Stock Options upon the exercise of such Eagle Plains Stock Options after the completion of the Arrangement. Accordingly, the Arrangement is not a "related party transaction" or "business combination" as contemplated by Multilateral Instrument 61-101, and the directors and officers of Eagle Plains are not considered to be "interested parties" within the meaning of Multilateral Instrument 61-101.

INCOME TAX CONSIDERATIONS

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of BDO Canada LLP, as chartered accountants, tax advisors to Eagle Plains (the "Tax Advisors"), the following is a summary of the principal Canadian federal income tax considerations generally applicable in respect of the redesignation of Eagle Plains Shares as Eagle Plains Class A Shares (the "Redesignation"), the exchange of Eagle Plains Class A Shares for Eagle Plains New Shares and Eagle Plains Butterfly Shares (the "Share Exchange") and the transfer of the Eagle Plains Butterfly Shares to Yellowjacket for consideration including the Yellowjacket Shares (the "Share Transfer") under the Plan of Arrangement, or the exercise of dissent rights, to Holders of Eagle Plains Shares who are individuals (other than trusts) and who, for purposes of the Tax Act, deal and will deal at arms' length with Eagle Plains and Yellowjacket, and hold and will hold their Eagle Plains shares and Yellowjacket Shares, as applicable, as capital property. Individuals meeting all such requirements are referred to as "Holder" or "Holders" herein, and this summary only addresses such Holders. In addition, this summary does not address income tax considerations applicable to directors, officers or other insiders of Eagle Plains, Yellowjacket or related companies, or persons who hold Eagle Plains Shares or will hold Yellowjacket Shares subject to escrow, trading or other restrictions that might affect the value thereof. The summary addresses the tax considerations applicable to Eagle Plains only to the extent expressly set out herein.

This summary is based on the current provisions of the Tax Act, the regulations thereunder, all proposals to amend the Tax Act or the regulations publicly announced by the federal Minister of Finance prior to the date hereof, and our Tax Advisors' understanding of the current administrative practices of the Canada Revenue Agency ("CRA"). It has been assumed that all currently proposed amendments will be enacted as proposed and that there will be no other relevant change to the Tax Act or other applicable law or policy, although no assurance can be given in these respects. For purposes of this summary, it has also been assumed that the Eagle Plains Class

A Shares will be or remain listed on the Exchange upon the Redesignation, the Eagle Plains Butterfly Shares will be listed on the Exchange as of the time of the Share Exchange and the Share Transfer, and the Eagle Plains New Shares and Yellowjacket Shares will be listed on the Exchange when issued.

This summary is not exhaustive of all Canadian federal income tax considerations applicable to Holders under the Plan of Arrangement or in respect of an exercise of dissent rights. For example, the summary does not address tax considerations applicable to Holders of warrants or options. The summary does not take into account provincial, territorial, U.S. or other foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be considered to be, legal or tax advice to any particular Holder. The tax consequences to any particular Holder will depend on a variety of factors including the Holder's own particular circumstances. Therefore, all Holders, and all persons affected by the Plan of Arrangement should consult their own tax advisors with respect to their particular circumstances. The discussion below is qualified accordingly.

Holders Resident in Canada and Participating in the Plan of Arrangement

The following summary applies generally to an individual who is a Holder (as defined above) who, for the purposes of the Tax Act, is a resident only in Canada, who is a citizen of Canada only and who participates in the Redesignation, Share Exchange and the Share Transfer under the Plan of Arrangement.

The Redesignation is not a taxable event to a Holder under the Tax Act.

The Share Exchange will not result in the recognition of a capital gain or loss to the Holder under the Tax Act. On the Share Exchange, the Holder will be deemed to dispose of the Holder's Eagle Plains Class A Shares for proceeds equal to his or her "adjusted cost base" of those shares, and will acquire the Eagle Plains New Shares and Eagle Plains Butterfly Shares at an aggregate cost equal to such amount.

The Holder must apportion such cost between the Eagle Plains New Shares and Eagle Plains Butterfly Shares in accordance with their proportionate fair market values immediately after the Share Exchange. For this purpose, it is assumed to be reasonable to expect that the fair market value of the Holder's Eagle Plains Butterfly Shares immediately after the Share Exchange will derive from the fair market value of the Spin-off Property to be transferred to Yellowjacket under the Plan of Arrangement. The fair market value of Eagle Plains New Shares is a question of fact determined by reference to all relevant factors (including the respective trading values of those shares following the Share Exchange).

On the Share Transfer, the Eagle Plains Butterfly Shares acquired by each Shareholder participating under the Plan of Arrangement will be transferred by the Holder to Yellowjacket for consideration consisting of Yellowjacket Shares, on the terms and subject to the Plan of Arrangement. Such transfer may trigger a capital gain or loss to the Holder. However, if requested by the Holder of the Eagle Plains Butterfly Shares, Yellowjacket and the Holder of the Eagle Plains Butterfly Shares will jointly elect, in prescribed form and within the time limit set under the Tax Act, to transfer the Eagle Plains Butterfly Shares to Yellowjacket at an "agreed amount". The "agreed amount" in respect of the Eagle Plains Butterfly Shares so transferred by each Holder to Yellowjacket will be an amount equal to the lesser of the fair market value of the particular Eagle Plains Butterfly Shares and their cost amount to the particular Holder at that time. If the election has been requested as described above, a capital gain or loss is not expected to occur to the Holder.

The Yellowjacket Shares received by a Holder on the Share Transfer will have an adjusted cost base to the Holder equal to the agreed amount as noted above. Further, the aggregate paid up capital of the Yellowjacket Shares will be reduced to an amount equal to the cost amount to Yellowjacket of the Eagle Plains Butterfly Shares transferred.

Dissenting Holders Resident in Canada

A Holder who dissents (a "Dissenter") will be deemed to receive a dividend equal to the amount by which the amount received (other than in respect of interest awarded by a Court, if any) from Eagle Plains exceeds the paid-up capital of the Dissenter's Eagle Plains Shares. The deemed dividend will be subject to the normal gross-up and dividend tax credit rules under the Tax Act.

In addition, a Dissenter will be considered to have disposed of his or her Eagle Plains Shares for proceeds of disposition equal to the amount received from Eagle Plains (less the deemed dividend referred to above and not including any interest awarded by a Court). The Dissenter will realize a capital gain (or capital loss) to the extent such adjusted proceeds of disposition, less any reasonable costs of disposition, exceed (or are exceeded by, respectively) the Dissenter's adjusted cost base of the Eagle Plains Shares so disposed of. Any such capital gain or loss will be subject to the normal rules under the Tax Act.

Interest awarded to a Dissenter by a Court, if any, must be included by the Dissenter in computing the Dissenter's income for purposes of the Tax Act.

Non-Resident Holders Participating in the Plan of Arrangement

The following part of the summary applies, subject to all provisions and assumptions set out above, to a Holder (as defined above) who participates in the Share Redesignation, Share Exchange and the Share Transfer and who, for the purposes of the Tax Act and any relevant tax treaty, is not and has never been resident in Canada and does not and will not at any relevant time use or hold any shares of Eagle Plains (including the Eagle Plains Shares, the redesignated Eagle Plains Class A Shares, the Eagle Plains Butterfly Shares and any other shares) in carrying on, or otherwise in connection with, a business in Canada. A Holder meeting all such requirements is referred to herein as a "Non-Resident Holder", and the following part of the summary only addresses such Non-Resident Holders.

As indicated above under "Holders Resident in Canada and Participating in the Plan of Arrangement", the Redesignation is not a taxable event to a Holder under the Tax Act.

The Share Exchange will not result in the recognition of a capital gain or loss to the Non-Resident Holder under the Tax Act. On the Share Exchange, the Non-Resident Holder will be deemed to dispose of the Non-Resident Holder's Eagle Plains Class A Shares for proceeds equal to his or her adjusted cost base of those shares, and will acquire the Eagle Plains New Shares and Eagle Plains Butterfly Shares at an aggregate cost equal to such amount.

The Non-Resident Holder must apportion such cost between the Eagle Plains New Shares and Eagle Plains Butterfly Shares in accordance with their proportionate fair market values immediately after the Share Exchange. For this purpose, it is assumed to be reasonable to expect that the fair market value of the Non-Resident Holder's Eagle Plains Butterfly Shares immediately after the Share Exchange will derive from the fair market value of the Spin-off Property to be transferred to Yellowjacket under the Plan of Arrangement. The fair market value of the Spin-off Property will be determined by the Yellowjacket Shares to be received by the Non-Resident Holder under the Plan of Arrangement. The fair market value of Yellowjacket Shares and Eagle Plains New Shares is a question of fact determined by reference to all relevant factors (including the respective trading values of those shares following the Share Exchange).

On the Share Transfer, the Eagle Plains Butterfly Shares acquired by each Non-Resident Holder participating under the Plan of Arrangement will be transferred by the Non-Resident Holder to Yellowjacket for consideration consisting of Yellowjacket Shares, on the terms and subject to the Plan of Arrangement. Such transfer may trigger a capital gain or loss to the Non-Resident Holder. However, if requested by the Non-Resident Holder of the Eagle Plains Butterfly Shares, Yellowjacket and the Non-Resident Holder of the Eagle Plains Butterfly Shares will jointly elect, in prescribed form and within the time limit set under the Tax Act, to transfer the Eagle Plains Butterfly Shares to Yellowjacket at an "agreed amount". The "agreed amount" in respect of the Eagle Plains Butterfly Shares so transferred by each Non-Resident Holder to Yellowjacket will be an amount equal to the lesser of the fair market value of the particular Eagle Plains Butterfly Shares and their cost amount to the particular Non-Resident Holder at that time. If the election has been requested as described above, a capital gain or loss is not expected to occur to the Non-Resident Holder.

The Yellowjacket Shares received pursuant to the election noted above by a Non-Resident Holder on the Share Transfer will have an adjusted cost base to the Non-Resident Holder equal to the agreed amount as noted above. Further, the aggregate paid up capital of the Yellowjacket Shares will be reduced to an amount equal to the cost amount to Yellowjacket of the Eagle Plains Butterfly Shares transferred.

If the Non-Resident Holder does not elect on the Share Transfer as noted above, and a capital gain or capital loss arises to the Non-Resident Holder, the Non-Resident Holder will be subject to tax in respect of such capital gain under the Tax Act only if the Non-Resident Holder's Eagle Plains Butterfly Shares constitute "taxable Canadian property" and the Non-Resident Holder is not entitled to relief under an applicable tax treaty (if any).

For this purpose, Eagle Plains Butterfly Shares will not be "taxable Canadian property" to a Non-Resident Holder provided that; (i) at no time during the 60 month period preceding the Share Exchange and the Share Redemption, respectively, did the Non-Resident Holder (or persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, alone or together with the Non-Resident Holder) hold 25% or more of the issued shares of any class of Eagle Plains and provided that; (ii) the Non-Resident Holder has not used or held, and has not been considered for purposes of the Tax Act to use or hold, any shares of Eagle Plains in carrying on a business in Canada.

For the purpose of the Share Exchange, and the Share Transfer, the existing Eagle Plains Class A Shares, and the Eagle Plains Butterfly Shares owned by a Non-Resident Holder at the time of the Share Exchange and the Share Transfer will be considered "Excluded Property" for purposes of the Tax Act. Therefore, there is no Canadian tax liability to be withheld by Eagle Plains at the time of the Share Exchange and Share Transfer, nor is there an obligation for the Non-Resident Holder to obtain a certificate from the CRA in respect of the proposed Share Exchange or Share Transfer.

Dissenting Holders Not Resident in Canada

This part of the summary addresses a Holder who would qualify as a Non-Resident Holder (as defined above) but for the fact that the Holder exercises his or her dissent rights. Such Holder is referred to in this part of the summary as a "Dissenting Non-Resident", and this part of the summary only addresses such Dissenting Non-Residents.

A Dissenting Non-Resident will be deemed to receive a dividend from Eagle Plains in the same circumstances as described above for Canadian Dissenters (under Dissenting Holders Resident in Canada). The deemed dividend, and any interest awarded by a Court, will be subject to a 25% withholding tax under the Tax Act. Eagle Plains will implement the 25% withholding tax on payments made by it except to the extent Eagle Plains is satisfied that the Dissenting Non-Resident qualifies for a lower rate of withholding tax by virtue of an applicable tax treaty (if any).

A Dissenting Non-Resident will also realize a capital gain or loss in the same circumstances as described above for Canadian Dissenters (under Dissenting Holders Resident in Canada). The Dissenting Non-Resident will be subject to tax in respect of such capital gain only if the Dissenting Non-Resident's Eagle Plains Shares constitute "taxable Canadian property" and the Dissenting Non-Resident is not entitled to relief under an applicable tax treaty (if any).

For this purpose, Eagle Plains Shares will not be "taxable Canadian property" to a Dissenting Non-Resident provided that; (i) at no time during the 60 month period preceding the Share Exchange and the Share Transfer, respectively, did the Dissenting Non-Resident (or persons with whom the Dissenting Non-Resident did not deal at arm's length for purposes of the Tax Act, alone or together with the Dissenting Non-Resident) hold 25% or more of the issued shares of any class of Eagle Plains and provided that; (ii) the Dissenting Non-Resident has not used or held, and has not been considered for purposes of the Tax Act to use or hold, any shares of Eagle Plains in carrying on a business in Canada.

Certain Tax Considerations for Eagle Plains and Yellowjacket

Eagle Plains has not applied for, and therefore, not received an Advanced Income Tax Ruling pursuant to the Plan of Arrangement described herein.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

Eagle Plains has not undertaken any analysis of the United States tax consequences applicable to United States Shareholders of Eagle Plains resulting from the Arrangement. Accordingly, no discussion of the United States tax consequences is presented in this Circular.

Shareholders who are resident or otherwise subject to tax in jurisdictions other than Canada should consult their tax advisors with respect to the tax implications of the Plan of Arrangement, including any associated filing requirements, in such jurisdictions.

RIGHTS OF DISSENT

DISSENTERS' RIGHTS

The ABCA does not contain a provision requiring Eagle Plains to purchase Eagle Plains Shares from Eagle Plains Shareholders who dissent from the Arrangement. However, pursuant to the terms of the Interim Order and the Plan of Arrangement, Eagle Plains has granted the Eagle Plains Shareholders who object to the Arrangement Resolution the right to dissent (the "Dissent Right") in respect of the Arrangement. The Dissent Right is granted in Article 5 of the Plan of Arrangement and is summarized in Schedule "F" hereto. **Schedule "F" is only a summary and Eagle Plains Shareholders are referred to the full text of Section 191 of the ABCA which is attached to the summary of dissent procedures in Schedule "F".**

In the event that an Eagle Plains Shareholder fails to perfect or effectively withdraws that shareholder's claim under the Dissent Right or forfeits that shareholder's right to make a claim under the Dissent Right or his or her rights as an Eagle Plains Shareholder are otherwise reinstated, each Eagle Plains Share held by that Eagle Plains Shareholder will thereupon be deemed to have been exchanged in accordance with the terms of the Arrangement as of the Effective Date.

Eagle Plains Shareholders who wish to exercise Dissent Rights should review the dissent procedures described in Schedule "F" and seek legal advice, as failure to adhere strictly to the Dissent Right requirements may result in the loss or unavailability of any right to dissent.

The obligation of Eagle Plains to complete the Arrangement is subject to the condition that holders of not more than 3% of the issued and outstanding Eagle Plains Shares in the aggregate will have exercised Dissent Rights (and not withdrawn such exercise in respect of the Arrangement).

RISK FACTORS

The Yellowjacket risk factors set out below assume the completion of the Arrangement. If the Arrangement is not consummated, the risk factors of Yellowjacket will remain the risk factors of Eagle Plains

Shareholders should carefully consider, in addition to the other information contained in this Circular, the following risk factors. These risk factors are not a definitive list of all risk factors associated with Eagle Plains and Yellowjacket.

POSSIBLE NON-COMPLETION OF THE ARRANGEMENT

There is no assurance that the Arrangement will receive regulatory, Court or Shareholder approval or will be completed. If the Arrangement is not completed, Shareholders will lose the prospective benefits of the Arrangement and continue to be subject to the risk factors of both Eagle Plains and Yellowjacket as disclosed in this Circular.

CANADA REVENUE AGENCY

There is no assurance that the Canada Revenue Agency will agree with Eagle Plains and Yellowjacket on the amounts and classification of assets for the butterfly portion of the Arrangement, in which case Eagle Plains and/or Yellowjacket could be taxable on completion of the Arrangement.

EAGLE PLAINS RISK FACTORS

Risks Relating to the Company

Dilution

Eagle Plains plans to focus on exploring for minerals and will use its working capital to carry out such exploration. However, Eagle Plains will require additional funds to further such activities. To obtain such funds, Eagle Plains may sell additional securities including, but not limited to, its common stock or some form of convertible security, the effect of which would result in a substantial dilution of the equity interests of Eagle Plains' shareholders.

There is no assurance that additional funding will be available to Eagle Plains for additional exploration or for the substantial capital that is typically required in order to bring a mineral project to the production decision or to place a property into commercial production. There can be no assurance that Eagle Plains will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Conflicts of Interest

Certain directors and officers of Eagle Plains are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Eagle Plains. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Eagle Plains. The directors of Eagle Plains are required by law, however, to act honestly and in good faith with a view to the best interests of Eagle Plains and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with Eagle Plains and to abstain from voting as a director for the approval of any such transaction.

No History of Earnings

Eagle Plains has no history of earnings with the Other Mineral Properties, and there is no assurance that any of Eagle Plains' Other Mineral Properties will generate earnings, operate profitably or provide a return on investment in the future. Eagle Plains has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Title Matters

While Eagle Plains has performed its own due diligence with respect to title of its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title may be affected by undetected defects.

Management

Eagle Plains is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on Eagle Plains.

Risks Relating to the Industry

Economics of Developing Mineral Properties

Eagle Plains will have, upon completion of the Arrangement, no producing property. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that commercial quantities of minerals will be discovered on the properties held by Eagle Plains nor is there any guarantee that Eagle Plains' exploration programs on its properties will yield positive results leading to additional third-party property option agreements, or that Eagle Plains will generate any revenue from such property option agreements. Eagle Plains has a limited source of revenue through its wholly owned subsidiary TerraLogic Exploration Inc., and will fund its exploration activities from its working capital or through future equity financings.

With respect to Eagle Plains' properties, should any ore reserves exist, substantial expenditures will be required to confirm ore reserves which are sufficient to commercially mine its current properties, and to obtain the required environmental approvals and permitting required to commence commercial operations. Should any resource be defined on such properties there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable saleable products. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

The ability of Eagle Plains to sell, and profit from the sale of any eventual mineral production from any of Eagle Plains' properties will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of Eagle Plains and therefore represent a market risk which could impact the long term viability of Eagle Plains and its operations.

Uninsurable Risks

In the course of exploration and development of mineral properties, several risks such as rock bursts, cave-ins, fires, flooding, earthquakes and unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and Eagle Plains may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of Eagle Plains.

Eagle Plains is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Eagle Plains periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if Eagle Plains becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds Eagle Plains has to pay such liabilities and result in bankruptcy. Should Eagle Plains be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Environmental Risks and Other Regulatory Requirements

The current or future operations of Yellowjacket, including development activities and commencement of production on its properties, require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which Yellowjacket may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which Yellowjacket might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Yellowjacket and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Competition

Significant and increasing competition exists for mining opportunities internationally. There are a number of large established mining companies with substantial capabilities and far greater financial and technical resources than Eagle Plains. Eagle Plains may be unable to acquire additional attractive mining properties on terms it considers acceptable and there can be no assurance that Eagle Plains' exploration and acquisition programs will yield any reserves or result in any commercial mining operation.

Potential Profitability Depends upon Factors beyond the Control of Eagle Plains

The potential profitability of mineral properties is dependent upon many factors beyond Eagle Plains' control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such ore deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways Eagle Plains cannot predict and are beyond Eagle Plains' control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of Eagle Plains.

Aboriginal Title Claims

Recent Canadian jurisprudence puts in doubt the ability of mining companies to acquire, within a reasonable timeframe, effective mineral titles in some parts of Canada in which aboriginal title is claimed. The risk of unforeseen aboriginal title claims also exists in foreign jurisdictions and also could affect existing operations as well as development projects and future acquisitions. The need for governments to consult with aboriginal peoples with respect to grants of mineral rights in the issuance or amendment of project authorizations may affect Eagle Plains' ability to expand or transfer existing operations or to develop new projects.

YELLOWJACKET RISK FACTORS

All Eagle Plains risk factors are applicable to Yellowjacket. In addition, there are the following risks relevant to Yellowjacket.

Yellowjacket's Shares May Experience Price Volatility

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Yellowjacket include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. Yellowjacket's share price financial condition and results of operations are all also likely to be significantly affected by short-term changes in metal prices. There can be no assurance that continual fluctuations in metal prices will not occur. As a result of any of these factors, the market price of the Yellowjacket Shares at any given point in time may not accurately reflect Yellowjacket's long-term value.

LEGAL PROCEEDINGS

There are no pending legal proceedings to which Eagle Plains is or is likely to be a party or of which any of its properties including the Spin-off Property are or, to the best of knowledge of management of Eagle Plains, is likely to be subject.

EXPERTS AND PROFESSIONAL PERSONS

BDO Canada LLP, Chartered Accountants, have prepared a summary of the principal Canadian Federal Income Tax considerations generally applicable to the holders of Eagle Plains Shares disclosed under the heading "Income Tax Considerations - Canadian Federal Income Tax Considerations".

The summary of the Yellowjacket property disclosed under the heading "Information Concerning Yellowjacket Post – Arrangement – Yellowjacket Gold Project" was taken by consent from a report entitled "Technical Report Yellowjacket Gold Property" dated October 7, 2011 and prepared for Eagle Plains and Yellowjacket by B.J. Price Geological Consultants Inc. ("Yellowjacket Report"). The Yellowjacket Report was authored by Barry J. Price, M.Sc., P.Geo, Qualified Person and was co-authored by Charles C. Downie, P.Geo. Mr. Price is considered independent of Eagle Plains, and Mr. Downie is not independent of Eagle Plains. Mr. Price does not have an interest in this transaction. A copy of the Yellowjacket Report may be viewed upon written request to Eagle Plains, or on SEDAR at www.sedar.com.

The audited consolidated financial statements of Eagle Plains for the years ended December 31, 2010 and 2009 included as Schedule "I" of this Information Circular, have been included in reliance upon the report of MacKay LLP, Chartered Accountants, also included herein, and upon the authority of such firm as experts in accounting and auditing. MacKay LLP has advised Eagle Plains that it is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Except for less than 1% of Eagle Plains Shares held by partners or associates of McLeod & Company LLP, counsel to Eagle Plains and Yellowjacket, and Eagle Plains Shares held by Charles C. Downie, no person or company named in this Circular as having prepared or certified a part of the Circular or a report described in this Circular and no responsible solicitor or any partner of a responsible solicitor's firm, holds any beneficial interest, direct or indirect, in any securities or property of Eagle Plains or of an associate of Eagle Plains.

PARTICULARS OF MATTERS TO BE ACTED UPON

FINANCIAL STATEMENTS

The Board of Directors of Eagle Plains has approved all of the information in the audited financial statements of Eagle Plains for the year ended December 31, 2010 and the report of the Auditor thereon, all of which is included with this Circular, or may be reviewed on SEDAR at www.sedar.com or Eagle Plains' website www.eagleplains.com.

ELECTION OF DIRECTORS

At the meeting it is proposed that six (6) directors be elected to serve until the next annual general meeting or until their successors are elected or appointed in accordance with the ABCA and the by-laws of Eagle Plains. There are presently six (6) directors of Eagle Plains.

The following table indicates the names of the six (6) nominees for directors, the date each such person first became a director (if applicable), the principal occupation of each such person and the number of Eagle Plains Shares beneficially owned or controlled or directed (directly or indirectly) by each such person as of October 11, 2011. The information contained in this table as to the number of shares of Eagle Plains beneficially owned or controlled or directed, directly or indirectly, is based upon information furnished to Eagle Plains by the respective nominees. The Board of Directors is required to appoint an Audit Committee, and will appoint an Operations Committee and Corporate Governance and Compensation Committee, the proposed members of which are indicated in the table.

Name, Municipality of Residence and Date First Became a Director	Principal Occupation during past five years	Eagle Plains Shares beneficially owned or controlled
Timothy J. Termuende(2)(3) Cranbrook, British Columbia May, 1999	President and Chief Executive Officer of Eagle Plains since May 1999. President, Chief Executive Officer and director of Copper Canyon Resources Ltd. from June, 2006 to May, 2011. President, Chief Executive Officer and director of Omineca Mining and Metals Ltd. since May, 2011. Interim Chief Executive Officer of Northern Freegold Resources Ltd. since May, 2011.	2,460,780
Charles C. Downie(2) Cranbrook, British Columbia January, 2000	Exploration Manager of Eagle Plains since January 2000. Exploration Manager of Copper Canyon Resources Ltd. from June, 2006 to May, 2011. Vice President, Exploration of Omineca Mining and Metals Ltd. since May, 2011.	387,000
Glen J. Diduck (1)(3) Cochrane, Alberta May, 1999	Treasurer and Chief Financial Officer of Eagle Plains since May 1999. Formerly self employed Chartered Accountant in public practice. Treasurer and Chief Financial Officer of Copper Canyon Resources Ltd. from June, 2006 to May, 2011. Treasurer and Chief Financial Officer of Omineca Mining and Metals Ltd. since May, 2011. Treasurer and Chief Financial Officer of Northern Freegold Resources Ltd. since January 2006.	900,000
Ronald K. Netolitzky(1) Victoria, British Columbia May, 2004	Consulting Geologist, President of Keewatin Consultants (a private geological consulting firm). Director and officer of various public companies engaged in mineral exploration and development.	1,190,000
David L. Johnston(1) Cranbrook, British Columbia June, 2006	Professional Engineer; formerly employed by Cominco Ltd. and subsidiaries in senior management including president and general manager Highland Valley Copper Corporation, vice president mine operations Cominco Metals, vice president and general manager Cominco Northern Group, retired 1999.	267,500
Darren B. Fach(2)(3) Calgary, Alberta June, 2006	Partner with McLeod & Company LLP, Barristers and Solicitors since January 2000, and lawyer in private practice since 1990.	215,400

Notes:

(1) Proposed members of Audit Committee
(2) Proposed members of Operations Committee.
(3) Proposed members of Corporate Governance and Compensation Committee.

APPOINTMENT OF AUDITORS

The shareholders of Eagle Plains will be asked to vote for the re-appointment of MacKay LLP, as auditors of Eagle Plains. Unless directed otherwise by a proxy holder, or such authority is withheld, the management appointees named in the accompanying proxy intend to vote the Eagle Plains Shares represented by any such proxy in favour of a resolution appointing MacKay LLP, as auditor of Eagle Plains for the next ensuing year, to hold office until the close of the next annual general meeting of shareholders or until the firm of MacKay LLP, is removed from office or resigns as provided by law or by Eagle Plains' by-laws, and to authorize the directors to fix the remuneration of MacKay LLP, as auditor. MacKay LLP have been the auditors of Eagle Plains since November 17, 2008.

STOCK OPTION PLAN

As required by TSX Venture Exchange rules, management is requesting that shareholders provide their approval of Eagle Plains' stock option plan (the "Plan"). Subject to the approval of the Arrangement Resolution, management will also be requesting that shareholders provide their approval of the Eagle Plains Stock Option Plan as the adopted stock option plan for Yellowjacket. See "Information Concerning Yellowjacket Post-Arrangement – Options and Warrants". A copy of the Plan is attached to this Circular as Schedule "A", and is being made available for viewing under Eagle Plains' profile on the SEDAR website: www.sedar.com and at Eagle Plains' website www.eagleplains.com. The current state of the Plan is summarized as follows.

Options granted pursuant to the Plan will not exceed a term of ten years and are granted at an option price and on other terms which the directors determine is necessary to achieve the goal of the Plan and in accordance with regulatory policies. The option price may be at a discount to market price, which discount will not, in any event, exceed that permitted by any stock exchange on which Eagle Plains' shares are listed for trading.

The number of Eagle Plains Shares allocated to the Plan will be determined by the board of directors from time to time. The aggregate number of shares reserved for issuance under the Plan may not exceed 10 percent of the issued and outstanding Eagle Plains Shares. In addition, the aggregate number of shares so reserved for issuance in any 12 month period to any one person shall not exceed 5 percent unless Eagle Plains has received disinterested shareholder approval, or to any one consultant or any one employee conducting investor relations activities shall not exceed 2 percent, of the issued and outstanding shares.

The Eagle Plains Shares, when fully paid for by a participant, are not included in the calculation of Eagle Plains Shares allocated to or within the Plan. Should a participant cease to be eligible due to the loss of corporate office (being that of an officer or director) or employment, the option shall cease for varying reasonable periods as determined by management at the time of grant. Loss of eligibility for consultants is regulated by specific rules imposed by the directors when the option is granted to the appropriate consultant. The Plan also provides that estates of deceased participants can exercise their options for a period not exceeding one year following death.

The board of directors may from time to time make rules, regulations and amendments to the Plan. Should any rule, regulation or amendment materially differ from the provisions set out in this Circular, Eagle Plains shall obtain the necessary regulatory or shareholder approvals.

The shareholders will be asked to consider and approve the following resolution:

> IT IS RESOLVED THAT, subject to any necessary regulatory approval, the Stock Option Plan in the form as described in the Information Circular of Eagle Plains Resources Ltd. in connection with the 2011 annual and special shareholder meeting be adopted and the same is approved.

APPROVAL OF THE ARRANGEMENT

The shareholders will be asked to consider and approve the Arrangement by passing the Arrangement Resolution in substantially the form set out in Schedule "B" to this Circular. If the Arrangement Resolution is not passed by an adequate majority of eligible votes at the Meeting, the Arrangement will not be completed, and Eagle Plains will continue to hold and manage the Spin-Off Property in the same manner that it presently does and Yellowjacket will continue as a private corporation. See "The Arrangement".

APPROVAL OF ORGANIZATION OF YELLOWJACKET

Subject to the approval of the Arrangement Resolution, the shareholders will be asked to consider and approve the Yellowjacket Stock Option Plan and the Yellowjacket Shareholder Rights Plan Agreement by passing the organization resolution in substantially the form set out in Schedule "C" to this Circular. See "Information Concerning Yellowjacket Post-Arrangement – Options and Warrants" and "Information Concerning Yellowjacket Post-Arrangement – Shareholder Rights Plan Agreement".

OTHER BUSINESS

Management of Eagle Plains knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the same in accordance with their best judgment in such matters.

INFORMATION CONCERNING EAGLE PLAINS POST-ARRANGEMENT

Eagle Plains is an Exchange listed mining and exploration company formed by amalgamation of Eagle Plains Resources Ltd. and Miner River Resources Ltd pursuant to the provisions of the ABCA on May 12, 1999. The head office of Eagle Plains is located at Suite #200, 44 – 12th Avenue S., Cranbrook, British Columbia, V1C 2R7. The registered and records office of Eagle Plains is located at #300, 145405 Bannister Road S.E., Calgary, Alberta, T2X 3J3.

Eagle Plains has one wholly owned subsidiary, TerraLogic Exploration Inc., a private Alberta corporation that is responsible for carrying out exploration activities on all of Eagle Plains' mineral properties, and which company provides exploration services to third parties.

SELECTED UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following selected unaudited pro forma consolidated financial information for Eagle Plains is based on the assumptions described in the respective notes to the Eagle Plains unaudited pro forma consolidated financial statements as at June 30, 2011 attached to this Circular as Schedule "G". These unaudited pro forma consolidated financial statements have been prepared based on the assumption, among other things, that the Arrangement had occurred on June 30, 2011.

		June 30, 2011 (unaudited)
Cash and Receivables:	$	5,268,485
Investments:	$	4,646,649
Property and Equipment:	$	1,539,646
Mineral Exploration Properties:	$	3,060,159
Total Assets:	$	**14,514,939**
Liabilities:	$	1,408,860
Shareholders' Equity:	$	13,106,079
Total Liabilities and Shareholders' Equity:	$	**14,514,939**

OTHER MINERAL PROPERTIES TO BE HELD FOLLOWING THE ARRANGEMENT

Eagle Plains has been, and after completion of the Arrangement will continue to be, a mining and exploration company. After the Effective Date, Eagle Plains will own all of the other mineral properties it currently holds, as summarized in the following chart:

EAGLE PLAINS MINERAL PROPERTIES	
BRITISH COLUMBIA	DESCRIPTION
Acacia	Volcanogenic massive sulphide property near past producer, Under Option;
Black Diamond	Strong structure with Au-Ag-Zn-Pb values, good targets;
Bohan	Sedex, manteau, Zn-Pb-Ag targets, Creston area; Under Option;
Bootleg	Previous Cominco property 5 km from Sullivan; SedEx target;
Car	Sullivan target located along Iron Range Fault;
Coyote Creek	Gypsum deposit SE BC. plus zinc geochem anomaly; Under Option;
Elsiar	Cu-Mo-Au porphyry target near Kalum, Under Option;
Findlay	Sullivan target, $4 mil in past expenditures; Under Option;
Goatfell	Sullivan target; Under Option;
Hall Lake	Intrusion related gold deposit potential; Under Option;
Hot Punch	Invermere area polymetallic target;
Ice River	REE, polymetallic and industrial min targets; Under Option;
Iron Range	Olympic Dam /Sedex target with Au, currently being drilled; Under Option;
K9	SE BC; polymetallic targets, strong geochem anomaly, located along Iron Range Fault system; Under Option;
Kalum	Large intrusion hosted gold property, $2.5 mil in past expenditures; drill program 2004, 2005, 2010, more work planned;
Kokanee Creek	Poly metallic Au target in roof pendant, Nelson area;
Rohan	Grassroots Au target in NW BC; Under Option;
Sphinx	43-101 compliant Mo resource; EPL has 50% back in;
Titan	Molybdenum porphyry property, Drilled 2004, Under Option;
Vulcan/Jurak	Sullivan area project; drill ready;
Wildhorse	Small property near placer Au workings, drilling in 2009 – 10; Under Option;
21 Properties	

YUKON	DESCRIPTION
Bronco (Yukon)	Prospective for Carlin type Au deposits, SedEx, MVT, and manteau type base metal and Sedimentary copper; large proprietary geochem database;
Dragon Lake	Drilled 1999, skarn and intrusive hosted deposit with gold values. Ross River, Canol Road area; Under Option;
FinEx	Former Cominco Ltd. SedEx project;
Hit	Carbonate hosted Carlin type Au target; Sold to Aben Resources;
Pelly Mountain Project	VMS polymetallic targets, Pelly Mountains; large property, multiple targets;
Prosperity	Shale hosted U – REE – Ni;
Rusty Springs	Mississippi Valley type carbonate hosted Pb-Zn-Ag deposit. Large property, drilling indicates several deposits, Carlin type setting; Under Option;
Justin (Sprogge)	Advanced intrusion related / skarn Au target; Sold to Aben Resources;
Znk	polymetallic targets; intrusion related, carbonate / volcanic hosted;
8 Properties	

NORTHWEST TERRITORIES	DESCRIPTION
AB	MVT Ag-Zn-Pb target; large property;drill ready;
Bronco	Carbonate hosted Ag-Zn-Pb target; large property;
Gayna River	Large carbonate hosted Zn-Pb-Ag-Ga deposit, considerable drilling, large resource. Very Remote.
Selwyn Project	Eleven large prospecting permits acquired, plus additional claims; prospective for Carlin type Au deposits, SedEx, MVT, and manteau type base metal and Sedimentary copper; large proprietary geochem database; Sold to Aben Resources;
4 Properties	

SASKATCHEWAN	DESCRIPTION
Eagle Lake	Alaskite type U – REE; drill ready; Under Option;
Jenny Lake	Basement hosted U – REE;
Karin Lake	Basement hosted U – REE;
Baska-Eldorado	U – REE project; EPL has 50% buy back;
Wollaston Uranium	7 recently acquired grassroots U – REE – Au projects in shield rocks of the Wollaston Basin;
11 Properties	

MAJOR EXPLORATION PROPERTIES

Following completion of the Arrangement, Eagle Plains will continue to conduct research, acquire and explore metal projects throughout western Canada. In addition to holding mining royalties on various projects, Eagle Plains controls over 35 gold, base-metal and uranium projects, several with third parties including Aben Resources Ltd. (TSX-V:ABN), Providence Capital Corp. (TSX-V:PV), Waterloo Resources Ltd. (TSX-V:WAT.P), Mining and Metals Ltd. ("MMG"), Blackrock Resources Ltd. (a private B.C. company); Heemskirk Canada Ltd., Blue Gold Mining Ltd., (TSX-V), Rosedale Resources Ltd. (a private B.C. company), Slater Mining Corp (TSX-V:SLM), Olympic Resources Ltd. (TSX-V: OLA.P), Touchdown Capital Inc. (TSX-V: TDW), Bluefire Mining Corp. (a private BC company), Active Growth Capital (TSX-V:ACK), Giyani Gold Corp. (TSX-V:WDG), Turnberry Resources Ltd. (a private B.C. company) and Bethpage Resources Ltd. (a private B.C. company). In recent years, Eagle Plains has completed Option Agreements with Teck Limited (TSX:TCK.B), Alexco Resource Corp. (TSX-V:AXR), Billiton Metals, Rio Algom Exploration, NovaGold Resources, Kennecott Exploration and numerous other junior exploration companies, resulting in over 53,600m (163,370') of drilling and over $28.3 million in exploration spending on its projects since 1998.

Expenditures during 2010 on Eagle Plains' projects were approximately $3,240,000, funded by Eagle Plains and third party partners. This work resulted in approximately 3,580m of drilling and extensive ground-based exploration work and facilitated the advancement of numerous projects at various stages of development.

Expenditures during 2011 are expected to be approximately $8,000,000 to be funded by Eagle Plains and third party partners. This exploration work will result in approximately 9400m diamond drilling and extensive ground-based exploration work facilitating the advancement of more than 15 projects at various stages of development.

The more significant properties and options are described in more detail below. This information relating to the properties has been prepared by management.

Iron Range

The Iron Range property consists of 56,200 hectares located near Creston, B.C. The claims are well-situated with respect to infrastructure with a high-pressure gas pipeline, high-voltage hydroelectric line, railway and major highway all located within property boundaries. The Iron Range project is owned 100% by Eagle Plains and holds no underlying royalties or encumbrances. Providence Resources Corp. holds an option to earn a 60% interest in the Property by spending $3,000,000 on exploration, making $500,000 in cash payments and issuing 1,000,000 shares to Eagle Plains over 4 years.

The Iron Mountain structure has been mapped with widths of up to 150m and a strike length of over 50km. Claims held by Eagle Plains cover over 30km of the structure, with significant iron-oxide mineralization occurring over 15km. Copper and gold mineralization have been discovered along the structure, highlighting the potential for iron-oxide copper-gold ("IOCG") mineralized systems associated with the structure. The claims also overlie rocks of the Aldridge Formation, including the same stratigraphic time horizon which hosts the world-class Sullivan Deposit located 70km to the northeast. Over its 100 year lifetime, Sullivan produced approximately 150,000,000 tonnes of ore including 300,000,000 ounces of silver, 8,000,000 tonnes of zinc and 8,000,000 tonnes of lead, collectively worth over $25 billion at current metal prices. The parties caution that past results or discoveries on proximate land are not necessarily indicative of the results that may be achieved on the Iron Range property.

The Iron Range deposits were originally staked in 1897 and were covered by Crown Grants held by Cominco Ltd. and the Canadian Pacific Railway. Past work on the Iron Range deposits by Cominco focused on the considerable iron oxide resource with trenching and very shallow (20m depth) diamond drilling along the Iron Range Mountain ridge. Eagle Plains staked the current claims immediately after the Crown Grants reverted in 2000 and have been exploring the property since then. Exploration work to date includes geological mapping, geochemical surveys, diamond drilling and a 690 line-km airborne geophysical survey.

Eagle Plains completed diamond drilling programs in 2005 and 2008, testing for base-metal mineralization. A number of holes from these programs intersected gold mineralization, including drill hole IR08006, which returned 7.0m grading 51.52 g/t (1.50 oz/ton) gold from 20.0m to 27.0m (see EPL news release dated April 20, 2009). Swift Resources optioned the property in late 2009 and completed a total of 580 m of drilling in 7 holes. One hole was drilled in close proximity to IR 08006 and returned 1.0m grading 7.53 g/t gold (see EPL News Release dated March 5, 2010). Swift subsequently relinquished their option on the property.

In 2010, option partner Providence Capital completed a 10 hole diamond drill program at the Iron Range designed to test the Lower Middle Aldridge stratigraphy on the south side of the property. The second hole intersected a significant interval located at or near the Sullivan time horizon containing pervasive tourmaline and albite-altered sediments interlayered with discrete conformable bands of pyrite, pyrrhotite (iron) and chalcopyrite (copper) sulphides. Though relatively narrow (up to 8mm in width), these bands and the associated alteration assemblage are interpreted by Eagle Plains geologists to be indicative of a vent system nearby which may contain more significant mineralized material.

A series of 6 holes were completed at a second site approximately 3 kilometers east of Hole 2. One of the holes, IR10-101 intersected a significant mineralized interval. Highlights from Hole IR10-010 included 14.0m grading 5.1g/t gold and 75.3g/t silver from 192.0 to 206.0m and 8.5m grading 6.0g/t gold and 47.8g/t silver from 272.0 to 280.5m. Accompanying base metal values include 13.24% combined lead-zinc over 1.6m from 196.9-198.5m, and 9.24% combined lead-zinc over 2.0m from 277.5-279.5m, the latter of which is interpreted to lie at Sullivan Time.

Drilling at the Iron Range project resumed in February, 2011, with a second drill mobilized to the project. Results from the second phase of drilling were encouraging, and indicate a broad zone of low grade gold mineralization the" Talon Zone". Ongoing work in 2011 includes geological mapping, soil sampling and airborne geophysics. The results from these and historic surveys and work by Eagle Plains will be analyzed and compiled to locate priority targets for follow up diamond drilling.

Total expenditures by Eagle Plains and option partners to date total $2.5 million, with an additional $750,000 in expenditures anticipated in 2011.

Bohan

The Bohan property consists of 196 claim units located in the Arrow Creek/Mount Bohan area 20km NE of Creston, in southeastern British Columbia. The claims are owned 100% by Eagle Plains Resources Ltd., and carry no underlying royalties or encumbrances. The Bohan property has extremely high potential to host sed-ex or manto type stratabound base metal mineralization. The property is favorably located with respect to hydro power and rail transportation infrastructure, which could be used to ship concentrate to the nearby Teck/Cominco Smelter in Trail, B.C.

This property has a Letter of Intent for purchase by Active Growth Capital Inc. As consideration for the acquisition, the Active Growth has agreed to issue 2,000,000 common shares to Eagle Plains, to be held in escrow. Of the total share consideration, it is expected that 10% (or 200,000 shares) will be released from escrow upon issuance of the Final Exchange Bulletin in respect of the Qualifying Transaction and the remainder will be released from escrow in increments of 300,000 shares every 6 months thereafter. On behalf of the Company, TerraLogic Exploration Inc., a subsidiary of Eagle Plains, conducted an exploration work program on the Property at a cost of approximately $200,000. Eagle Plains retains a 50% back in option.

Coyote Creek

The Coyote Creek property consists of 1300 hectares acquired by Eagle Plains in 2001 by staking and holds no underlying royalties or encumbrances. The property is road-accessible with hydro-electric power and rail transportation located 24 km by existing road from property boundaries.

The Coyote Creek property area is distinguished by its abundant gypsum resources, and by high zinc values over the entire property area, reflected in soils, stream geochemical, and lithogeochemical samples. Interest in the area dates back to 1991, when results of a BCGS regional geochemical sampling (RGS) program were released, indicating zinc values in the 99th percentile for the ridge forming the divide between the Lussier River and Coyote Creek. All drainages for this area showed highly anomalous zinc values, ranging from 380 ppm to a high of 5500 ppm Zn.

Since 2005, the exploration work at Coyote Creek has focused on exploring the numerous gypsum occurrences hosted within the Burnais Formation. Work by option partners Canadian Gypsum Company and more recently Heemskirk Canada has defined a large tonnage near surface gypsum resource.

The Coyote Creek property is currently part of a purchase agreement between Eagle Plains and Heemskirk Canada Ltd. In May, 2010 Eagle Plains received a second cash payment and notification by Heemskirk Canada Ltd. that it has completed its Phase One review of the Coyote Creek gypsum project and intends to maintain its option to purchase a 100% interest in the property. If the option is exercised, Eagle Plains will receive a final cash payment and retain a production royalty for any material mined from the property. A permit is currently in place allowing for extraction of a 5,000 tonne bulk sample.

Dragon Lake

The Dragon Lake property consists of 24 quartz claims (1200 acres) 85 km northeast of Ross River, Yukon. The property is situated along the southwest shore of Dragon lake, 10 km west of the North Canol Road. The project targets skarn/replacement gold mineralization associated with Tombstone-Suite intrusives and surrounding sediments. Soil geochemical sampling and limited trenching has been completed by Eagle Plains since 1996 and has indicated that significant gold mineralization is present within property boundaries. Geology and mineralization seen at the Drag property is very similar to that contained on the McQuesten (Wayne) property that was sold to Alexco Resources during 2007 (see October, 2007 news release). During 1999, Eagle Plains carried out a $100,000 diamond-drilling program on the property and intersected significant skarn mineralization, with erratic gold values grading up to 3.66 g/t Au over 1.2m encountered. Subsequent work by Eagle Plains including MMI soil sampling, trenching and airborne geophysics have confirmed the potential of the property to host intyrusion related gold mineralization.

On June 27, 2011 Eagle Plains and Olympic Resources Ltd. (TSX-V.OLA) announced the execution of a formal Option Agreement whereby Olympic will have the exclusive right to earn a 60% interest in the Dragon Lake project. To exercise the option, Olympic must complete $3,000,000 in exploration expenditures, issue 1,000,000 common shares and make cash payments of $500,000 to Eagle Plains over 4 years. In July 2011, Olympic Resources carried out a diamond drilling program on the property. Results are pending.

Eagle Lake

The Eagle Lake property consists of six mineral dispositions located approximately 190km north of La Ronge and approximately 45km southeast of the Key Lake Mine in north central Saskatchewan.

The area lies within the Wollaston domain and consists of Aphebian metasedimentary gneisses and schists, including pelitic schists and gneisses with graphitic horizons. The claims lie 30 kilometres south of the edge of the Athabasca Formation. The property is believed to have potential to host uranium deposits in north to northwest-trending faults which are interpreted to have formed structural traps where uranium mineralization may have been preserved, as well as Alaskite pegmatite hosted uranium.

Fieldwork on the Eagle Lake property has included airborne and ground based geophysical surveys, geological mapping, radon sampling, lake sediment sampling, prospecting, trenching and soil geochemical sampling.

The Red October Showing was discovered during a reconnaissance traverse into an area directed by significantly elevated airborne radiometric signatures. Three grab samples taken in 2008 (JBELR054-056) returned up to 1.02% U3O8. Follow up work in 2009 – 2010 included trenching and ground based magnetic ans scintillometer surveying. The work successfully identified widespread U mineralization associated with the Alsakite type pegmatites, with grab samples returning up to 2.24% U3O8. Based on the widespread nature and grade of uranium associated with favourable geology and structure, it is believed the property has the potential to host a uranium deposit. The property is drill ready.

Total expenditures on the property by Eagle Plains and option partners total $818,000.

Gayna River Zinc Property

The Gayna River property is located near the headwaters of the Gayna River on the eastern slope of the MacKenzie Mountains, 170 km west of Norman Wells, NWT. The 8 claim unit (5163 hectare) property contains a number of zinc deposits outlined by Rio Tinto Canadian Exploration during the mid-1970s.

Mineralization in the area consists of carbonate-hosted silver-lead-zinc similar to that mined at Pine Point from 1970 to 1990. Rio Tinto completed some 27,000m of diamond drilling on the property, and suggested reserves of over 50,000,000 tons grading 4.7% zinc from numerous individual orebodies, making it one of Canada's largest undeveloped zinc deposits. The best drill intersection reported by Rio Tinto included a 6.0m interval which graded 20% combined lead-zinc. When Rio Tinto last worked the property in 1978, company geologists suggested that further exploration would result in additional discoveries hosted by favourable stratigraphy mapped within the property area. Eagle Plains acquired all pertinent Rio Tinto data and has compiled a GIS database on the Gayna River area. Work by Eagle Plains confirmed the presence of widespread zinc mineralization and also confirmed the presence of high concentrations of gallium associated with some of the zinc mineralization. Gallium is a specialty metal that is used in the manufacture of computer chips and semi conductors.

The property is remote and infrastructure is lacking. For this reason, the value of the property based on past expenditures is less than the total exploration expenditures to date which are unknown but are estimated at (minimum) $10,000,000. On a more positive note, zinc prices are higher and the forecast for zinc demand is good. Recent announcements regarding the proposed MacKenzie Valley pipeline suggest that the entire area must now be looked on more favourably.

The property has a substantial resource. The value is estimated to lie between ranges of $1 million and $3 million.

Selwyn Basin Project, NWT

Since 2005, Eagle Plains has been conducting exploration in the Selwyn Basin / Mackenzie mountains area of the NWT. The area is considered to be prospective for a number of base metal deposit types including Sedimentary Exhalative and Mississippi Valley type lead zinc silver deposits, and sediment hosted copper. In addition, the recent discovery of Carlin style gold mineralization in the Yukon in a similar geological environment demonstrates the potential for Au deposits in the Mackenzie mountains.

As well as 27 active mineral claims, Eagle Plains holds 11 prospecting permits. These rights enable the holder to complete exploration activity over large tracts of ground for a period of three years, with the exclusive right to acquire title within these lands. The total area controlled by Eagle Plains in the NWT is 442,109 hectares.

The area that Eagle Plains is exploring was once subject to extensive exploration during the 1970s and early 1980s and was site of numerous drilling programs, dozens of grassroots examinations, and thousands of individual claims held by various junior and major exploration companies such as RTZ, Placer Dome Inc., Bethlehem Copper, Cominco , Noranda , Amax, Serem and others. As a result of the area's remote location and depressed metal prices over the past decade, EPL was able to secure the entire district, complete with all public data associated with millions of dollars of exploration activity carried out. Recent announcements regarding the proposed Mackenzie Valley pipeline suggest that the entire area must now be looked on in an entirely new economic framework.

The prospecting permits held by Eagle Plains overlie Mesozoic - aged platformal miogeosinclinal sediments of the Selwyn basin, a stratigraphic sequence known to host such giant base-metal deposits as Howards Pass (indicated resource of 113 million tonnes grading 5.4% zinc and 2.1% lead with >15 g/t silver plus an additional reported inferred resource in excess of 360 million tones), in addition to resources identified at the Tom (9.283 Mt @ 69.4 g/t Ag, 7.55 Pb and 6.2% Zn using a 7% combined Pb -Zn cutoff) and Jason (14.1 million tonnes grading 7.09% Pb , 6.57% Zn and 79.9 g/t Ag, using a cutoff grade of 8% Pb -Zn), and others.

The permits were acquired on the basis of a proprietary geological and geochemical data base that Eagle Plains has assembled through five years of exploration in the MacKenzie Mountains, part of which was funded through a Strategic Alliance with Teck Ltd. Eagle Plains work included extensive regional silt sampling, follow up soil sampling and prospecting, detailed mapping and stratigraphic correlation and examination of most of the historic Minfile occurrences in the MacKenzies. A significant component of the work was the acquisition of 5700 silt sample pulps, covering approximately 19,000 sq km, collected in the 1970's by Cordilleran Engineering. Originally analysed for only lead and zinc, the samples were reanalysed using 30 element ICP and form an extensive proprietary dataset which was used to target fieldwork. Eagle Plains has collected an additional 3500 silt samples in the MacKenzies.

On February 1, 2011, Eagle Plains announced that it has entered into an Acquisition Agreement with Aben Resources. Pursuant to the terms of the Acquisition Agreement, Aben acquired the right to the Eagle Plains Prospecting permits. Under the terms of the agreement Aben will issue a total of 5,000,000 common shares to Eagle Plains and make sufficient cash payments to reimburse Eagle Plains for permitting and staking costs. In addition any property to be acquired by staking in the Permit areas shall be subject to a three percent (3%) net smelter return royalty ("NSR") in favour of Eagle Plains. Aben has been granted a right to purchase a 2% NSR at any time prior to commencement of commercial production for the consideration of $2,000,000 (the "Buy Down Option").

Total expenditures on the property by Eagle Plains and option partners total before 2011 $4.1 million.

Rusty Springs YT

Eagle Plains owns an unencumbered 100% interest in 52 claims (1087 hectares) comprising the Rusty Springs silver, lead, zinc and copper prospect located 280 kilometres northwest of Dawson City, Yukon. The property is subject to an Option Agreement with Aben Resources Ltd., which may earn a 100% interest in the property by making cash and share payments to Eagle Plains over a 5 year period.

The property is distinguished by having high-grade mineral occurrences over an area of more than 5 square kilometres. The property has been subjected to numerous exploration programs since being discovered in 1975. Significant to the 1996 drilling program was the discovery of stratabound mineralization over much of the claim area and beyond.

In 1997 Eagle Plains entered into an agreement with CanAustra Resources Ltd. of Calgary whereby CanAustra may earn a 60% interest in the property by completing $2,000,000 in exploration expenses and making total cash payments of $50,000 over a four year period. The Can Austra agreement has now lapsed.

A $355,000 reverse-circulation drilling program was carried out by CanAustra during 1997. A total of 1,351 feet (412m) was drilled with the objective of testing for stratabound base-metal mineralization beneath the Mississippian-aged shales of the lower Earn Group. Concurrent with the drilling, surface mapping and prospecting were initiated on areas of the property staked in 1996 which were previously untested. In addition, R. W. Hodder, PhD., P.Eng., visited the property for four days during which he examined the existing drillcore, outcrop, trenches and technical data. Dr. Hodder concluded in his report that "The limonitic interval at Rusty Springs is a resource of hundreds of million of tons, but of very sub-economic amounts of base and precious metals……the limonitic interval and its enclosed quartz veins and lamellae are however vital symptoms that ore-forming processes existed for major deposits of silver-lead-zinc and that deposits of this type cluster in districts of enormous potential".

With the confirmation by the 1997 drilling of a specific mineralized horizon over considerable aerial distribution, the entire property area hosting similar stratigraphy is being targeted for systematic exploration including diamond drilling. Three holes were drilled on the property in 1999 for a total of 617m, but all failed to reach target depths because of very hard and abrasive cap rock.

Between 2001 – 2004, Eagle Plains carried out field programs, including diamond drill and reverse circulation drill testing of the prospective host horizon. The results were mixed, but the limonitic horizon was successfully traced and fond to contain anomalous base metal and silver values.

It is believed that the property still has potential for a sizeable silver base metal deposit, and the region around Rusty Springs remains unexplored for similar types of deposits.

On February 22, 2011 Eagle Plains and Aben Resources Ltd. entered into an agreement whereby Aben can earn a 100% interest in the Rusty Springs property. During 2011, Aben carried out geological fieldwork and an airborne geophysical survey on the property.

Kalum Gold Property

The Kalum Gold project consists of over 500 claims (>30,000 acres) located 30km northwest of Terrace, BC. The claims were acquired to cover numerous high-grade gold occurrences associated with a Cretaceous-aged intrusive stock that has intruded sedimentary and volcanic rocks of the Jurassic to Cretaceous aged Bowser Lake sediments. The project is accessed by a network of logging roads and transected by a hydro-electric power-line. It is located 90 km by road from port facilities in Kitimat, or 100 km by rail from Terrace to port facilities in Prince Rupert. Extensive logging activity has taken place throughout the project area, with additional ongoing road-building and logging activity. A detailed plan map of geology, infrastructure and showing areas in PDF format may be viewed on the Eagle Plains website (www.eagleplains.ca).

The claims are owned 100% by Eagle Plains and represent the first time the mineral showings have been consolidated by a single owner. The area was targeted through compilation and review of existing geological, geochemical and geophysical data which identified mineralization within or proximal to the halo of a pronounced aeromagnetic anomaly which corresponds to the contact zone of the intrusive stock.

Historical exploration was focused at and around the documented showings, with no systematic exploration over the kilometers of accessible contact zone.

Between 2003 and 2009, Eagle Plains has completed significant exploration programs on the Kalum property. The programs included geological mapping and prospecting, rock grab and channel sampling, and stream sediment and soil sampling, and diamond drilling. The programs defined numerous new, high-grade zones of Au-Ag mineralization. In addition, many of the historical showings on the property were located, sampled and surveyed. This work has confirmed that the Kalum property is highly prospective for economically viable, Au-Ag epithermal vein-type deposits.

With improving gold prices, excellent infrastructure, favourable geology and geochemistry, and a political climate developing in British Columbia which is increasingly supportive of mineral exploration and development in the Province, the Kalum Gold project represents an exciting and unprecedented opportunity to develop a new gold camp in an under-explored area.

Total expenditures on the Kalum property by Eagle Plains and option partners total $2.1 million.

Acacia Property

The Acacia property is considered to have high potential for hosting Volcanogenic Massive Sulphide (VMS) deposits. These deposits typically contain both base and precious metals, and occur in clusters and/or stacked lenses. The 203 unit (12,000 acre) property is located approximately 45km northeast of Kamloops and covers a stratigraphic assemblage which hosts a number of nearby past-producing base and precious metal deposits including the Samatosum, Rea Gold, and Homestake mines. The property currently has at least three known target areas.

Titan Molybdenum / Gold

The Titan claim block covers a high-grade molybdenum-copper porphyry occurrence that has recently been exposed by retreating glacial ice. 2003 fieldwork by Eagle Plains resulted in the discovery of high-grade molybdenum mineralization in float boulders grading up to 1.877% molybdenum. A grab sample of outcrop material returned a value of 0.966 % molybdenum. In 2004, Kobex Resources Ltd. completed a 1,350= (410m) diamond drilling program designed to test geophysical targets on the property, but failed to intersect economic mineralization. At the Buchan Creek showing, high-grade gold mineralization is present within quartz vein material that has never been tested by drilling. At Buchan, grades averaging 15.43 grams per tonne gold, 244.8 grams per tonne silver and 9.85 per cent lead were returned from two 1.1m chip samples, taken 2.0 meters apart along the vein. Exploration work by Eagle Plains and option partners has defined at least two new zones of vein hosted gold mineralization which warrant follow up work.

Total expenditures on the Titan by Eagle Plains and option partners total $367,000.

The property is currently under option to Drexel Resources, now Blue Gold Mining Ltd. (“Blue Gold”). Under the terms of the Option Agreement, Blue Gold may earn a 60% option in the property by making exploration expenditures of $3,000,000 and completing payments of 1,000,000 shares and $500,000 cash by the fourth anniversary of the agreement. Blue Gold completed a $200,000 airborne geophysical program with follow up fieldwork in 2011.

Elsiar (Lcr) Property

The Elsiar property is a 22-unit (8756 hectare) property located in west-central British Columbia approximately 40 km north of Terrace. The property is situated 2 km north of EPL's 100% owned Kalum project, and shares many geologic similarities. Property infrastructure is excellent; road access is located within claim boundaries and high-voltage hydro-electric power-lines are situated 5km east of the property.

The claims overlie an area containing numerous prominent airborne geophysical anomalies apparently associated with Cretaceous-aged granitic intrusive stocks hosted by Bowser Basin sedimentary rocks. B.C. government sampling of streams draining the inferred intrusive bodies show enrichment in gold, silver, copper, molybdenum, bismuth, arsenic and other elements associated with intrusive-related deposits. The 2004 program focused on the most northerly geophysical anomaly, though numerous additional targets currently exist elsewhere on the property. Fieldwork consisted of a 500 line-km airborne geophysical survey, the collection of 864 soil samples, 110 stream-sediment samples and 82 rock samples. The property also saw work by geologist Mitch Mihalynuk of the BC Geological Survey as part of the Geoscience Partnership Initiative.

Past work in the property area includes a geophysical survey (I.P. and magnetometer) carried out by Rio Tinto Canada Exploration in 1969, and small soil geochemical surveys completed in 1979 and 1980 by Amax Canada. Molybdenite and chalcopyrite mineralization were reported to occur in a 250 meter zone of quartz veins within bleached and sheared argillite and siltstone. Reported grades averaged 0.02 per cent molybdenum and 0.06 per cent copper (BCMPR Assessment Report 8446). The IP survey identified an area underlain by rocks which contain an appreciable content of conductive material which was postulated to extend from surface to at least 76.2 meters. The soil geochemical surveys outlined anomalous copper and molybdenum values coincident with the known exposure of quartz veins. None of the samples were analyzed for gold.

Between 2004 – 2009 Eagle Plains and option partners carried out extensive exploration work including soil and silt sampling, prospecting, geological mapping, a high resolution airborne geophysical survey and limited diamond drilling.

The focus of the 2010 fall exploration program was to follow-up Au, Cu and Mo geochemical anomalies in float rock, stream-silt and soil samples determined during previous 2005-2008 field programs. Areas proximal to these anomalies and new areas of interest with insufficient previous sampling were prospected and/or geologically mapped, with some additional silt, soil or rock sampling. The 2010 report identified three areas of interest for follow up work.

On July 12, 2010, Blackrock Resources Ltd. (formerly, 0802906 B.C. LTD.) and Eagle Plains Resources Ltd. announced an option agreement on the Elsiar Property. Under the terms of the option agreement, Blackrock may earn a 60% option in the property by making exploration expenditures of $3,000,000 and completing payments of 1,000,000 shares and $250,000 cash by the fourth anniversary of the agreement. Blackrock completed a $200,000 IP geophysical program in 2011.

Total expenditures on the Elsiar Property by Eagle Plains and option partners total $1.3 million.

Findlay Project

The North Sullivan or Findlay Project, located approximately 30 kilometers north of the Sullivan Mine, comprises three contiguous properties with a total of 726 units (18,200 ha). The three projects have seen a total of 5.0 million dollars in exploration work by Eagle Plains Resources and former joint venture partners Kennecott, Rio Algom and Billiton. The work included soil, silt, and rock geochemistry, detailed geological mapping and limited diamond drilling. The results of this work indicate that the North Sullivan area has many geological similarities with SedEx belts found elsewhere in the world and a number of high-priority targets exist within property boundaries.

North Findlay has potential for mineralization other than at ASullivan time@; extensive mineralized tourmalinite horizon over 10 kilometers strike length, up to 105 meters thick, stratigraphically above ASullivan time@.

South Findlay is centered on the same stratigraphic horizon which hosts the Sullivan deposit; mineralized and altered fragmental horizon at Sullivan time.

Greenland Creek covers the Mac or MC MinFile Showing, a lens of massive sulphide from 20 - 50 cm thick; shallow drilling by Eagle Plains in 1997 to test the showing area encountered base-metal mineralization and alteration assemblages associated with sedex deposits including numerous thin stratabound sulphide bands; single 900' (275m) drillhole completed by Kennecott on the property in 2000 may not have adequately tested geochemical anomalies and favorable stratigraphy.

On August 4, 2011 Eagle Plains announced that it had executed an option agreement with MMG on the Findlay block. Under terms of the agreement, MMG may earn a 60% interest in the property by making cash payments to EPL of $500,000 and completing $5,000,000 in exploration expenditures over 5 years. MMG may earn an additional 15% interest (for a total of 75%) by delivering a bankable feasibility study by 2018.

Other Sullivan Area Properties

Eagle Plains Area has several properties in the area of the world class Sullivan sedimentary exhalative polymetallic mine. Advanced, drill ready Sullivan type (sedimentary exhalative polymetallic) targets exist on a number of properties. The projects are all well located with respect to infrastructure including the Teck smelter in Trail, a transportation network including railroad mainline, highways and logging roads, and hydro and gas transmission lines.

Car Project (11325 ha); recently acquired claim package covering a sulphide rich fragmental vent complex. Work at the Car in 2011 included airborne geophysics and soil sampling.

Bootleg Project (313 ha); covers Aldridge stratigraphy equivalent to the Sullivan Mine package; Rio Algom drilled a single 2200' (675m) drillhole in 2000, which stopped short of the target horizon.

Vulcan Project (1500 ha); covers Sullivan stratigraphy with extensive altered, tourmalinized fragmental.

INFORMATION CONCERNING YELLOWJACKET POST-ARRANGEMENT

The Arrangement will result in Yellowjacket becoming a reporting issuer in British Columbia, Alberta and Saskatchewan. The following information is reflective of the projected business, financial and share capital position of Yellowjacket upon completion of the Arrangement. See also the unaudited pro forma consolidated financial statements of Yellowjacket as at June 30, 2011 attached as Schedule “G” to this Information Circular.

CORPORATE STRUCTURE

Name, Address and Incorporation

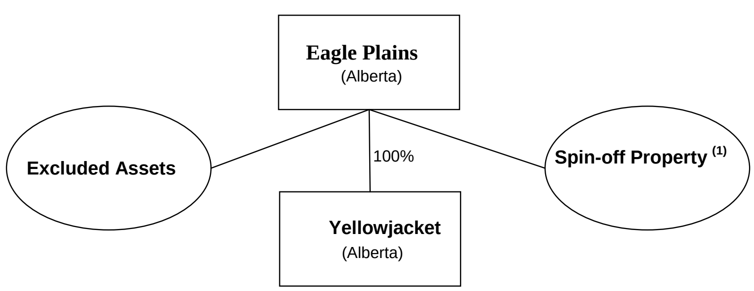
Yellowjacket was incorporated under the ABCA on August 31, 2011 as “Yellowjacket Resources Ltd.” Yellowjacket is not currently a reporting issuer and its shares are not listed on any stock exchange. If the Arrangement is completed, Yellowjacket will be a reporting issuer in British Columbia, Alberta and Saskatchewan. Application has been made to list the Yellowjacket Shares on the TSX-V. Such listing will be subject to meeting the Exchange’s initial listing requirements. Completion of the Arrangement is conditional upon the Exchange approving the listing if the Yellowjacket Shares. **There is no assurance that such approval will be granted by the Exchange**

The registered office of Yellowjacket is located at Third Floor, 14505 Bannister Road S.E., Calgary, Alberta, T2X 3J3 and the principal office of Yellowjacket is located at Suite 200, 44 – 12th Avenue South, Cranbrook, British Columbia, V1C 2R7.

Intercorporate Relationships

Below are diagrams which illustrate the intercorporate relationship between Yellowjacket and Eagle Plains before and after the completion of the Arrangement.

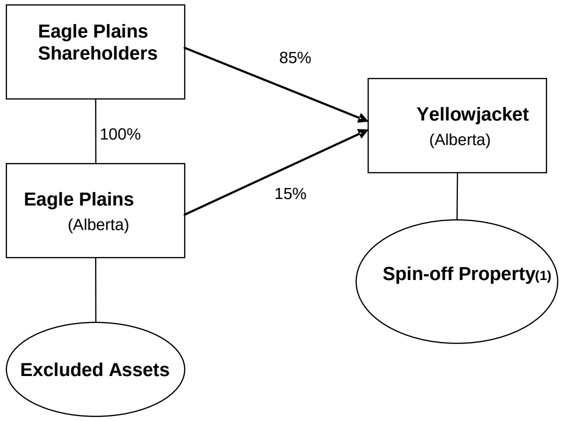
Before the Arrangement



Note:

(1) Includes the Yellowjacket Gold Project.

After the Arrangement



Note:

(1) Includes the Yellowjacket Gold Property.

DESCRIPTION OF BUSINESS

Pursuant to the Arrangement Agreement, on the Effective Date all of the Spin-off Property, subject to adjustment for any liabilities related thereto, will be transferred to Yellowjacket. In this regard, reference should be made to the pro forma unaudited consolidated financial statements of Eagle Plains and Yellowjacket attached as Schedule "G" to this Information Circular. Accordingly, on completion of the Arrangement,

Yellowjacket will receive:

(a) $600,000 in cash from Eagle Plains (see "The Arrangement – Steps of the Arrangement" for a description of the cash component and the possible cash subscription by Eagle Plains for Yellowjacket Shares);

(b) long and short term investment assets with a fair market value, to be calculated on the Effective Date, of $1,286,684;

(c) the Yellowjacket Gold Project;

(d) property and equipment relating to the Yellowjacket Gold Project valued at $773,100; and

(e) a reclamation bond relating to the Yellowjacket Gold Project of $150,000.

YELLOWJACKET GOLD PROJECT

If the Arrangement is completed, Yellowjacket will acquire, among other items, all of Eagle Plains' interests in the Yellowjacket Gold Project.

The following summary is taken from the report entitled "Technical Report Yellowjacket Gold Project" dated October 7, 2011, dated October 7, 2011 and prepared for Eagle Plains and Yellowjacket by B.J. Price Geological Consultants Inc. (the "**Technical Report**"). The Technical Report was authored by Barry J. Price, M.Sc., P.Geo, Qualified Person and was co-authored by Charles C. Downie, P.Geo. Mr. Price is considered independent of Eagle Plains and Yellowjacket, and Mr. Downie is not independent of Eagle Plains and Yellowjacket. Mr. Price does not have an interest in this transaction. For detailed information on the Yellowjacket Gold Project, including maps, please refer to the Technical Report as filed on SEDAR.

Project Description and Location (See Schedule J, Figures 1-4)

The Yellowjacket gold deposit is located west of Surprise Lake along Pine Creek, which runs westerly into Atlin, BC. (Fig.1)The property is located within the Atlin Mining Division in northwestern British Columbia, Canada. The claim block consists of 5 legacy claims and 8 mineral tenure cell claims totalling 3,409 contiguous hectares, two placer mining claims and a placer mining lease covering 366 hectares. The cells are centered at Latitude 59°35'N and Longitude 133°32'E within BCGS map sheets 104N.053 and 104N.063. All claims are located on crown land. The claims are listed in the table below, and are shown in Figures 2 and 3 of Schedule J.

Tenure No	Claim Name	Owner Number	Tenure Type	BCGS Map Number	Issued Date	Expiry Date	Area (Ha)
508170	Pine	138703 (100%)	Mineral claim	104N	2005/mar/02	2016/nov/30	196.56
327903	YJ	138703 (100%)	Mineral claim	104N053	1994/jul/01	2016/jul/05	75.00
364968	EVA 7	138703 (100%)	Mineral claim	104N063	1998/aug/25	2016/jul/05	375.00
367492	CELESTE	138703 (100%)	Mineral claim	104N053	1998/dec/23	2016/jul/05	75.00
394473	YJ 1	138703 (100%)	Mineral claim	104N053	2002/jun/18	2016/jun/18	500.00
394474	YJ 2	138703 (100%)	Mineral claim	104N053	2002/jun/18	2016/jun/18	500.00
509377		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	524.35
509379		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	491.78
509382		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	65.51
509383		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	65.51
509384		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	32.76
509385		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	65.51
509387		138703 (100%)	Mineral claim	104N	2005/mar/22	2016/jul/05	442.33
350665	MARTHA II	138703 (100%)	Placer Claim	104N		2018/mar/01	50
379882	MARTHA 4	138703 (100%)	Placer Claim	104N		2018/mar/01	50
361733		138703 (100%)	Placer Lease	104N		2012/may/05	366.15
					13	**Mineral**	**3409.31**
					1	**Placer Lease**	**366.15**
					2	**Placer Claim**	**100**

In January 2011, Eagle Plains made the final cash payment to the property owner Lenard Diduck, to satisfy the terms of the underlying Diduck Joint Venture Agreement. After transfer of the mineral titles, Eagle Plains is deemed to hold 100% of the mineral and placer titles listed in Table 1, less a 1.5% NSR reserved for Lenard Diduck and an additional 2% reserved for the Taku River Tlingit First Nation.

Part of the Placer Lease 361733, is subject to an underlying agreement with Cobalt Resources Ltd. with respect to rights pertaining to the placer interest on the claim. The agreement gives Cobalt Mining or its permitted successors the right to process placer gravels for a period of ten years expiring in January 2019. In return, Cobalt will have made cash payments totalling $450,000, initially to Prize and then to Eagle Plains, with the final two (2) payments still outstanding.

Other placer claims or leases may underlie parts of the Yellowjacket mineral tenures. In addition there are at least three Crown Granted claims, including DL 184 (Discovery MC), DL 520 (Cub Fraction) and DL 521 (Wedge Fraction) with ownership and status unknown.

A formal title opinion has not been obtained with respect to the Yellowjacket mineral and placer tenures. The boundaries have been located in the field using a differential GPS system. Title information was checked using the BC Government Mineral Titles Online website on August 23, 2011.

The commodity being sought at the Yellowjacket Project is gold. The gold bearing ore is located directly under a well-developed historical placer area with a long history of production dating back to the late 1800's. This zone is 3 to 4 metres wide with narrow quartz veins containing free gold within brecciated and silicified zones. Figure 4 provides the location of the property infrastructure, mine workings, tailings storage facilities, and ore and waste dumps.

In early 2010, Barry Price, P.Geo., with the assistance of Linda Dandy, P.Geo. and Chris Gallagher, M.Sc. prepared a preliminary inferred resource estimate for the Yellowjacket Zone. This was done by standard end section techniques using geological cross sections oriented at 160 degrees, prepared by Gallagher from the drillhole database. Assays, intercepts calculated, and drill hole survey and geological data, were entered into the Target computer program (Oasis Montaj) licensed by Eagle Plains Resources Ltd.

INFERRED RESOURCE ESTIMATE, YJ GOLD PROJECT						
B.J.PRICE GEOLOGICAL 2009						
CUT OFF (G/T)	**SECTIONS**	**BLOCKS**	**TONNES** (METRIC)	**GRADE** (G/T)	**TOTAL AU (GRAMS)**	**TOTAL AU (OUNCES)**
0.5	26	57	184000	4.4	781167	25000
1.5	20	39	133000	5.8	734082	24000

The resource calculation is preliminary in nature and includes only inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as measured or indicated.

Environmental Studies, Permitting, and Social or Community Impact

The project received a British Columbia Ministry of Energy, Mines and Petroleum Resources Small Mines Act Permit on July 10, 2009 for the development and production of gold from the Yellowjacket Gold Zone. The Permit allows for the development and operation of an open pit gold mine and onsite concentrator processing up to 75,000 tons per year of ore. In addition the project has received an Effluent Discharge Permit. These two permits are issued by the Provincial Government and in part outline the responsibilities of a mine operator regarding environmental monitoring and reporting. As well, the project is required to comply to Canadian Federal Government regulations and standards under the Department of Fisheries and Oceans Act, specifically the Metal Mining Effluent Regulations (MMER).

Eagle Plains is in compliance with the terms of both permits and is undertaking continuous environmental baseline monitoring of the main Pine Creek Channel and of a series of wells that were drilled on the Yellowjacket property specifically for environmental monitoring purposes. In addition, five test bins containing representative material of a suite of rock types from the main pit have been established and are sampled to determine potential effects of surficial weathering in terms of acid generating potential and heavy metal contamination. Eagle Plains has filed the appropriate summary reports with the BC Ministry of Environment and Federal Ministry of Environment in 2010 and 2011, and has also completed an annual report on reclamation and mining activities as required by the BC Ministry of Energy, mines and Petroleum Resources.

The Yellowjacket Joint Venture (Prize and Eagle Plains) is committed to working on the Yellowjacket project in a sustainable and responsible manner. The project is situated within the traditional territory of the Taku River Tlingit First Nation ("**TRTFN**") and as such, has advanced with the trust and support of the TRTFN leadership and membership, and the people of the Atlin community.

On November 9, 2009, the Taku River Tlingit First Nation, Eagle Plains Resources and Prize Mining jointly announced the completion and ratification of a formal Impact and Benefits Agreement relating to mineral exploration and gold production activities at the Yellowjacket Gold Project.

The Agreement recognizes that the Yellowjacket Gold Project is located within the TRTFN Territory; and, the YJV holds certain interests and rights granted by British Columbia to extract gold resources. Furthermore, the parties recognize that they have a mutual and beneficial interest in cooperating with each other to advance and complete the Yellowjacket Project in a timely, environmentally responsible and orderly manner.
The Agreement provides employment and training opportunities to TRTFN members and contracts for fuel purchases and other services necessary for mining and exploration activities, including a contract to conduct environmental monitoring at the Project. The agreement provides a 2% Net Smelter royalty to be paid to the TRTFN.

In addition, Yellowjacket has agreed to contract TRTFN to study the feasibility of supplying power to the Project from a hydroelectric facility nearby that is owned and operated by the Atlin Tlingit Development Corporation. In turn, TRTFN has agreed to provide to support the Project and grant access, use and occupation to the joint venture to conduct the project within its traditional territory.

The agreement sets out a clear understanding between the parties of the opportunities and benefits that may result from such an undertaking, while taking into consideration the challenges relating to economic sustainability and responsible environmental stewardship. The document itself reflects the clear and forthright communication present throughout the negotiating process and further underscores the mutual respect of all parties.

The overall concept for reclamation and end land use objectives at the Yellowjacket Gold Project is to create post-mine ecosystems with similar ecological values and land capabilities as existed pre-mine. Over the past 110 years the project area has been extensively placer mined, resulting in limited re-growth (forest and vegetation) and re-establishment of wildlife habitat. At this time a 5 to 10 metre cover of surficial (gravel, boulder, sand and silt) material of varying sizes covers the entire project surface area. This material type and its elevation above the water table have resulted in limited vegetation re-growth opportunities.

After closure work has been completed, the project area will be left in a safe and secure manner for the long-term with little projected maintenance. The work undertaken will include:

- Removal of all equipment, chemicals, infrastructure, etc., from the mining operation;
- Reclaim disturbed areas including sites of buildings and structures, waste rock piles, and tailings areas;
- Ensure the site is made safe to inadvertent access, without the need for a permanent buffer zone or perimeter fencing;
- Provide as-built information on the closure plan components; and
- Monitor performance of the completed reclamation to ensure attainment of performance objectives, with additional monitoring and maintenance as required.

The current reclamation bond on the Yellowjacket Project is $150,000 and it is estimated that the total cost for outstanding reclamation to the end of the mine life is approximately $125,000. The designated end use for the Yellowjacket mine site is placer mining activity.

The work proposed under the recommendations section of the technical report and in this summary is covered under the terms of the existing permit and can be undertaken with a notification to the appropriate Ministry office in Smithers, BC. Any additional exploration work outside the area identified by the mine permit may require additional permitting.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

Access to the Atlin Gold Property is via the Surprise Lake Road, east from Atlin for 7 kilometres. The Property lies along the Pine Creek Valley, parallel to Surprise Lake Road, for approximately 6.5 kilometres.

Physiography

The Atlin Gold Property lies in an area of moderate relief, in a broad valley between mountains, with elevations ranging between 810 and 1060 metres along the Pine Creek valley. In the far southeastern corner of the Atlin Gold Property the elevation increases up slope to 1340 metres. Outcrop is very limited, generally confined to creek gullies, but occasionally observed in road cuts and along some of the steeper slopes. The main area of mineralization identified to date on the Atlin Gold Property is the Yellowjacket Gold Zone. The YGZ lies along the Pine Creek Valley and is completely covered by five or more metres of tailings consisting of boulders from historic placer mining.

The tree line is at approximately 1370 metres on north facing slopes and 1525 metres on south facing slopes. Below 1370 metres the valleys are forested with lodgepole pine, black spruce, aspen and scrub birch. Mountain alder and willow grow near streams with stunted buckbrush covering the hills above tree line

Climate

Climate is typical of northern British Columbia with winter temperatures averaging -5°C in January with moderate snowfall. A pleasant summer climate has average daytime temperatures of 20°C and little precipitation. Total annual precipitation is measured at 279.4 millimetres of moisture. "Winter" conditions can be expected from October to April.

Local Resources and Infrastructure

Power lines follow Surprise Lake Road to within 5 kilometres of the Atlin Gold Property. Abundant water for mining operations is available from Pine Creek and its tributaries. Crew lodgings are available in Atlin. A skilled labour force for mining and exploration is available in Atlin or Whitehorse, YT, a 2 hour drive. Whitehorse is also the major supply and service centre for resource industries working in northwestern British Columbia and the Yukon.

In May 2009, a new run-of-river micro-hydroelectric plant was brought on line to service the community of Atlin. The plant was built by a corporation fully owned by the Taku River Tlingit First Nation and is the only fully first nation owned hydroelectric plant in Canada. This hydroelectric plant produces power, which is sold onto the local BC Hydro grid already and the town of Atlin is now only using its existing diesel generators as backup. The new power plant has sufficient excess power to run the Yellowjacket Gold Mine and discussions are underway with BC Hydro and TRTFN to study the feasibility of hooking the mine into the hydroelectric grid.

The Yellowjacket Gold project has sufficient rights to mine and produce material as outlined in the Small Mines Permit.

History

Gold was first discovered in the Atlin area in 1897 by Fritz Miller while en route to the Klondike Goldfields. The first workings were on Pine Creek and by the end of 1898, more than 3000 people were camped in the Atlin area. Placer mining has been, for most of its history, the economic mainstay for the town of Atlin. Reported placer gold production between 1898 and 1946 (the last year for which records were kept) from creeks in the Atlin area totalled 634,147 ounces (19,722 kilograms). A number of the larger placer deposits, including those on Otter, Spruce and Pine Creeks, continued to produce significant quantities of gold into the late 1980s. Although the total placer gold production from the area to date is not available, it probably exceeds one million ounces.

Gold bearing quartz veins were first discovered in the Atlin area in 1899 and by 1905 most of the known showings had been discovered. In 1899, an auriferous vein zone (the Yellowjacket showing) was discovered along Pine Creek by placer miners (BC Ministry of Energy and Mines Minfile Number 104N043). Additional gold zones in bedrock were found during subsequent placer mining operations at the Red Jacket and Rock of Ages showings. Numerous gold-bearing quartz veins in the vicinity of the gold placers are believed to be the source for many of the placer deposits.

In 1983, Canova Resources (“Canova”) and Tri-Pacific Resources optioned the Yellowjacket Property (which now encompasses the Atlin Gold Property) from the title holder and conducted a small diamond drill program that intersected high grade gold mineralization at depth. Total reported Canova expenditures are $0.54 million.

In 1986, Homestake Mineral Development Corp. (“Homestake”) optioned the Yellowjacket Property and conducted geological, geophysical and drilling programs until 1989. From 1986 to 1988, Homestake diamond drilled 58 holes on the Yellowjacket Zone, and in 1989, carried out a reverse circulation rotary drilling program their larger Yellowjacket Property. Total reported Homestake expenditures on the Yellowjacket Property are $1.66 million. These expenditure figures are taken directly from the BC Ministry of Energy and Mines Minfile website.

No exploration work was conducted on the Atlin Gold Property from 1989 until Muskox (now Prize) optioned the Atlin Gold Property in 2003. The following is a summary of the work undertaken by Prize Mining.

Geophysics

Canamera Geoscience Corp. conducted an airborne geophysical survey over the Atlin Gold Property on September 18-22, 2004, at the request of Prize. A total of 820 line kilometres of airborne survey were flown by helicopter, using 50 metre spaced flight lines. The primary objective of the airborne geophysical survey was to obtain a dense high resolution aeromagnetic and electromagnetic data set over the Atlin Gold Property. These data are required to enhance the general understanding of the geology of the area and to identify further target areas for exploration. In this regard, these data can also be used to map geologic contacts and structural features within the Atlin Gold Property.
The survey incorporated the use of a HummingbirdTM five frequency electromagnetic system supplemented by a high-sensitivity cesium magnetometre, barometric altimetre and laser altimetre
The Atlin Gold Property contains anomalies of small to high amplitude in both the magnetic and electromagnetic responses indicating that the region contains lithologies of varying contrast in magnetic susceptibility and electrical conductivity.

The magnetic susceptibility of the ultramafic and mafic rocks is considerably higher than the basalts and metabasalts; therefore this unit is easily mapped by the total field magnetic contours. The internal structure of the magnetic field within this unit reflects the complexity of lithological varieties of magmatic rocks and the degree of their alteration.

Numerous faults that appear to cut the unit at various angles make this picture even more complicated. It seems that the amplitudes of magnetic field reaching more than 1000nT are associated with the areas of relatively unchanged magmatic rocks while lower intensities of magnetic field indicate some degree of alteration.

Preliminary analysis of three dimensional magnetic inversion data allowed identification of several areas of low magnetic susceptibility, one of which is spatially associated with the Yellowjacket Gold Zone mineralization.

The electromagnetic data shows several low resistivity anomalies. The linear anomaly in the central area can probably be associated with a zone of serpentinization of ultramafic rocks. To some extent, the same explanation can be applied to all anomalies located to the north the creek and to the anomaly in the southern part of the survey area, which is correlated with a dyke. However, there are a group of anomalies located on the margin of magmatic rocks, the origin of which cannot be explained. At the moment, no correlation is established between resistivity anomalies and gold bearing structures.

Ground magnetic survey follow up of the airborne geophysical survey was completed over two grid areas in 2005 and 2006 by Peter E. Walcott and Associates. One survey covers the Yellowjacket and Rock of Ages Zones (44 line kilometres) and the other covers the Gold Run Zone (41 line kilometres). The introduced alteration fluids at Yellowjacket correlate to the emplacement of gold mineralization. Comparisons of the low magnetic signature seen at Yellowjacket, with those seen at Rock of Ages and Gold Run Zones indicate that similar magnetite destruction, likely due to intense alteration, occurs in all three zones.

Drilling

From 2003 to 2006, 14 NQ and 50 HQ size diamond drill holes totalling 7797.26 metres were drilled by Prize on the Yellowjacket Gold Zone of the Atlin Gold Property. In 2005 and 2006, 10 HQ size diamond drill holes totalling 1481.28 metres were drilled on the Rock of Ages Zone. Of the holes drilled on the Yellowjacket Zone, 51 were drilled within the mineralized target area, 4 were step out holes following cross structures identified by geophysics, 6 were twinned holes of Homestake or early NQ drilling and 3 short holes were put in to use for metallurgical testing.

The drill programs were designed to test for high grade gold mineralization within a large fault zone (the Pine Creek Fault) along the contact between ultramafics and Cache Creek Group volcanics and metasediments. This fault zone is thought to be the source area for much or all of the placer gold mined in the lower part of Pine Creek. The majority of the holes drilled during on the Yellowjacket Gold Zone
Gold assays, when plotted along section lines, show the widespread nature of the gold mineralization throughout the Yellowjacket Gold Zone. By plotting drill sections, it can be concluded that the gold mineralization is structurally controlled within the highly deformed Pine Creek Fault zone. This zone ranges from 50 to 100 metres in width, and has been traced by drilling along strike for over 350 metres.
Upon initially receiving gold assays from the laboratory, it was immediately apparent that there are two or more populations of gold mineralization; with high grade gold intercepts being interspersed within broader zones of lower grade gold values.

The high grade gold mineralization has always been assumed to be found along steeply southerly dipping structures associated with the Pine Creek Fault, which underlies the rich placer channel. However, gold mineralization is also concentrated along independent structural orientations, which intersect the Pine Creek Fault at the Yellowjacket Gold Zone.

The following table shows calculated weighted gold intersections from the 2003 to 2006 Muskox/Prize diamond drill programs on the Yellowjacket Gold Zone (amongst others of lower value). These intervals contain gold values from steeply dipping structures, therefore the reported widths of the sample intervals generally represent 50 to 75% of the apparent true width of the mineralizing structure. In drill holes where more than one mineralized zone was intersected, the main target zone was drilled to cross as close to the apparent true width as possible, with subsidiary zones often appearing in drill core to be wider than their true width. Due to the intensity of the structural deformation along the Pine Creek Fault, contact orientations of the mineralized sections are usually not visible in drill core, therefore exact true width calculations for these structures are difficult to determine.

DDH No	From (m)	TO (m)	WIDTH (m)	Au GRADE (G/T)
YJ03-01	11.66	26.82	15.16	194.2
YJ03-01	31.7	44.2	12.5	14.4
YJ03-01	47.85	50.6	2.75	0.6
YJ03-01	11.66	50.6	38.94	80.3
YJ03-02	49.99	54.86	4.87	0.5
YJ03-02	49.99	50.6	0.61	3
YJ03-02	64.31	65.53	1.22	0.5
YJ04-01	92	94.5	2.5	26.2
YJ04-02	36.75	40.5	3.75	0.8
YJ04-02	66.28	73.9	7.62	1.9
YJ04-03	36.4	45.7	9.3	1.6
YJ04-03	44.15	45.7	1.55	7.4
YJ04-04	78.7	81.7	3	1.1
YJ04-05	52.41	53.96	1.55	1.1
YJ04-06	NO SIGNIFICANT INTERCEPTS			
YJ04-07	38.66	54.45	15.79	16.6
YJ04-08	NO SIGNIFICANT INTERCEPTS			
YJ04-09	NO SIGNIFICANT INTERCEPTS			
YJ04-10	NO SIGNIFICANT INTERCEPTS			
YJ04-11	NO SIGNIFICANT INTERCEPTS			
YJ04-12	NO SIGNIFICANT INTERCEPTS			
YJ04-13	NO SIGNIFICANT INTERCEPTS			
YJ04-14	83	83.85	0.85	1.1
YJ 04-15	NO SIGNIFICANT INTERCEPTS			
YJ04-16	27.75	39.5	11.75	0.3
YJ04-16	10.75	39.5	28.75	0.3
YJ04-17	32.6	33.6	1	10
YJ04-17	49.7	50.54	0.84	4
YJ04-18	93	98	5	2.8
YJ04-19	NO SIGNIFICANT INTERCEPTS			
YJ04-20	80	93	13	1.3
YJ04-20	103	114	11	1.4
YJ04-20	137	141	4	36.2
YJ04-20	80	141	61	3
YJ04-21	17.35	19.72	2.37	0.7
YJ04-21	40.85	42.75	1.9	7.6
YJ04-21	73.5	79.5	6	0.8
YJ04-21	100.31	106.4	6.09	0.6
YJ04-22	28	33	5	4
YJ04-22	68.6	77.21	8.61	0.6
YJ04-22	89.93	91.03	1.1	1.4
YJ04-22	106.8	108.8	2	41.4
YJ04-23	NO SIGNIFICANT INTERCEPTS			

DDH No	From (m)	TO (m)	WIDTH (m)	Au GRADE (G/T)
YJ04-24	42	59	17	0.6
YJ04-24	53	57	4	1.2
YJ04-24	93.5	95.5	2	1.5
YJ04-24	109	118.5	9.5	1.8
YJ04-25	13	25	12	0.3
YJ04-26	56.6	62.6	6	1.5
YJ04-27	57	58.15	1.15	2.2
YJ04-27	64.15	70.5	6.35	4.2
YJ04-28	NO SIGNIFICANT INTERCEPTS			
YJ04-29	67.2	69	1.8	33.6
YJ04-29	136	137.5	1.5	1.7
YJ04-29	145.9	149	3.1	1
YJ04-29	159	162	3	1.3
YJ04-29	179	197	18	1.5
YJ04-30	NO SIGNIFICANT INTERCEPTS			
YJ04-31	33	50	17	0.4
YJ04-31	80.3	82	1.7	2
YJ04-31	115.35	127	11.65	2.3
YJ04-32	NO SIGNIFICANT INTERCEPTS			
YJ04-33	27.1	34.65	7.55	0.4
YJ04-33	57.5	58	0.5	20
YJ04-33	80.65	107	26.35	1.2
YJ04-33	80.65	82.91	2.26	5.1
YJ04-33	91.8	106	14.2	1.3
YJ04-34	36.2	41.8	5.6	0.6
YJ04-35	22	31.15	9.15	0.3
YJ04-35	87.3	89.9	2.6	1
YJ04-35	102.25	108.8	6.55	9.6
YJ04-35	115.8	135.03	19.23	0.2
YJ04-36	49	55.5	6.5	0.7
YJ04-36	77	77.5	0.5	14.9
YJ04-36	85	90.5	5.5	3.2
YJ04-36	96	101.5	5.5	0.4
YJ04-37	29	32	3	6.5
YJ04-37	73	75	2	4.4
YJ04-37	82.5	83	0.5	11.6
YJ04-37	93.65	95.3	1.65	1.3
YJ04-37	106.5	110.5	4	3.2
YJ04-38	79	81.8	2.8	1.1
YJ04-39	NO SIGNIFICANT INTERCEPTS			
YJ04-40	NO SIGNIFICANT INTERCEPTS			
YJ04-41	NO SIGNIFICANT INTERCEPTS			
YJ05-42	64.6	66.6	2	11
YJ05-43	NO SIGNIFICANT INTERCEPTS			
YJ05-44	NO SIGNIFICANT INTERCEPTS			
YJ05-45	178	187	9	0.5
YJ06-46	89	92.5	3.5	5.4
YJ06-46	101.79	104.55	2.76	2.7
YJ06-47	41.2	48	6.8	0.6
YJ06-47	69.6	72.5	2.9	1.1
YJ06-47	146.29	150.1	3.81	1.1

DDH No	From (m)	TO (m)	WIDTH (m)	Au GRADE (G/T)
YJ06-48	107.3	112.77	5.47	0.5
YJ06-49	NO SIGNIFICANT INTERCEPTS			

The high gold values found in the drill holes listed below are often confined to relatively narrow drill intercepts. The very high gold grades relate to significant mineralizing (structural) events. It is important to note that in many of the above listed diamond drill holes there are also one or more lower grade gold intervals which correlate with the low angle thrust fault orientation of the host lithologies.

The high grade gold mineralization has always been assumed to be found along steeply southerly dipping structures associated with the Pine Creek Fault, which underlies the rich placer channel. However, gold mineralization is also concentrated along independent structural orientations, which intersect the Pine Creek Fault at the Yellowjacket Gold Zone.

The assay table above shows:

- Narrow intercepts of very high grade gold are present in some drill holes.
- Broader intercepts are sometimes "carried" by narrower high grade gold intercepts
- Mineralization is present in two main areas, the first is in the western part of the pit and includes the highest grade in YJ-03-01
- A second mineralized zone is east of the present pit with the best mineralization at depth.

In general, it can be concluded that broad zones of gold values ranging from 0.5 to 5.0 g/t relate to shallowly dipping fault thrust features. These shallow structures are intersected by two steeply dipping fault zones (the Pine Creek Fault and its associated cross faults). Narrower but higher grade gold mineralization has been identified within these steeply dipping structures. Additional drilling to trace the steeply dipping features to depth in the central portion of the Yellowjacket Gold Zone, and along strike in the main Pine Creek Fault is required to in order to fully define the gold potential of this system.

Summary of Exploration Expenditures

YEAR	COMPANY	AMOUNT	WORK DONE
1983	CANOVA/ TRI PACIFIC	$54,000.00	small drilling program
1986	HOMESTAKE	$426,857.00	diamond drilling, airborne – ground geophysics AR 15683, 15740
1987	HOMESTAKE	$425,990.98	diamond drilling 15 holes AR 16712, 17295,
		$18,891.65	ground geophysics AR 17492
		$242,937.21	RC drilling 45 holes AR 17546
1988	HOMESTAKE	$525,736.25	diamond drilling 23 holes , ground geophysics AR 18608
2003	Muskox		2 drill holes
2004	Muskox	$345,598.22	diamond drilling 14 holes AR 27485
2004	Muskox	$1,623,279.00	diamond drilling 28 holes, 820 km airborne geophysics
2005	Prize	$711,949	diamond drilling 11 holes and geophysical survey AR 28785
	TOTAL:	**$4,375,239.31**	

Historical Resource Estimate

At the completion of their exploration program, Homestake reported an historic resource estimate of 453,500 tonnes grading 10.26 g/t gold (Schroeter, T.G. and Pinsent, R.H; BC Ministry of Energy and Mines Open File 2000-2: Gold Production and Resources in BC (1858 - 1998)). Though this estimate is considered to be relevant:

1. It was prepared prior to the institution of National Instrument 43-101 standards.
2. Neither the author nor the Yellowjacket JV have completed sufficient work to validate the historic estimate.
3. The reliability of the estimate has not been confirmed, and the resource should not be relied upon.

An additional study was prepared in 2008 by Canamera Geoscience Corp. but this estimate is not considered reliable and is not described.

On March 27, 2009, Eagle Plains and Prize Mining Corporation signed a comprehensive Purchase and Joint Venture Agreement, under which, Eagle Plains initially purchased a 40% equity in the Yellowjacket Property. The agreement was subject to an underlying agreement between Prize and the Yellowjacket Property owner which granted Prize the right to purchase a 100% interest in the project. Under the agreement, the Yellowjacket Joint Venture was formed, with Eagle Plains as Operator.

On August 19th, 2010, Eagle Plains announced that it had completed the purchase of Prize Mining's remaining interest in the Yellow Jacket Joint Venture and to hold 100%, subject to any underlying agreements. Under the terms of the original JVA, Eagle Plains earned an initial 40% interest in the Project from Prize by making a $2,000,000 cash payment. Since commencing activities, Eagle Plains advanced the JV an additional amount of approximately $2,600,000. Prize Mining subsequently agreed to accept dilution of its interest in the project in accordance with a formula established in the YJV agreement. Prior to the purchase of the remaining Prize interest and dissolution of the YJV, Eagle Plains held a 59.62% interest. The total consideration for the purchase of Prize's remaining 40.38% interest was $400,000 plus 2,000,000 Eagle Plains common shares. These shares are subject to escrow restrictions over a two year period.

In January 2011, Eagle Plains made the final cash payment to the property owner Lenard Diduck, to satisfy the terms of the underlying Diduck Joint Venture Agreement. After transfer of the mineral titles, Eagle Plains is deemed to hold 100% of the mineral and placer titles listed in Table 1, less a 1.5% NSR reserved for Lenard Diduck and an additional 2% NSR reserved for the Taku River Tlingit First Nation.

Geological Setting and Mineralization

Regional Geology and Tectonics(after Ash, 2001)

The Atlin region is located in the northwestern corner of the northern Cache Creek (Atlin) Terrane. It contains a fault bounded package of late Paleozoic and early Mesozoic dismembered oceanic lithosphere, intruded by post-collisional Middle Jurassic, Cretaceous and Tertiary felsic plutonic rocks. The terrane is dominated by mixed graphitic argillite and pelagic sedimentary rocks that contain minor pods and slivers of metabasalt and limestone. Remnants of oceanic crust and upper mantle lithologies are concentrated along the western margin. Dismembered ophiolitic assemblages have been described at three localities along this margin: from north to south they are the Atlin, Nahlin and King Mountain assemblages. Each area contains imbricated mantle harzburgite, crustal plutonic ultramafic cumulates,gabbros and diorite, together with hypabyssal and extrusive basaltic volcanic rocks. Thick sections of late Paleozoic shallow-water limestone dominate the western margin of the terrane and are associated with alkali basalts. These are interpreted to be carbonate banks constructed on ancient ocean islands within the former Cache Creek ocean basin.

The middle Jurassic timing of emplacement of the Northern Cache Creek Terrane over Late Triassic to Lower Jurassic Whitehorse Trough sediments along the Nahlin Fault is well constrained by combined stratigraphic and plutonic evidence. The youngest sediments affected by deformation related to the King Salmon Fault are Bajocian rocks that are immediately underlain by organic-rich sediments of Aalenian age. They are interpreted to reflect loading along the western margin of Stikinia by the Cache Creek during its initial emplacement. The oldest post-collisional plutons that pierce the Cache Creek Terrane to the west of Dease Lake are dated at 173+/-4Ma by K-Ar methods and in the Atlin area they are dated at 172+/-3Ma by U-Pb zircon analyses. Considering the age of these plutons relative to the orogenic event, the descriptive term late syn-collisional is preferable.

The Northern Cache Creek Terrane to the east is bordered mainly by the Thibert Fault, which continues northward along the Teslin lineament. Discontinuous exposures of altered ultramafite along the fault suggest that it has previously undergone significant reverse motion and may be a reactivated thrust or transpressional fault zone. Latest movement on this fault is thought to be dextral strike-slip, of pre-Late Cretaceous age.

The terrane is dominated by sub-greenschist, prehnite-pumpellyitefacies rocks; however, local greenschist and blueschist metamorphism are recorded. The terrane is characterized by a northwesterly-trending structural grain, however, in the Atlin – Sentinel Mountain area there is a marked deviation from this regional orientation with a dominant northeasterly trend. Reasons for this divergence in structural grain are poorly understood.

*Atlin Area Geology (*after Ash, 2001)

The geology of the Atlin region is divisible into two distinct lithotectonic elements. A structurally higher, imbricated sequence of oceanic crustal and upper mantle lithologies termed the “Atlinophiolitic assemblage”, is tectonically superimposed over a lower and lithologically diverse sequence of steeply to moderately dipping, tectonically intercalated slices of pelagic metasedimentary rocks with tectonized pods and slivers of metabasalt, limestone and greywacke termed the “Atlinaccretionary complex”. Locally these elements are intruded by the Middle Jurassic calcalkaline Fourth of July batholith and related quartz-feldspar porphyritic and melanocratic dike rocks.

Property Geology

The Yellowjacket Gold Zone is associated with the basal faulted contact of an ultramafic body along the Pine Creek valley. The contact between the hangingwall ultramafics and footwall metavolcanics is not exposed but is well defined by exploration drill holes (Dandy, 2005). The zone of thrusting is characterized by up to 15 metres of carbonate alteration that contains intermittent zones of quartz-carbonate veining in both hangingwall and footwall rocks. On the Atlin Gold Property the thrust fault is disrupted by a later, east-trending, steeply south dipping structure referred to as the Pine Creek Fault. This high angle fault zone averages approximately 70 metres in width and can be described as a fault melange. The fault is characterized by strongly broken and fractured rocks, with gouge and rubble zones ranging from centimetres to more than 10 metres wide. The zone contains irregular blocks and lenses of all the lithologies that are typical of the Atlinophiolitic assemblage, metamorphosed basalt and andesite, ultramafics, diabase and gabbro. Ultramafic rocks vary from completely serpentinized to completely carbonatized, with or without silicification (quartz veining and stockworks).

The high angle Pine Creek Fault may be contemporaneous with mineralization along the fault structure, however Ash (2001) feels it is more likely that the Pine Creek Fault post-dates mineralization. Work to date by Prize and Eagle Plains appears to support the contemporaneous hypothesis, with high grade gold intercepts in drilling being traced along the Pine Creek Fault. However, it is possible that the fault postdates the original gold emplacement but contains a later concentration of mineralization along its trend.

Mineralization

On the Property, the Yellowjacket Zone (YJZ) is the main mineralized zone identified by drilling to date. Diamond drilling has intersected gold mineralization throughout the 350 meter length of the Yellowjacket Zone.

In the Yellowjacket Zone, ophiolite-hosted gold quartz veins stockworks or breccias are contained within fault-bounded lenses of oceanic igneous crust. Listwanite altered ultramafic rocks are consistently associated with the ophiolite-hosted gold veins, but rarely host them. This deposit type contains very high grade, coarse native gold occurring in quartz veins or flooding hosted by ophiolitic mafic igneous crustal rocks (gabbro, diabase, basalt, andesite) adjacent to listwanite altered ultramafic rocks.

Exploration drilling which encounters coarse native gold is subject to the ‘nugget effect’ where adjacent samples within the same mineralized zone can have widely varying gold values. This “nugget effect” must be taken in to account when exploring for gold mineralization in this type of system and the importance of structures, veins and associated and indicator element geochemistry must be stressed. The gold values within this mineralized system will often be greatly variable. This variability can be partly mitigated by increasing sample size with the implementation of a bulk sampling program.

Rock of Ages Prospect

The Rock of Ages Zone is located approximately 1.5 kilometres west of the Yellowjacket Gold Mine. The 1903 Report of the Minister of Mines describes the Rock of Ages workings as: "...a shaft has been sunk 60 feet. From the bottom of this a cross-cut was run 7 feet and struck the hanging wall of the ledge. A drift was run down-stream 60 feet at this level, and one upstream on the 30 foot level. The ledge wherever tapped is about 14 feet in width, mostly low grade ore, although many extremely rich patches are encountered." Subsequent drilling by Prize did not return any significant gold assay values from drill core samples. It is unknown whether the Prize diamond drill holes were located in the area of the referenced historic workings.

Placer mining has been carried out on Lease 361733, located east of the Yellowjacket Zone, since 2009. The Rock of Ages pit is located approximately 750 metres west of the Yellowjacket Gold Zone along Pine Creek and the underlying Pine Creek fault. It was excavated during placer operations on the property during the 2010 season. The Pit was progressively uncovered from west to east as overburden was stripped and the pay near bedrock was mined and processed for placer gold extraction. In the process of stripping and mining the gravels, the placer operators dug through a maze of tunnels through the gravels that were remnants of the turn-of-the-century underground placer workings on Pine Creek.

During the 2010 excavation two shafts were uncovered in the central part of the pit. The main, deep shaft fits historic descriptions and the approximate location of the 'Rock of Ages' shaft.

The Rock of Ages area is a possible lateral extension or offset continuation of the Yellowjacket Gold Zone. The area has been identified as a geophysical (magnetic) anomaly (Dandy and Price, 2010) similar in character to the Yellowjacket zone, and to the eastern Gold Run zone. Gold has been recovered from parts of the pit (visual gold grain analysis, Devine, 2010) and elevated gold values in channel samples returned up to 51.36 g/t over 5.2m.

Rock types and structures in the base of the pit are similar to those at the Yellowjacket (Pine) pit.

Black to dark grey chert and argillite bound the 'Rock of Ages' fault zone to the south. The southern margin of the fault zone is spatially associated with a gabbro unit which has been faulted against the chert argillite unit along eastwest trending faults. The dominant rock types exposed in the rock of ages pit are andesite and ultramafics which occur as sheared pods and larger blocks. There are also local, rare diabase dykes and lamprophyre noted.

Gold Run Prospect

The Gold Run magnetic anomaly is located approximately 3 kilometres to the east of the Yellowjacket zone. It shows similar but much more intense characteristics to the Yellowjacket Zone anomaly, but has not been drill tested.

Local Economic Geology

Occurrences of gold quartz vein mineralization throughout the Atlin camp are localized along pervasively carbonatized fissure and fracture zones within and marginal to serpentinized mantle tectonite and ultramafic cumulate rocks of the Atlinophiolitic assemblage.

Gold quartz veins are poorly and erratically developed within the ultramafic rocks and more commonly occur as random fracture fillings. Wider, more continuous tabular fissure veins have been identified only in the mafic igneous crustal components (gabbro, diabase) of the Atlinophiolitic assemblage where immediately adjacent to carbonatized ultramafic rocks.

Ages of hydrothermal Cr-muscovite (mariposite) associated with the gold mineralization suggest a limited interval of vein formation between 171 and 167 million years ago (Ma). This age of mineralization is consistent with the timing of Middle Jurassic magmatism at around 171 Ma. There is also a consistent spatial association between known gold vein occurrences and high level dikes and stocks. Both mineralization and magmatism appear to closely follow Middle Jurassic orogenic activity.

Placer deposits in the camp are situated in stream valleys cutting erosional windows through the carbonatized relatively flat lying thrust faults within the Atlinophiolitic assemblage. The placers are considered to be derived from quartz lodes previously contained within the ophiolitic crustal rocks.

Two convincing lines of evidence support the theory that quartz veins are widely accepted as the source of the abundant gold won from Tertiary and Quaternary placer gravels:

- The coarse, free gold in the veins is similar physically and chemically to the gold recovered from the placer gravels.
- The two most productive placer gold streams, Spruce and Pine Creeks, drain erosional windows through the basal fault zones of the ultramafic thrust sheets that are hosts for most of the gold mineralization throughout the camp.

Historically, significant economic concentrations of placer gold are restricted to streams in the Pine Creek and McKee Creek watersheds. It appears that preferential erosion through flat-lying mineralized thrust contacts in both these areas was accelerated along high-angle, post accretionary fault zones. This interpretation is supported by the presence of fault breccia zones within both these valleys.

Lode gold mineralization associated with the thrust sheet of ultramafic cumulate rocks includes showings hosted by faults bounding this thrust sheet, including the Yellowjacket, Imperial, Surprise and Lakeview. The Yellowjacket showing is associated with the basal faulted contact of this ultramafic body along the Pine Creek valley. The contact between the hangingwallultramafites and footwall metabasalts is not exposed but is well defined by exploration drill holes (Marud, 1988). The zone of thrusting is characterized by up to 15 metres of carbonate alteration that contains intermittent zones of quartz-carbonate veining in both hangingwall and footwall rocks.

On the Atlin Gold Property the thrust fault is disrupted by a later, east-trending, steeply dipping structure referred to as the Pine Creek Fault. This high angle fault zone averages approximately 70 metres in width and can be described as a fault breccia. The fault is characterized by strongly broken and fractured rocks, with gouge and rubble zones ranging from centimetres to more than 10 metres wide. The zone contains irregular blocks and lenses of all the lithologies that are typical of the Atlinophiolitic assemblage, metamorphosed basalt, diabase, gabbro and ultramafics as well as younger felsic rocks. Ultramafic rocks vary from completely serpentinized to completely carbonatized, with or without quartz veining.

Marud (1988) suggests that high-angle faulting might be contemporaneous with mineralization along the fault structure, however Ash (2001) feels it is more likely that the Pine Creek Fault post-dates mineralization. Work to date by Eagle Plains appears to support the earlier hypothesis by Marud, with high grade gold intercepts in drilling being traced along the Pine Creek Fault. However, it is possible that the fault postdates the original gold emplacement but contains a later concentration of mineralization along its trend.

Deposit Type

Gold-quartz vein deposits and their derived placers are often spatially associated with carbonate+/-sericite+/-pyrite altered ophiolitic and ultramafic rocks known as 'listwanites'. They have historically been of major socio-economic importance in British Columbia and account for a large portion of the 50% of the province's gold production from such lodes (Schroeter et al., 2000). This amount would be significantly greater if placer gold derived from such lodes was included.

Cordilleran Mesozoic gold-quartz vein deposits have Archean analogues that are typically referred to in terms of their age 'Archean lode gold', or the nature of their host rocks 'greenstone gold'. In a similar fashion one could refer to deposits from the Atlin area as 'Mesozoic lode gold' or 'oceanic lode gold'. Characterizing a deposit type, however, based strictly on its age or the nature of its host rocks, when that deposits spans a range of both these characteristics is restrictive. Deposits of this type are referred to in many ways, such as; gold quartz veins or lodes, mesothermal gold, shear-hosted or shear zone gold, orogenic gold, syn-orogenic veins, Mother Lode gold, etc., and they all correspond to USGS deposit model classifications for low-sulphide gold-quartz veins.

Locally, these deposits occur primarily as quartz veins, stockworks or stringer zones in fault, fracture and shear zones and are typified by the variability of host rocks which are affected by pervasive carbonatization with localized sericitization and sulfidation marginal to gold-bearing quartz veins.

Drilling

2010 Reverse Circulation Drilling Program

In the fall of 2010, Eagle Plains conducted a 64-hole drill program at the Yellowjacket property using an RC drill rig. A total of 2181.01 meters were drilled by Northspan Explorations Ltd. over a period of 30 drill days, and bedrock was sampled continuously with 1.016m intervals. In total, 1945 samples (including QAQC duplicates, standards, and blanks) were sent to Ecotech Laboratories for Au 4-500g Metallic Screen Fire Assay.

The holes were drilled in a 96m x 42m grid pattern to the East of the 2009 pit excavation in order to extend the geology and gold trends mapped during the 2009 field program towards the East. The purpose was to gain a better understanding of the gold grade and geology for future development purposes, and for a Resource Estimate on the property.

Holes were collared using the original pit grid layout on an azimuth of 337°. Collar locations were 6m apart along the 337° azimuth grid line, and each line of collars was spaced 12m apart at 67°. The 2009 excavation, sampling, milling, and mapping showed that the geology and gold trends at the eastern end of the pit dip to the southeast at approximately 45°, and most of the 2010 holes were therefore collared in approximately perpendicular to these trends along an azimuth of 337° and at an inclination of 50° towards the northwest. Figure 4 shows the location of the 2010 drill grid. It is directly adjacent to, and to the east of the 2009 excavations in the pit.
The original design of the drill program was to drill each hole at an inclination of 50° to a measured depth of 40m, in order to determine the spatial distribution of economic Au mineralization to a true vertical depth of 25m below bedrock interface. This information would be utilized for planning stages of a future pit design. Early in the drilling however, a fault zone was encountered at the northern end of the grid, which dipped towards the south under the planned drill grid at ~45°, and projected to surface to the north of the drill grid. A few holes were drilled through this zone to determine its thickness and orientation, and to test the possibility of any potential gold zones in the footwall of this fault that may be encountered with the planned drill holes. The fault zone is very distinctive in that it contains abundant bluish-white talc and fines, is up to 15m thick, and can easily be identified while drilling. It mapped out on trend and is lithologically similar to the unstable fault zone that was encountered during the 2009 field season in the ramp into the pit, where it caused problems when it began to slide and collapse.

After encountering the fault zone during 2010 drilling and projecting it through the planned drill grid, it was found that much of the planned meterage for the program would be within this zone or in its footwall. Sample results from the 2009 season revealed that the gold grades in this zone were not significant. Furthermore, the initial stages of 2010 drilling did not encounter any potential gold zones in the footwall of the zone that would be reached by the drill. Stability issues along this feature in the ramp during excavation in 2009 also suggested that it would create issues for future pit design. As a result, the proposed 2010 drill program was modified early on and drilling was shut down when the fault zone was encountered. Two extra holes were added to the grid to the south along each line at 54A and 60A. As a result, the area drilled and sampled ended up wedge shaped in geometry, and pinched out at surface to the north.

Geology of the 2010 RC Program

The area of the Pine Creek fault zone that was drilled in 2010 revealed a wedge-shaped package of volcanics (andesites and lamprophyres) sandwiched within carbonate-altered ultramafics as described above, and bounded below by a major fault zone. This is an extension of the same lithological packages that were mapped, assayed, and described in the eastern end of the pit in 2009.

The major fault zone which creates the bounding surface beneath the mineralized wedge of ultramafics and volcanics is ~15m thick, dips ~45° to the South and projects to the surface just to the North of the drill grid. It is on trend with the unstable fault zone that was encountered in the ramp of the Northern pit wall, and believed to be the same feature. The geology of the fault zone and how it relates to the listwanitization is not well understood, but it is bluish-greenish in color, which is in contrast to the bright orange color displayed in the altered and mineralized ultramafics within the hanging wall of this zone.
Several potential gold-bearing zones were discovered within the area drilled. Quartz stockworking and intense Fe-carbonate alteration was found within the ultramafics, and quartz-stockworking, silicification, and pyrite was found within the andesites. Alteration of the diabase was also present, and may or may not yield mineralization in the assay results. Though shear zones cannot be directly mapped in chip sample, they can be inferred though lithological changes and relationships established previously in pit mapping. Intense Fe-carbonate alteration and stockworking occurred near contacts between units, and supports the idea that the shear zones act as permeability conduits for fluids moving through the system. VG was seen in a few samples in these lithologies, supporting the relationships between mineralization and alteration that have previously been observed, and discussed above.

Surveying

Drill collar pickups were done by Meridian Mapping using an RTK Differential Global Positioning System. Concurrently with the drill collar survey, Meridian picked up airphoto targets which were used to create orthophotos for the property.

Hole Number	From_M	To_M	Length (m)	Order	Avg(Au_g_t)	Intersection
L058E-48A	11.35	17.44	6.09	1	0.4	6.09m @ 0.4g/t Au
L058E-48A	15.41	16.43	1.02	2	1.86	1.02m @ 1.86g/t Au
L058E-48A	18.46	21.51	3.05	1	0.08	3.05m @ 0.08g/t Au
L058E-48A	24.56	29.64	5.08	1	0.15	5.08m @ 0.15g/t Au
L058E-48B	19.24	24.32	5.08	1	0.17	5.08m @ 0.17g/t Au
L058E-48B	24.32	28.38	4.06	1	0.22	4.06m @ 0.22g/t Au
L058E-48B	30.41	32.45	2.03	2	0.38	2.03m @ 0.38g/t Au
L058E-48B	30.41	36.51	6.1	1	0.26	6.1m @ 0.26g/t Au
L064E-36A	8.53	16.15	7.62	2	0.2	7.62m @ 0.2g/t Au
L064E-36A	13.1	16.15	3.05	1	0.32	3.05m @ 0.32g/t Au
L064E-36A	21.23	25.29	4.06	1	0.15	4.06m @ 0.15g/t Au
L064E-36A	29.35	33.42	4.07	1	0.37	4.07m @ 0.37g/t Au
L064E-36A	30.37	31.39	1.02	2	1.29	1.02m @ 1.29g/t Au
L064E-36A	36.47	39.51	3.04	1	0.26	3.04m @ 0.26g/t Au
L064E-42A	9.9	15.48	5.58	1	0.6	5.58m @ 0.6g/t Au
L064E-42A	13.45	14.47	1.02	2	2.13	1.02m @ 2.13g/t Au
L064E-42A	16.5	19.55	3.05	1	0.1	3.05m @ 0.1g/t Au
L064E-42A	22.6	28.69	6.09	1	10.69	6.09m @ 10.69g/t Au
L064E-42A	25.64	27.68	2.04	3	30.74	2.04m @ 30.74g/t Au
L064E-42A	25.64	28.69	3.05	2	21.24	3.05m @ 21.24g/t Au
L088E-18A	10.2	16.3	6.1	1	0.67	6.1m @ 0.67g/t Au
L088E-18A	12.23	13.25	1.02	2	3.22	1.02m @ 3.22g/t Au
L088E-24A	16.26	20.32	4.06	1	1.48	4.06m @ 1.48g/t Au
L088E-24A	17.27	18.29	1.02	2	4.74	1.02m @ 4.74g/t Au
L088E-42A	19.24	24.32	5.08	1	1.44	5.08m @ 1.44g/t Au
L088E-42A	22.29	23.31	1.02	2	6.58	1.02m @ 6.58g/t Au
L088E-42A	29.4	32.45	3.05	1	0.12	3.05m @ 0.12g/t Au
L066E-24A	19.34	24.42	5.08	1	1.58	5.08m @ 1.58g/t Au
L066E-24A	21.38	24.42	3.04	2	10.39	3.04m @ 10.39g/t Au
L066E-24A	33.57	34.58	1.01	2	5.69	1.01m @ 5.69g/t Au
L066E-24A	33.57	38.65	5.08	1	1.31	5.08m @ 1.31g/t Au
L066E-24A	43.73	44.74	1.01	1	1.24	1.01m @ 1.24g/t Au
L066E-30A	16.61	22.71	6.1	1	0.27	6.1m @ 0.27g/t Au
L088E-48A	8.76	9.52	0.76	1	0.77	0.76m @ 0.77g/t Au
L088E-48A	23.49	26.54	3.05	1	0.23	3.05m @ 0.23g/t Au
L088E-48A	30.6	33.65	3.05	1	0.33	3.05m @ 0.33g/t Au
L088E-36A	21.01	25.09	4.08	1	0.59	4.08m @ 0.59g/t Au
L088E-36A	22.03	23.05	1.02	2	4.3	1.02m @ 4.3g/t Au
L088E-36A	30.19	31.21	1.02	1	0.39	1.02m @ 0.39g/t Au

RC Drilling Conclusions

From previous work at the Yellowjacket Gold Property, it has been found that gold is preferentially hosted within the carbonate altered (listwanitic) ultramafic rocks, and often associated with quartz veining and structuring. The timing of the alteration and gold-mineralization is still not well understood, however there are several schools of thought on this issue:

1) The gold may be sourced from within the ultramafic rocks themselves, and liberated during the alteration
2) The gold may be sourced externally and emplaced within the system by hydrothermal fluids
3) A combination of the above and related to multi-episodic alteration

A paper by Gerard Buisson and Marc Leblanc (1987) suggests that gold may be partially sourced from within the ultramafic rocks themselves. During the formation of serpentine and magnetite from olivine, gold is concentrated within magnetite and secondary sulphides. During later carbonate-alteration of the serpentinites, the magnetite is destroyed and Au is released and concentrated within these altered rocks. This may explain an early and possible stage of Au mineralization at Yellowjacket.

As noted above, the destruction of magnetite occurs as the carbonate alteration reaction of serpentinite proceeds. There is a sequential decrease in magnetism from serpentinite (2) to fe-serpentinite (2a) to fe-mg carbonate (3ab) to fe-carbonate (3b), which is non-magnetic and where the magnetite is completely destroyed. If gold was present in the original mantle rocks, it may partially explain one source of the gold.

Subsequently, hydrothermal and acidic gold-bearing solutions within the Pine Creek shear zone may precipitate silica, pyrite, arsenides and gold when entering the reducing alkaline environment of the carbonatized rocks. From sample and field mapping in 2009 and also from the VG seen in sample from the 2010 RC drilling, gold was found in relation to quartz veining within the altered ultramafic succession, but also within partially altered and quartz-stockworkedandesites. Within the andesites, quartz-stockworking was found to be associated with silicification, fe-oxidation, and abundant cubic and oxidized pyrite. Arsenopyrite (FeAsS) was also found within the system.

The property is located in a valley controlled by the Pine Creek Fault zone, which has been described by Linda Dandy (2005) as east trending and approximately 70m in width. From mapping, the zone is intensely sheared and structured. Permeability within the system may be controlled along structural faulting, and as noted above, also created geochemically within the ultramafics themselves during the carbonate-alteration reaction. The complexity of the geology along this structure, and the differences in mineralogy and alteration noted during mapping and in and sample could support the idea of multiple sources for the gold.

The 2010 RC Drill program targeted an area to the east of the 2009 pit extension in order to determine the economic potential of the area, to build a model for grade control and pit construction, and for a Resource Estimate. Overall, the RC drill seemed to collect representative and continuous samples over the grid area.

Sample logging and correlations between the drill holes on section displayed the same lithological relationships that were evident in previous mapping. Several gold bearing zones exist within the listwanite-altered ultramafic, and volcanic assemblages, and within quartz veins in the Yellowjacket property, and these were encountered in the 2010 RC program.

Sample Preparation, Analyses and Security

Sampling Method and Approach

All 2010 samples were collected by TerraLogic Exploration Inc. employees. The sampling process is standardized and continually monitored for quality assurance and quality control. Both reverse circulation chips and channel samples were collected during this program.

During the RC drill program, an attempt was made to sample the overburden for placer gold values, and the bedrock for lode gold values. Highly variable recoveries in the overburden resulted in inconsistent sample lengths, however the fluvial gravels were typically 9-12m thick and yielded 2-4 samples. Drill casing was set down to bedrock surface, and then bedrock was continuously sampled in 1.016m intervals (3 samples for every 10" drill string) for the entire length of the hole. Water was used during drilling due to the high clay and talc content of the rock, and samples were collected in buckets at surface as a mud slurry. Sample buckets were then split through a riffle splitter and bagged in a coarse reject poly bag and a cloth sample bag. The coarse reject poly bags are saved on site, and the sample fraction in cloth bags were sent to Ecotech Labs for Au 4-500g FA analysis.

One area of concern in regards to the sampling is that some of the clays and fine material from the sample was lost during the drilling and splitting process as a result of the volume of water that was used. This may result in positively skewed Au values as some of the lightest and finest bulk material of the sample was lost.

Each sample was logged in order to later tie the sampling and assay results of the program to hosting lithologies, and to better map and understand the deposit. The geological samples were taken from the coarse rejects for lithological description. Each sample was washed, screened into a coarse fraction (>2mm) and a fine fraction (200µm – 2mm), and analyzed using a microscope to determine the lithology, degree of alteration, and mineralization.

The different lithologies were evident within each sample and could be plotted on strip logs and correlated through the section. There appeared to be little to no lithological contamination from upper zones within each sample. As the gold is hosted within the rock itself and found most often in quartz veining and silicified zones that seem to remain as intact chips, it is possible to assume that gold contamination between samples is also minimal. Potential contamination may occur where the rock was completely pulverized and the gold was liberated, however it is believed that this may be minimal. Other heavy minerals, such as the magnetite from the black sand in the placer gravels correlated well with overburden type, and therefore the air pressure used during sample circulation by the RC rig is thought to be adequate to also circulate all gold to surface as well.

All samples were sent to EcoTech Laboratories (now Stuart Group) labs in Kamloops, BC, an ISO17025 accredited facility for Mineral Analysis Testing.

Methods and Specifications for Analytical Package
Sample Preparation

Samples (minimum sample size 250g) are catalogued and logged into the sample-tracking database. During the logging in process, samples are checked for spillage and general sample integrity. It is verified that samples match the sample shipment requisition provided by the clients. The samples are transferred into a drying oven and dried.

Drill core samples are crushed on a Terminator jaw crusher to -10 mesh ensuring that 70% passes through a Tyler 10 mesh screen. Every 35 samples a re-split is taken using a riffle splitter to be tested to ensure the homogeneity of the crushed material. A 250 gram sub sample of the crushed material is pulverized on a ring mill pulverizer ensuring that 95% passes through a -150 mesh screen. The sub sample is rolled, homogenized and bagged in a pre-numbered bag. A barren gravel blank is prepared before each job in the sample prep to be analyzed for trace contamination along with the processed samples.

Assay Gold Analysis (AU-4500).

A 30 g sample size is fire assayed along with certified reference materials using appropriate fluxes. The flux used is pre-mixed, purchased from Anachemia which contains Cookson Granular Litharge. (Silver and Gold Free). The ratios are 66% Litharge, 24% Sodium Carbonate, 2.7% Borax, 7.3% Silica. (These charges may be adjusted with borax or silica based on the sample). Flux weight per fusion is 120g. Purified Silver Nitrate is used for inquartation. The resultant dore bead is parted and then digested with nitric and hydrochloric acid solutions and then analyzed on an atomic absorption instrument (Perkin Elmer/Thermo S-Series AA instrument). Gold detection limit on AA is 0.03-100 g/t. Any gold samples over 100g/t will be run using a gravimetric analysis protocol.

Appropriate certified reference material and repeat/re-split samples (Quality Control Components) accompany the samples on the data sheet for quality control assessment.

Ore Grade Overlimit Analysis
(BMEH-11, single element, BMEH-13, all elements)

Samples and standards undergo an oxidizing digestion in 200 ml phosphoric flasks with final solution in aqua regia solution. Appropriate standards and repeat/re-split samples (Quality Control Components) accompany the samples on the data sheet.

The digested solutions are made to volume with RO water and allowed to settle. An aliquot of the sample is analyzed on a Perkin Elmer/Thermo S-Series AA instrument.

Instrument calibration is done by verified synthetic standards, which have undergone the same digestion procedure as the samples. Standards used narrowly bracket the absorbance value of the sample for maximum precision.

Results are collated and are printed along with accompanying quality control data (repeats, re-splits, and standards).

Quality Assurance / Quality Control

Historic

The historic QA/QC work completed on the Yellowjacket Property consists of check assay comparisons, assay standard comparisons and re-assay comparisons.

2010 RC Drill Program

The 2010 exploration program involved a QAQC program consisting of the inclusion of blanks, Au standards and resplits and check samples into StewartGroups analytic chain of custody. The insertion point of blanks, standards and resplits was randomly selected and an attempt was made to include one of each for each hole. Blank material was sourced from a gravel pit approximately 12 kms North of Atlin proximal to the McDonald Lake turnoff. Two Au standards were obtained from WCM Sales Ltd.:

PM413 – accepted value of 2.05 +/- 0.06 g/t Au;
PM925 – accepted value of 11.69 +/- 0.57 g/t Au.

External resplits were obtained by resplitting the coarse reject of a randomly selected sample from each hole. All QAQC samples were sent to StewartGroup laboratories for screen metallic analysis.

<u>Results</u>

Blanks

Blank material was run through the riffle splitter and the coarse reject was retained. A total of 45 blanks were included into the Yellowjacket sample chain of custody; a total of 2 (4.44%) returned Au values greater than 3X the lower detection limit (LDL) of 0.03 g/t Au. Follow-up analysis of L066E-18A-029B by Stewart Group suggests that the original blank material likely had gold present, as the previous six samples in the hole were devoid of Au and cross-contamination was very unlikely. It was not determined whether the source of Au in sample L088E-30A-016B was natural or derived from cross contamination during splitting or lab analysis. Regardless of the source / timing of cross-contamination blank values are very low compared to any reasonable mining cut-off grade.

Standards

Standards were included in the sample chain as 40g packets of pulp material. A total of 46 external standards and 178 internal standards were included in the Yellowjacket sample chain of custody. Statistical analyses of the samples was done using standard Stoddard Charts which show that the moving average for all four standards is well within 2 standard deviations of the accepted value.

Resplits

A variety of resplits were analyzed during the analytic programs:

- external resplits – run through riffle splitter on property;
- internal resplits – entire sample is resplit from coarse reject at StewartGroup;
- internal -140 mesh resplits - -140 mesh fraction is resplit at StewartGroup.

A total of 50 external resplits were introduced into the Yellowjacket analytic program – 15 of which returned Au values greater than 3x detection limit; 7 of which (46.67%) were within +/- 20% of original value. Comparison of the resplits using a log Base10 plot of external resplitsvs sample values indicates that the accuracy decreases at lower Au values.
A total of 122 internal resplits were introduced into the Yellowjacket analytic program – 12 of which returned Au values greater than 3x detection limit; 2 of which (16.67%) were within +/- 20% of the original value. Comparison of the resplits using a log Base10 plot of internal resplitsvs sample values indicates that the accuracy decreases with an increase in grade, possibly due to the nugget effect.

A total of 1757 internal -140 mesh resplits were introduced into the Yellowjacket analytic program – 397 of which returned Au values greater than 3x detection limit; 366 of which (92.19%) were within +/- 20% of the original value. Comparison of the -140 mesh resplitsusing a log Base10 plot of -140 mesh resplitsvs -140 mesh fraction sample values indicates improved precision from 0.1 to > 50 g/t Au and that precision decreases below 0.1 g/t Au as it approaches the lower detection limit of the analytic method.

Check Samples

A total of 63 samples from the Yellowjacket analytic program were sent to ALS Chemex for check analysis. The selection process was based on geology, alteration and grade to ensure that a representative suite was submitted. Coarse rejects were shipped from Stewart Group's preparation lab to ALS Chemex for 1kg screen metallic Au analysis (Au-SCR24).

Conclusions

- Blanks showed very minimal cross-contamination at levels well below any potential cut-off grade.
- Both internal and external standards performed very well; consistent with good accuracy at the laboratory.
- Repeats performed as expected considering the difficulty that high-grade coarse-grained Au deposits pose for reproducibility.
- Check samples sent to ALS Chemex compared relatively well with the original values.
- Results of the QAQC program indicate that the sampling and analytic methodology utilized during the drill program maintained acceptable precision and accuracy.

Data Verification

Documentation of exploration work prior to Eagle Plains involvement with the project shows that this work was carried out to a good standard of competency and completion. Paper records such as assay sheets and drill logs, geophysical maps and geological sections are properly archived and readily available for inspection. Drill core from prior exploration programs is well stored on site in an orderly way, and new core drilled by Muskox/Prize is stored in a secure facility in Calgary, AB or on site. Assayed sections of the core have been cut and retained in properly marked core boxes. It is easy to refer to a drilled and assayed intercept in a report or cross section and view the same core interval in the box at its storage site.

In the field, drill collars are easily identified. GPS surveying has located all drill collar locations, and many have been transit surveyed as well.

Re-sampling of drill core was conducted by Muskox to confirm assay results plus four twinned Homestake holes were drilled as due diligence in order to utilize the former Homestake drill data in future resource estimates. This work verified the results obtained previously by Homestake.

The author of the current technical report, Barry J. Price conducted a site visit on October 06, 2011 and examined the area that was drilled in 2010 as well as the stored rock chip rejects. The co-author of the current Technical Report, Charles C. Downie, P.Geo. supervised the 2010 RC drilling program.

Security of Samples

All samples were collected by TerraLogic Exploration Services Inc. employees. Samples were placed in rice bags and sealed with cable ties and shipped directly to the analytical laboratory prep lab in Whitehorse, Yukon, Atlin Trucking Freight service. Sample cataloguing and shipping was overseen by either Chris Gallagher or Fiona Katay. There were no irregularities noted by the laboratories with respect to the sample shipment, therefore, there is no reason to believe that the security of the samples was compromised in any way.

Eco Tech Laboratory Ltd. is registered for ISO 9001:2008 by QMI Quality registrars for the “provision of assay, geochemical and environmental analytical services”. Eco Tech also Participates in The Canadian Certified Reference Materials Project (CCRMP) testing program annually.

Mineral Resource and Mineral Reserves

In 2009, independent Qualified Person Barry Price, P.Geo. with the assistance of Linda Dandy, P.Geo. and Chris Gallagher M.Sc. prepared a preliminary inferred resource estimate for the Yellowjacket Zone. This was done by standard end section techniques using geological cross sections oriented at 160 degrees, prepared by Gallagher from the drillhole database. Assays, intercepts calculated, and drill hole survey and geological data were entered into the Target computer program (Oasis Montaj) licensed by Eagle Plains Resources Ltd.

Because of the complexity of the drill pattern and the strong nugget effect, drill sections are spaced generally 6 metres apart. Where drillholes are farther apart this has been extended in some cases to 9 or 18 metres. Drill sections are labelled 080 West to 106 East. It should be noted that, due to the unfortunate numbering sequence determined early in the sampling program, the line numbers do not correspond to actual metreage, but to sample lines two metres apart. However, the 25 sections cover a total distance of about 250 metres from the west end of the Yellowjacket Pit to well beyond the eastern margin of the pit.

In the drill intercepts grades vary from 0 to 80.5 g/t gold and the bulk sample blocks average 4.7 grams/tonne.

INFERRED RESOURCE ESTIMATE, YJ GOLD PROJECT						
B.J.PRICE GEOLOGICAL* 2009						
CUT OFF (G/T)	SECTIONS	BLOCKS	TONNES (METRIC)	GRADE (G/T)	TOTAL AU (GRAMS)	TOTAL AU (OUNCES)
0.5	26	57	184000	4.4	781000	25000
1.5	20	39	133000	5.8	734000	24000

Omitting all blocks that average than 1.5 g/t results in a smaller resource but with higher average grade and only marginally less gold, indicating that most of the gold is contained in the higher grade blocks and that processing the low grade blocks may be uneconomic.

The resource is considerably smaller than the previous estimates by Homestake and by Canamera Geological. For the former study, drill spacing was much wider; recent drilling has established that the geology is erratic and it is difficult to trace the mineralization as far as originally thought, and for the latter, the estimate appears to be unreliable.

There has been insufficient work to date to define a NI 43-101 compliant Measured or Indicated Mineral resource for the YJ project. Due to the uncertainty that may be attached to Inferred Mineral resources, it cannot be assumed that all or any part of an Inferred Mineral resource will be upgraded to an Indicated or Measured Mineral Resource with continued exploration or that this material may be mined in the future. Much of the resource is at depth and would require underground mining methods.

The Study is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized.

Mining Operations

Mining Methods

Overview

On July 10, 2009, the Yellowjacket Gold Mine received its BC Mines Act Permit for the development and operation of an open pit gold mine and onsite concentrator processing up to 75,000 tonnes per year of gold ore. The 2009 mining plan outlined extraction of a minimum of 32,000 tonnes of gold ore from the existing open pit. The permitted mine life is 7 years with an average anticipated production of 50,000 tonnes of mineralized bedrock.

The original processing plant was designed by Knelson Gravity Solutions under direction of BGC Engineering, with input from Snowden Mining Industry Consultants. Mr. RinoMihoc, Mill Supervisor and previous Mine Manager at Goldcorp Inc.'s Golden Bear Mine was responsible for the mill operations during the bulk sampling and beginning of the mining phases. Work completed since receiving permit approvals includes:

- construction of a newly designed tailings storage facility and pipeline;
- emplacement of environmental monitoring wells;
- mine pit de-watering;
- ramp construction;
- mill commissioning; and
- electrical upgrades.

Test work indicated preliminary recoveries would be about 81%, with ore head-grades of approximately 9.0 g/t gold. Test work done on the rock units excavated from the pit have found them to be non-acid generating.

2009 Mining and Production

Mining operations in 2009 were focused on the area of the bulk sample pit. The original pit was deepened and the pit wall was extended to the east to access a new zone of quartz veins and shears with visible gold. Total mine production in 2009 was approximately 14,000 tons of mineralized bedrock which was sent to the ore stockpile and an additional 25,000 tons of waste. In addition approximately 25,000 cubic metres of placer pay gravel was stockpiled.

Between August 26 and September 22 2009, a total of 6793 wet tons / 6632 dry tons of 2009 excavated ore were processed through the mill resulting in approximately 6.22 kilograms (200 ounces) of gold produced. The milling operation was halted due to a mechanical failure of the SAG mill and approximately 6000 tonnes of mineralized bedrock remain on the stockpile.

Problems with the smelting furnace did not allow doré bars to be poured onsite and the gold concentrate was shipped to Kemetco Research in Richmond BC for processing and then sent to Technics Inc. in Richmond for refining. Processing at the Kemetco facility was much slower that anticipated and the final runs from the processing are currently being processed and it is expected that all gold recovery will be complete by the end of 2011.

Mine Description

The Yellowjacket Gold Project Mine Plan as submitted for the Small Mines Act Permit indicated production beginning in 2009 at a rate of 50,000 tonnes per year of gold mineralized bedrock material. Production will be for seven (7) years and has been designed with development in four (4) phases that include the original bulk sample pit and three (3) additional phases that combine for an open pit deposit of 307,000 tonnes.

The project also has a placer mining component, which involves mining and processing of surficial materials that overlay the bedrock mineralized zone.

Process Plant Description

The mill at the Yellowjacket Gold Project is a standard grinding and gravity plant. The mill is an outdoor facility and future plans entail building an enclosure around the mill equipment utilizing a building or tent style structure. The mill is currently powered by a 600V, 500kVA Cummings diesel powered generator. Discussions are underway to determine feasibility of connecting to the local hydroelectric grid.

There are two 50 centimetre diametre Knelson CD-20 Concentrators in the Yellowjacket Gold Project mill. Both Knelson Concentrators discharge concentrate to the concentrate storage tank. The flush cycle (and hence final concentrate volumes) is time-regulated using a programmable logic controller ("PLC"), an integral part of the mill.

The Knelson concentrates vary greatly in particle size therefore must be re-ground to a more uniform size distribution to allow the "clean-up" Deister shaker table to segregate gold particles from gangue material. The Knelson concentrates are demagnetized, and then fed to a 90 X 90 centimetre, 25 HP Denver "re-grind" ball mill. The re-grind ball mill discharges the concentrates onto a 1.2 X 2.4 metreDeister table. Table concentrates are collected for refining. The table middlings return to the regrind mill for further gold liberation and the table tails are returned back to the main milling process for regrinding.

Project Infrastructure / Surface Impact

Key components of the Yellowjacket Gold Project include small open pits, stockpile area, mine access and haul roads, water management structures, backfilled waste dump, gravity gold process plant, and associated infrastructure facilities. Total area of disturbance within the study area is 18.4 hectares.

The entire mine area has been extensively mechanically disturbed by placer mining activity over the past 110 years. There are no soils within the defined area of the mining or processing activities; therefore none will be available for replacement during reclamation. Reclamation and closure will consist of removal of all facilities and infrastructure, backfilling mined pits, surficial gravel coverage of tailings (settling) ponds, re-grading of all access roads, re-sloping of waste dumps and stockpile pads, and planting of willow on the reclaimed tailings ponds.
There will be limited waste development from mining operations, and waste material will first be stockpiled then returned within a one or two year period as backfill into the mined out phase pits. Mineralized material will be hauled to temporary stockpiles located near the processing plant to be either crushed and/or directly fed into the SAG mill. The tailings product will be pumped to tailings (settling) ponds located between Surprise Lake Road and Pine Creek.

The primary bedrock and surficial material removal equipment is comprised of excavators and 30 tonne articulating rock trucks. Due to the soft fractured nature of the bedrock in the area of excavation, no drilling or blasting is required during the mining cycle.

Process feed and waste will be hauled out of the pits along the northern perimetre of the existing stockpile area. Two mineralized material stockpiles will be developed (one of 25,000 tonnes located near the process plant and another of 15,000 tonnes opposite the waste stockpile) along with a waste rock dump (about 25,000 tonnes).

Surface water collection ditches are and will continue to be located such that all plant site runoff is collected and directed to an appropriate settling pond to allow for suspended solids to settle from impacted water prior to discharge. Most surface waters will infiltrate directly into the surficial materials and will not tend to run overland within the project area.

Capital and Operating Costs

Equipment Costs

Prize Mining Corporation began purchasing equipment for the Yellowjacket Project in 2007. Purchases included a Knelson gravity processing plant and a Cedar Rapids two-trailer jaw/rolls 50 tonne per hour crushing unit. Prize also negotiated a lease on a 7' X 8' Allis Chalmers Ball Mill and a 1000 kW generator. This equipment was mobilized to the site for crushing and processing during the bulk sampling program.

In 2008, Prize purchased ATCO trailers for use as offices at the mine site, a fuel truck and trailer, an apron feeder, and a Deister shaker table. As well, Prize paid a $159,797 deposit for the acquisition and installation of a semi-autogenous mill to be used for processing the Yellowjacket bulk sample.

In 2009, purchases by the Yellowjacket Joint Venture included assay lab equipment, a Denver regrind mill, a smelting furnace, loader, excavator, bobcat, service truck, a 4x4 pick up, a parts van, assay lab Atcotrailer, and flygt dewatering pumps. Also in 2009, a 500 kW generator was purchased to replace the rental unit.

A cost summary is provided in the following table. The cost estimate does not include materials for electrical infrastructure, electrical pumps and motors or building construction materials.

EQUIPMENT	YEAR OF PURCHASE	COST
Apron feeder	2008	$33,553.52
Cedarapids crushing unit	2007	$180,000.00
Deister shaker table	2008	$19,380.16
Knelson gravity processing plant	2007	$1,335,412.59
Semi-Autogenous Mill	2008	$327,685.02
Load cell / weightometre	2008	$16,861.64
Microscope and susceptibility metre	2008	$6,370.00
Fuel truck and trailers	2007	$7,000.00
Assay lab trailer	2009	$5,000.00
Denver regrind mill	2009	$15,000.00
Smelting furnace	2009	$7,000.00
Loader	2009	$65,000.00
Excavator	2009	$74,837.00
Bobcat	2009	$21,650.00
Service truck	2009	$20,500.00
4x4 pick up	2009	$13,688.93
Assay lab equipment including furnaces, microbalance etc	2009	$22,183.40
500 KW genset	2009	$61,000.00
Flygt pumps	2009	$50,000.00
Tailings and water distribution system	2009	$34,863.12
Crushers / pulverisers	2009	$8,346.00
Parts truck – 5 ton cube	2009	$7,000.00
8 HP Honda generator	2009	$2,047.89
	TOTAL:	**$2,362,379.27**

Expenditures by Prize Mining

Prize Mining Corporation made option payments to the property owner totalling $2,190,000. They also paid a finders fee of $60,000 by a payment of $30,000 and an issue of 200,000 common shares for a value of $30,000 and incurred acquisition costs of $10,000.

During the year ended August 31, 2008, the Company acquired from Kotcho Lake Logging Ltd. ("Kotcho") a 100% interest in two placer claims and one placer lease located in the Atlin mining district of British Columbia. To acquire this interest, the Company paid $475,000 and issued 1,400,000 common shares valued at $292,000 to Kotcho.

Offsetting the expenditures noted above, on January 28, 2009, the Company entered into a lease with an arm's-length party (Cobalt Resources Ltd.) pursuant to which the lessor was granted a 10 year lease on the western portion of the Atlin placer property for consideration of $450,000. On February 23, 2009, the Company received $250,000 with the remaining $200,000 to be paid as follows:

- $100,000 on or before 2:30 p.m. Pacific time on July 15, 2009; and
- $100,000 on or before 2:30 p.m. Pacific time on August 15, 2009.

In addition, Prize received $968,845 ($441,432 in 2009) to date from the government for the British Columbia Mining Exploration tax credit. This amount was recorded as a recovery of deferred exploration costs on the Atlin property. Total acquisition and deferred exploration costs by Prize at May 2009, offset by cash recovery from sale of 40% of the Yellowjacket Joint Venture was $10,162,173 (Interim Financials May 30, 2009). Amounts shown above are before and after the formation of the joint venture with Eagle Plains.

Expenditures by Eagle Plains

On March 27, 2009, Prize and Eagle Plains signed a comprehensive Purchase and Joint Venture agreement, under which, Eagle Plains initially purchased 40% equity in the Atlin Gold Property, subject to the underlying 2003 agreement.

Under terms of the agreement, Eagle Plains purchased a 40% interest in the Property by providing $1,640,000 in working capital, effective at closing of the agreement. Eagle Plains provided an additional $900,000 to be used to fund start up costs. Under the terms of the agreement, this additional $900,000 was prorated as a contribution amount between Eagle Plains and Prize. In July 2009, additional funds were advanced to the Yellowjacket Project by Eagle Plains and Prize Mining in the form of a cash call. After the cash call was settled, the ownership in the project was adjusted according to the following:

PARTY	Initial Contribution	Second Contribution	July 21 cash call	Total	Adjusted Interest %
Prize Mining	$2,460,000	$540,000	$50,000	$3,050,000	47.656
Eagle Plains	$1,640,000	$360,000	$1,350,000	$3,350,000	52.344
TOTAL:	$4,100,000	$900,000	$1,400,000	$6,400,000	100

To the end of December 2009, an additional amount of approximately $1,000,000 was spent on the project on behalf of the joint venture.

On August 19th, 2010, Eagle Plains announced that it had completed the purchase of Prize Mining's remaining interest in the Yellow Jacket Joint Venture and now holds 100%, subject to any underlying agreements. Under the terms of the original JVA, Eagle Plains earned an initial 40% interest in the Project from Prize by making a $2,000,000 cash payment. Since commencing activities, Eagle Plains had advanced the JV an additional amount of approximately $2,600,000. Prize Mining subsequently agreed to accept dilution of its interest in the project in accordance with a formula established in the YJV agreement. Prior to the purchase of the remaining Prize interest and dissolution of the YJV, Eagle Plains held a 59.62% interest. The total consideration for the purchase of Prize's remaining 40.38% interest was $400,000 plus 2,000,000 Eagle Plains common shares. These shares are subject to escrow restrictions over a two year period.

In fall 2010 Eagle Plains carried out a Reverse Circulation drill program at the Yellowjacket, based on the recommendations of the 2010 Technical Report. The cost of this program was $481,056.37

In addition Eagle Plains made the final two cash option payments to the property owner totalling $400,000.

As project operator, Eagle Plains is responsible for ongoing environmental sampling and reporting of results to the appropriate provincial and federal agencies as conditions of the Small Mines Act Permit. It is estimated that the annual costs related to environmental sampling and reporting are approximately $35,000.00.

Initial Contribution	Second Contribution	July 21 2009 cash call	JV expenditures to Dec 2009	2010 RC Program	Option Payments	2010-11 Environmental	JV Buyout	Total
$1,640,000	$360,000	$1,350,000	$1,000,000	$481,056	$400,000	$40,000	$400,000	$5,671,056

Future Capital and Operating Costs

Far less production than anticipated was achieved in 2009 due to critical equipment failure. The following table outlines some projected expenditures on equipment that should be undertaken before resuming milling operations.

ITEM	PARTS / REPAIRS	COST
Additional grinding capacity is required	New sag mill	$400,000
Electrical upgrade	New VFD &starters	$60,000
Complete repairs to generators and investigate small back up for running offices/ lab/ lighting only	New main genset and rebuild of old genset, purchase of small back up power system	$140,000
Replace present throat liner on existing mill	New liner	$3,000
Concrete slab under the existing plant to improve clean up	Concrete and forming	$20,000
Enclose entire plant for security and resolving weather related issues.	Containerize plant and roof trusses	$140,000
Investigate/Install proper crushing circuit for direct feed to the plant.		$160,000
Improve overall plant and site security	Camera set up and locking procedures for concentrator. Phone up grade to plant area	$4,000
Programming HMI changes to Knelson concentrator circuit	Bring in programmer	$25,000
Remove high angle conveyor and replace with flat belt to improve tonnage recording and operation	Replace belt and modify frame	$12,000
Complete repairs to vibrator motors and arrange for spares	Complete repairs of motors and source spare	$6,000
Cyclone sizing should be looked at for the primary circuit.	Investigate smaller cyclones	$4,000
Small 3x6ft mill needs to be relined	Remove welded liners and replace with rubber liner	$18,000
Install new crucible in furnace and buy inventory of 4-6 spares	Purchase more crucibles and install	$8,000
Grade control program and gold content of pyrites should be reviewed.	Analytical / geological work	$20,000
Install new fan and second pulverizer in lab and second furnace to improve output.	Purchase second pulverizor. Set up crusher area. Re-brick second furnace and install	$12,000
Start-up costs	Labour, inventory and resupply	$200,000
	TOTAL:	**$1,232,000**

Exploration and Development

Exploration of the Yellowjacket Gold Property to date has shown a number of gold mineralized zones in altered volcanic and ultramafic rocks with the “Listwanite” model type. There appear to be two or more high angle fault structures trending east-west through the Yellowjacket pit area, and these in places have narrow but high grade, often visible gold, within silica alteration or quartz veins or stockworks. The high angle faults are accompanied by lower angle structures thrust related structures and listwanite alteration zones.

A review of the drilling has led to the estimate of a small inferred resource of 147,000 tonnes averaging 4.7 grams per tonne gold, or, omitting many low grade intercepts, a smaller resource of 106,000 tonnes averaging 6.2 grams/tonne gold. This resource should be regarded as preliminary in nature and consists of numerous blocks in two areas separated by a hiatus of lower grade rock within the east end of the 2008 pit. The resource is largely at depth and much of it may be outside the limits of any possible open pit. However the examination of the drill intercepts has led to a better understanding of the geometry of the mineralization and has pinpointed areas where further drilling is required.

The immediate goal of future work would be to outline a near-surface resource suitable for mining within the limits of the current Small mines Act Permit to be processed on site as was done in 2007-2009.

The current Technical Report on the Yellowjacket Property recommends a two phase exploration program on the property.

Phase 1 recommendations include an 800 meter Reverse Circulation drill program to target extensions of known mineralization and also step out holes to the east of the existing pit and 2010 drilling. The results from the 2010 and 2012 programs should be integrated into current resource model. The cost of this program is estimated to be $225,000.00. It is anticipated that the Phase 1 work will commence in May, 2012, with assay results expected by August 2012 and an updated resource model with recommendations expected by October 2012. The following table provides a breakdown of the steps and budgeted costs for the Phase 1 program.

DESCRIPTION personnel:		no. of persons	rate	no. of days	AMOUNT
Senior Geologist		1	$650	25	$16,250.00
Project Geologist		1	$550	25	$13,750.00
Geological Technician		1	$400	25	$10,000.00
analytical:	RC chips(prep)	800	$2.00		$1,600.00
	RC chips (Au Assay)	750	$25.00		$18,750.00
equipment rental:					
trucks:					$2,500.00
communication including satellite dish, radios, satellite phone:					$2,500.00
pre-field:					
program planning and data compilation:					$5,000.00
Reverse Circulation Drilling:	800 meters x$100/m				$80,000.00
meals/groceries/accommodation:		5	$150.00	25	$18,750.00
shipping:					
		$2,000.00			
fuel:					$2,500.00
supplies: geology materials etc.:					$5,000.00
resource modelling:					$20,000.00
report writing and reproduction:					5,000.00
Subtotal A:				rounded	$204,000.00
10% contingency:					$21,000.00
TOTAL PHASE I					**$225,000.00**

Phase 2, which is contingent upon the receipt of positive results from Phase 1, includes more advanced work to prepare for the next phase of mining and production. Recommendations include stripping the next planned pit to the east and carrying out detailed channel sampling and mapping of the exposed bedrock. An engineering and metallurgical review of past production and recommendations for future production if warranted is also recommended. The cost of this work is estimated to be $770,000.00. Based upon recommendations from the Phase 1 program, Phase 2 work could begin immediately after the 2012 Phase I summary report is received.

Available Funds

Yellowjacket will receive $600,000 from Eagle Plains pursuant to the Arrangement. Accordingly, Yellowjacket will have $600,000 available to it upon completion of the Arrangement (the "Available Funds").

Principal Purposes for Available Funds

Assuming completion of the Arrangement, Yellowjacket will use the Available Funds, as followS:

Use of Proceeds	Available Funds
To pay for the Phase I exploration activities set out under the heading "Yellowjacket Gold Project – Exploration and Development"	$225,000
To fund ongoing operations and administration costs (12 months)	$274,800
Fees associated with listing application(1)	Nil
To unallocated working capital	$100,200
Total	**$600,000**

Notes:

(1) Listing Fees will be paid by Eagle Plains.

The funds available for ongoing operations will be sufficient to meet Yellowjacket's administration costs for the next 12 months. See "Administration Expenses".

Yellowjacket will spend the Available Funds as set out above. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. Yellowjacket will only redirect funds to other properties on the basis of a recommendation from a professional geologist or engineer.

Administration Expenses

The following table discloses the estimated aggregate monthly and yearly administration costs that will be incurred by Yellowjacket:

Type of Administrative Expense	Monthly Estimated Expenditure	12-Month Estimated Expenditure
Executive Compensation / Salaries or Consulting Fees	$7,000	$84,000
Rent and Office Services	$3,150	$37,800
Professional Fees(1)	$6,250	$75,000
Regulatory Filing Fees	$1,500	$18,000
Miscellaneous	$5,000	$60,000
TOTAL	**$22,900**	**$274,800**

Note:

(1) Legal, audit and accounting.

DESCRIPTION OF THE SECURITIES

Following completion of the Arrangement, the authorized share capital of Yellowjacket will consist of an unlimited number of Common shares ("Yellowjacket Shares") and an unlimited number of Preferred shares.

Each Yellowjacket Share carries one vote at all meetings of shareholders, participates rateably in any dividends declared by the directors of Yellowjacket on the Yellowjacket Shares, and, subject to the rights of Preferred shares, is entitled, on the liquidation, dissolution, winding-up or other distribution of assets of Yellowjacket for the purposes of winding-up its affairs, to a pro rata share of the assets of Yellowjacket after payment of all its liabilities and obligations.

Yellowjacket will issue a series of Preferred shares under the Arrangement defined as the Yellowjacket Reorganization Shares, which shares will be cancelled and the shares deleted following completion of the Arrangement. Following completion of the Arrangement, pursuant to the Articles of Incorporation of Yellowjacket, Yellowjacket may issue Preferred shares from time to time in one or more series and, the board of directors of Yellowjacket will fix the rights attached to such series. Regarding the payment of dividends and the distribution of assets, Preferred shares of each series will rank equally with the Preferred shares of every other series and be entitled to preference over the Yellowjacket Shares. Subject to the provisions of the ABCA, the approval by the holders of the Preferred shares may be given in writing by the holders of all of the Preferred shares or by resolution duly passed and carried by not less than two thirds of the votes cast on a poll at a meeting of the holders of the Preferred shares, as provided under the Articles of Incorporation of Yellowjacket.

Unaudited Pro Forma Financial Information, Management Discussion and Analysis

Yellowjacket has not completed a financial year and has not yet conducted any business. The following table sets out selected unaudited pro forma financial information for Yellowjacket as at June 30, 2011, assuming completion of the Arrangement, and subject to the adjustments and assumptions in the notes, all of which is qualified by the more complete information contained in the unaudited pro forma consolidated financial statements of Eagle Plains and Yellowjacket as at June 30, 2011 attached as Schedule "G" to this Information Circular.

	As at June 30, 2011 (unaudited)
Cash and cash equivalents	$600,000
Accounts receivable	-
Reclamation bond	$150,000
Investments[1]	$1,286,684
Property and Equipment	$773,100
Mineral properties	$2,500,708
Total assets	$5,310,492
Current liabilities	Nil
Future income tax liability	$625,177
Shareholders' equity	$4,685,315
Total liabilities and shareholders' equity	**$5,310,492**

Notes: 1. Comprised of 'investments, and 'long term investments'.

PRO FORMA CAPITALIZATION OF YELLOWJACKET

Upon completion of the Arrangement there will be 32,642,616 Yellowjacket Shares issued and outstanding. Assuming there are 83,238,669 Eagle Plains Shares issued and outstanding at the time of the Arrangement each of which shall be exchanged for one Eagle Plains New Share and one-third of an Eagle Plains Butterfly Share, Yellowjacket will distribute up to 27,746,223 Yellowjacket Shares (less any Yellowjacket Shares which would otherwise have been distributed to Dissenting Shareholders) to the Eagle Plains Shareholders on the basis of one Yellowjacket Share for every one Eagle Plains Butterfly Share held, and a total of 4,896,392 Yellowjacket Shares will be distributed to Eagle Plains (either for cash or through the conversion of Debt for the Cost Amount of the Spin-off Property – See

"Arrangement – Details of the Arrangement"), resulting in a total of 32,642,616 Yellowjacket Shares issued and outstanding. Upon completion of the Arrangement, Eagle Plains will own directly 15% of the issued and outstanding Yellowjacket Shares.

The following table sets forth information on the pro forma share capitalization of Yellowjacket as at the dates indicated:

Designation of Security	Amount Authorized	Outstanding at August 31, 2011 (unaudited)	Outstanding Assuming Completion of the Arrangement (unaudited)
Common Shares	Unlimited	1	32,642,616(1)

Note:

(1) Upon completion of the Arrangement, Yellowjacket will have no outstanding convertible securities, including options, although it will have an approved stock option plan. This figure does not include up to 2,490,832 Yellowjacket Shares which may be issued pursuant to the Yellowjacket Options Commitment. See Information Concerning Yellowjacket Resources Ltd. Post-Arrangement – Options and Warrants".

FULLY DILUTED SHARE CAPITAL OF YELLOWJACKET

The pro-forma fully diluted share capital of Yellowjacket, upon completion of the Arrangement and the exercise of all options and other rights to purchase Yellowjacket Shares, is set out below:

Designation of Yellowjacket Securities	Number of Yellowjacket Shares	Percentage of Total
Subscribers' shares issued on incorporation	1	0%
Yellowjacket Shares issued to the Eagle Plains Shareholders in accordance with the Arrangement	27,746,223	79%
Yellowjacket Shares issued to Eagle Plains in accordance with the Arrangement	4,896,392	13.9%
Yellowjacket Shares that may be issued pursuant to the Yellowjacket Options Commitment	2,490,832 (1)	7.1%
Total	**35,133,448**	**100%**

Notes:

(1) Based on outstanding Eagle Plains Stock Options to purchase 7,472,500 Eagle Plains Shares as at November 15, 2011. These outstanding Eagle Plains Stock Options have exercise prices ranging from $0.25 to $1.00 per share, and expiry dates ranging from December 11, 2011 to December 10, 2015 (See "Options and Warrants" below).

MARKET FOR SECURITIES

Yellowjacket Shares do not currently trade on any stock exchange. Application has been made to list the Yellowjacket Shares on the TSX-V. Such listing will be subject to meeting TSX-V initial listing requirements and there is no assurance such a listing will be obtained. Completion of the Arrangement is conditional upon the Exchange approving the listing of the Yellowjacket Shares.

PRINCIPAL SECURITYHOLDERS POST ARRANGEMENT

To the knowledge of the directors and officers of Eagle Plains and Yellowjacket, it is expected that at the completion of the Arrangement, no person will beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to each class of the then outstanding Yellowjacket Shares, except for Eagle Plains as provided below.

Name	Number of Yellowjacket Shares Held Post-Amalgamation	Percentage of Yellowjacket Shares Held
Eagle Plains(1)	4,896,392	15%

Note:

(1) To the knowledge of the directors and senior officers of Eagle Plains, as of November 15, 2011, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Eagle Plains Shares.

DIVIDENDS

As at the date of the Information Circular, Yellowjacket has not declared or paid any dividends on the outstanding Yellowjacket Shares. Any decision to pay dividends on Yellowjacket Shares in the future will be made by the Yellowjacket board of directors of Yellowjacket on the basis of the earnings, financial requirements and other conditions existing at such time. Management does not foresee payment of dividends in the short or medium term.

PRIOR SALES OF SECURITIES OF YELLOWJACKET

As of the date of this Information Circular, Yellowjacket has issued one Yellowjacket Share to Eagle Plains.

ESCROWED SECURITIES

No Yellowjacket Shares are expected to be escrowed following the completion of the Arrangement. Assuming the TSX-V grants conditional acceptance to list the Yellowjacket Shares, as a condition of such listing the TSX-V may impose escrow requirements on certain Yellowjacket Shares. See "Information Concerning Yellowjacket Post - Arrangement – Market for Securities".

DIRECTORS, OFFICERS AND MANAGEMENT OF YELLOWJACKET

If the Arrangement is completed, the directors, executive officers and management of Yellowjacket will be the same directors, and virtually the same executive officers and management as those of Eagle Plains, as set out in the table below. Yellowjacket will establish an Audit Committee, a Corporate Governance and Compensation Committee, and an Operations Committee and will appoint virtually the same members as those currently serving on the equivalent committee of Eagle Plains. See the section "Information Concerning Eagle Plains" and "Particulars of Matters to be Acted Upon" of this Information Circular for details regarding Eagle Plains Audit Committee, Corporate Governance Committee, Compensation Committee and Operations Committee.

Name and Municipality of Residence	Office held in Yellowjacket upon completion of the Arrangement	Number of Yellowjacket Shares beneficially owned or controlled upon completion of the Arrangement	Percentage of Yellowjacket Shares beneficially owned or controlled upon completion of the Arrangement
Charles C. Downie(2)(3)(4) Cranbrook, British Columbia	President, Chief Executive Officer and Director	129,000	0.39%
Glen J. Diduck(1)(3) Cochrane, Alberta	Treasurer, Chief Financial Officer and Director	300,000	0.92%
Timothy J. Termuende(2)(4) Cranbrook, British Columbia	Director and Chairman	820,260	2.51%
Ronald K. Netolitzky(1) Victoria, British Columbia	Director	396,666	1.21%
David L. Johnston(1) Cranbrook, British Columbia	Director	89,166	0.27%
Darren B. Fach(2)(3) Calgary, Alberta	Corporate Secretary and Director	71,800	0.22%
Norm E. Jordan Cranbrook, British Columbia	Company Secretary and Controller	24,766	0.08%
	Total	1,831,658	5.6%

Notes:

(1) Proposed Member of Audit Committee.
(2) Proposed Member of Operations Committee.
(3) Proposed Member of Corporate Governance and Compensation Committee.
(4) These proposed members of Yellowjacket management, being Timothy Termuende and Charles Downie, will be devoting a substantial amount of their time to the management of Yellowjacket, as required.

Upon the completion of the Arrangement, it is expected the directors and senior officers of Yellowjacket as a group, will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 1,831,658 Yellowjacket Shares, representing approximately 5.6% of the issued Yellowjacket Shares.

The following is the background information on the above proposed directors, officers and management.

CHARLES C. DOWNIE, President, Chief Executive Officer and Director
Cranbrook, British Columbia

Mr. Downie obtained his Bachelor of Science degree from the University of Alberta in 1988 and his Professional Geoscientist designation in British Columbia in 1993. He served as a Geological Consultant for Big City Resources Ltd., a privately owned resources company, from May, 1994 to 1999. Mr. Downie has acted as Exploration Manager of Eagle Plains Resources Ltd. since January, 2000, and as Vice-President Exploration and Director of Omineca Mining and Metals Ltd. since May, 2011. He has served as Vice-President, Exploration and Director of Copper Canyon Resources Ltd. from June, 2006 to May, 2011.

GLEN J. DIDUCK, Treasurer, Chief Financial Officer and Director
Cochrane, Alberta

Mr. Diduck obtained his Bachelor of Commerce degree from the University of Saskatchewan in 1976. He obtained his Chartered Accountant status in Alberta in 1979 and has subsequently been a self employed Chartered Accountant in public practice. Mr. Diduck's practice has included providing audit and accounting services to numerous public companies. He has served as Treasurer and Chief Financial Officer of Eagle Plains Resources Ltd. since May, 1999 and as Chief Financial Officer and Director of Northern Freegold Resources Ltd. since January, 2006 and as Treasurer, Chief Financial Officer and Director of Omineca Mining and Metals Ltd. since May, 2011. He has served as Treasurer, Chief Financial Officer and Director of Copper Canyon Resources Ltd. from June, 2006 to May, 2011.

TIMOTHY J. TERMUENDE, Director and Chairman
Cranbrook, British Columbia

Mr. Termuende obtained his Bachelor of Science degree in Geology in 1987 and his Professional Geologist designation in British Columbia in 1992. Mr. Termuende has been a self-employed consulting geologist and President of Toklat Resources Inc., a privately owned resource management company, from March, 1990 to the present and serves as President of Palliser Developments Inc., a privately owned holding company. He has served as President and Chief Executive Officer of Eagle Plains Resources Ltd. since May, 1999. Mr. Termuende has served as President, Chief Executive Officer and Director of Copper Canyon Resources Ltd. from June, 2006 to May, 2011, and as Chief Executive Officer and Director of Omineca Mining and Metals Ltd. since May, 2011. He has also served directorships with Road New Media Corporation, Lions Gate Energy Inc. and Red Rock Energy Inc., and currently serves on the board of directors of Northern Freegold Resources Ltd., Kestrel Gold Inc., Aben Resources Ltd. and Blackrock Resources Ltd.

RONALD K. NETOLITZKY, Director
Victoria, British Columbia

Mr. Netolitzky holds a Bachelor of Science degree from the University of Alberta and a Master of Science degree from the University of Calgary, both in Geology. He is currently Executive Chair of Golden Band Resources Inc. Previously, he was Chairman of Viceroy Resources Corporation serving formerly as its President and Chief Executive Officer. Mr. Netolitzky is also the former Chairman of Brett Resources Inc., Loki Gold Corporation and Baja Gold Inc. Mr. Netolitzky has a wealth of experience in the mining industry primarily in exploration, development and production projects, and is an independent director and advisor to numerous other public companies. He has been a Director of Eagle Plains since June, 2006.

DAVID L. JOHNSTON, Director
Cranbrook, British Columbia

Mr. Johnston obtained his Professional Engineer status in 1968 and was employed by Cominco Ltd. and various subsidiaries in senior management positions including President and General Manager of Highland Valley Copper Corporation, Vice President Mine Operations in Cominco Metals, and Vice President and General Manager Cominco Northern Group. Mr. Johnston retired in 1999. Mr. Johnston was appointed to the board of Eagle Plains Resources Ltd. in December, 2005, and to the board of Omineca Mining and Metals Ltd. since May, 2011, and has served directorships with Copper Canyon Resources Ltd., Silver Standard Resources Inc. and Pretium Resources Inc.

DARREN B. FACH, Corporate Secretary and Director
Calgary, Alberta

Mr. Fach is currently a Partner with the law firm of McLeod & Company LLP where he has practiced since 1992. Mr. Fach was admitted to the Law Society of Alberta in 1990. Mr. Fach has acted as Corporate Secretary of Sheffield Resources Ltd., Superior Canadian Resources Inc., Honey Badger Exploration Inc., Copper Fox Metals Inc., Leeward Capital Corp. and Copper Canyon Resources Ltd. Mr. Fach has served as Secretary of Eagle Plains Resources Ltd. since May, 1999 and of Omineca Mining and Metals Ltd. since May, 2011. He has been a Director of Eagle Plains Resources Ltd. since 2004, a Director of Northern Freegold Resources Ltd. since August, 2006 and served as a Director of Copper Canyon Resources Ltd. from June, 2006 to May, 2011.

NORM E. JORDAN, Company Secretary and Controller
Cranbrook, British Columbia

Mr. Jordan obtained his Bachelor of Science in Business Administration degree in 1978 from Michigan Technological University. He has served as Controller of Eagle Plains since November 2004 and Omineca Mining and Metals Ltd. since May, 2011. Prior to joining Eagle Plains he was employed as a manager at BDO Dunwoody, a public accounting firm, where he worked for 20 years. He served as Controller of Copper Canyon Resources Ltd. from June, 2006 to May, 2011.

Other Reporting Issuers

The following proposed directors and officers of Yellowjacket are, or within the past five years have been, directors and officers of the following reporting issuers:

Name	Other Reporting Issuers	Exchange	Position	Dates
Charles C. Downie	Copper Canyon Resources Ltd.	TSX-V	Vice-President, Exploration Director	Jun 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	Exploration Manager, Director	Dec 2001 – Present
	Omineca Mining and Metals Ltd.	TSX-V	Vice-President Exploration, Director	May 2011 - Present
Glen J. Diduck	Copper Canyon Resources Ltd.	TSX-V	Treasurer, CFO, Director	Jun 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	Treasurer, CFO, Director	Oct 1996 – Present
	Northern Freegold Resources Ltd.	TSX-V	CFO, Director	Jan 2006 – Present
	Omineca Mining and Metals Ltd.	TSX-V	Treasurer, CFO, Director	May 2011 - Present
Timothy J. Termuende	Aben Resources Ltd.	TSX-V	Director	Mar 2011 – Present
	Blackrock Resources Ltd.	TSX-V	Director	Aug 2011 - Present

Name	Other Reporting Issuers	Exchange	Position	Dates
	Copper Canyon Resources Ltd.	TSX-V	President, CEO, Director	Jun 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	President, CEO, Director	Jan 1995 – Present
	Kestrel Gold Inc.	TSX-V	Director	Apr 2010 - Present
	Lions Gate Energy Inc.	TSX-V	Director	Mar 2004 – Apr 2006
	Northern Freegold Resources Ltd.	TSX-V	Director	Jan 2006 – Present
	Omineca Mining and Metals Ltd.	TSX-V	President, CEO, Director	May 2011 - Present
	Redrock Energy Inc.	TSX-V	Director	May 2007 – Dec 2009
Ronald K. Netolitzky	Aben Resources Ltd.	TSX-V	Director	Mar 2011 – Present
	American Bonanza Gold Corp.	TSX	Director	Sep 1997 – Present
	Aurcana Corporation	TSX-V	Director	Sep 1997 – April 2011
	Blue Sky Uranium Corp.	TSX-V	Director	Nov 2009 – Present
	Boss Power Corp.	TSX-V	Director	Sep 2007 – Present
	Brett Resources Limited	TSX-V	Director	Aug 1993 – Aug 2010
	Copper Canyon Resources Ltd.	TSX-V	Director	Jun 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	Director	May 2004 – Present
	Golden Band Resources Inc.	TSX-V	Executive Chairman, Director	Jul 1989 – Present
	Masuparia Gold Corporation	TSX-V	CEO, Director	June 2011 - Present
	NGEx Resources Inc.	TSX	Director	Sep 2003 – Apr 2009
	Omineca Mining and Metals Ltd.	TSX-V	Director	May 2011 - Present
	Pacific Iron Ore Corporation	TSX-V	Director	Jul 2008 – Present
	Skeena Resources Limited	TSX-V	Director	Apr 1983 – Present
	Solomon Resources Limited	TSX-V	Director	Aug 1989 – Present
	Strongbow Exploration Inc.	TSX-V	Director	Aug 1990 – Present
	Viceroy Exploration Ltd.	TSX	Chairman, Director	Jun 2003 – Nov 2006
	Virginia Energy Resources Inc.	TSX-V	President, CEO Director	Jan 2005 – Jul 2009 Jul 2009 – Present
David L. Johnston	Copper Canyon Resources Ltd.	TSX-V	Director	Jun 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	Director	Dec 2005 – Present
	Omineca Mining and Metals Ltd.	TSX-V	Director	May 2011 - Present
	Silver Standard Resources Ltd.	TSX	Director	May 2000 – May 2011
Darren B. Fach	Copper Canyon Resources Ltd.	TSX-V	Corporate Secretary, Director	Jun 2006 – May 2011
	Copper Fox Metals Inc.	TSX-V	Secretary	Jul 2005 – Nov 2009

Name	Other Reporting Issuers	Exchange	Position	Dates
	Eagle Plains Resources Ltd.	TSX-V	Secretary, Director	May 2004 – Present
	Honey Badger Exploration Inc.	TSX-V	Secretary	Nov 2004 – Feb 2008
	Leeward Capital Corp.	TSX-V	Secretary	Jun 2010 – Aug 2011
	Northern Freegold Resources Ltd.	TSX-V	Director	Aug 2006 – Present
	Omineca Mining and Metals Ltd.	TSX-V	Secretary, Director	May 2011 - Present
	Superior Canadian Resources Ltd.	TSX-V	Secretary	Jun 2006 – Aug 2008
Norm E. Jordan	Copper Canyon Resources Ltd.	TSX-V	Controller, Company Secretary	June 2006 – May 2011
	Eagle Plains Resources Ltd.	TSX-V	Controller, Company Secretary	Nov 2004 – Present
	Omineca Mining and Metals Ltd.	TSX-V	Secretary, Controller	May 2011 - Present

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

None of the proposed directors or executive officers of Yellowjacket is, as of the date of this Information Circular, or was within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company, that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer;

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(c) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder other than Ron Netolitzky, who was served with a petition seeking a bankruptcy order on January 14, 2004. This petition was without merit and Mr. Netolitzky obtained an order of the Court dismissing the petition. The order was granted without opposition on March 21, 2007.

For the purposes of the above, “order” means:

(i) a cease trade order;

(ii) an order similar to a cease trade order; or

(iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

PENALTIES OR SANCTIONS

No director, officer or other member of management of Yellowjacket, or a securityholder anticipated to hold sufficient securities of Yellowjacket to affect materially the control of Yellowjacket, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision about the Arrangement.

CONFLICTS OF INTEREST

The directors of Yellowjacket are required by law to act honestly and in good faith with a view to the best interest of Yellowjacket and to disclose any interests which they may have in any project or opportunity of Yellowjacket. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not Yellowjacket will participate in any project or opportunity, that director will primarily consider the degree of risk to which Yellowjacket may be exposed and its financial position at that time.

Except as disclosed in this Information Circular, to the best of Yellowjacket’s knowledge, there are no known existing or potential conflicts of interest among Yellowjacket and its directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies.

PROPOSED EXECUTIVE COMPENSATION OF YELLOWJACKET

Compensation of Directors

Upon completion of the Arrangement, it is anticipated that Yellowjacket will pay no cash compensation to directors for services rendered in their capacity as directors.

Compensation of Executive Officers and Summary Compensation Table

The following table sets forth the expected annual and long-term compensation for services in all capacities to Yellowjacket for the 12 months following completion of the Arrangement in respect of individual(s) who are expected to be acting in a capacity similar to the Chief Executive Officer, Chief Financial Officer and the three most highly compensated Executive Officers.

Name and Principal Position	Year	Salary ($)	Share-Based Awards [1] ($)	Option-Based Awards[1] ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation[2] ($)	Total Compensation ($)
					Annual Incentive Plans	Long-Term Incentive Plans			
Charles C. Downie CEO and President	2011	$84,000	Nil	Nil	Nil	Nil	Nil	$5,000	$89,000
Glen J. Diduck CFO	2011	Nil	Nil	Nil	Nil	Nil	Nil	$35,000	$35,000

Note:

(1) No option-based awards will be granted prior to or concurrent with the completion of the Arrangement.

(2) Directors fees of $5,000 and professional fees of $30,000 to Glen J. Diduck, Chartered Accountant.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or executive officers of Yellowjacket, or associates or affiliates of such person, has been indebted to Yellowjacket at any time since the incorporation of Yellowjacket.

OPTIONS AND WARRANTS

As of the date of this Information Circular, Yellowjacket has not issued or granted any options or warrants or adopted any plans for the issuance thereof.

However, pursuant to the Arrangement Agreement, Yellowjacket will enter into the Yellowjacket Commitment whereby Yellowjacket will be obligated to issue Yellowjacket Shares to the holders of the Eagle Plains Share Commitments who exercise their rights thereunder after the Effective Date and are entitled pursuant to the corporate reorganization terms thereof to receive both Eagle Plains New Shares and Yellowjacket Shares. See "The Arrangement – Details of the Arrangement" and "Information Concerning Yellowjacket Post-Arrangement – Fully Diluted Share Capital of Yellowjacket".

Subject to Eagle Plains Shareholder approval of the Arrangement Resolution substantially in the form set out in Schedule "B" to this Information Circular, Eagle Plains Shareholders will be asked to pass the organization resolution substantially in the form set out in Schedule "C" to this Information Circular, which provides for the approval of the Eagle Plains Stock Option Plan in the form set out in Schedule "A" to this Information Circular, as the adopted stock option plan for Yellowjacket (the "Yellowjacket Plan"). See "Additional Matters to be Acted Upon – Stock Option Plan".

Yellowjacket will not initially be issuing any options under the adopted Yellowjacket Plan, however, there will be a total of 2,490,832 Yellowjacket Shares reserved for issuance pursuant to the Yellowjacket Options Commitment, allocated as follows:

Name of Insider or Group Category	Number of Yellowjacket Shares Issuable Pursuant to the Yellowjacket Options Commitment[1]
Charles C. Downie	283,333
Glen J Diduck	250,000
Timothy J. Termuende	283,333
Ronald K. Netolitzky	250,000
David L. Johnston	200,000
Darren B. Fach	250,000
Norm E. Jordan	61,666
Employees (aggregate)	175,000

Consultants (aggregate)	737,500
Total	**2,490,832**

Notes:

1. Assuming the exercise, prior to their expiry, of all Eagle Plains Stock Options outstanding immediately prior to the Effective Date.

The Yellowjacket Plan is summarized as follows.

Options granted pursuant to the Yellowjacket Plan will not exceed a term of 10 years and are granted at an option price and on other terms which the directors determine is necessary to achieve the goal of the Yellowjacket Plan and in accordance with regulatory policies. The option price may be at a discount to market price, which discount will not, in any event, exceed that permitted by any stock exchange on which Yellowjacket Shares are listed for trading.

The number of common shares allocated to the Yellowjacket Plan will be determined by the Yellowjacket Board from time to time. The aggregate number of shares reserved for issuance under the Yellowjacket Plan may not exceed 10% of the issued and outstanding shares. In addition, the aggregate number of shares so reserved for issuance in any 12-month period to any one person will not exceed 5% unless Yellowjacket has received disinterested shareholder approval, or to any one consultant or any one employee conducting investor relations activities will not exceed 2%, of the issued and outstanding shares.

The Yellowjacket Shares, when fully paid for by a participant, are not included in the calculation of Yellowjacket Shares allocated to or within the Yellowjacket Plan. Should a participant cease to be eligible due to the loss of corporate office (being that of an officer or director) or employment, the option will cease for varying reasonable periods as determined by management at the time of grant. Loss of eligibility for consultants is regulated by specific rules imposed by the directors when the option is granted to the appropriate consultant. The Yellowjacket Plan also provides that estates of deceased participants can exercise their options for a period not exceeding one year following death.

The Yellowjacket Board may from time to time make rules, regulations and amendments to the Yellowjacket Plan. Should any rule, regulation or amendment materially differ from the provisions set out in this Information Circular, Yellowjacket will obtain the necessary regulatory or shareholder approvals.

SHAREHOLDER RIGHTS PLAN AGREEMENT

Subject to Eagle Plains Shareholder approval of the Arrangement Resolution substantially in the form set out in Schedule "B" to this Information Circular, Eagle Plains Shareholders will be asked to pass the organization resolution substantially in the form set out in Schedule "C" to this Information Circular, which provides for the approval of the Eagle Plains shareholder rights plan agreement (the "Eagle Plains Plan") as the adopted shareholder rights plan agreement for Yellowjacket (the "Yellowjacket Rights Plan"). A copy of the Eagle Plains Plan is available for viewing under Eagle Plains' profile on the SEDAR website: www.sedar.com or at Eagle Plains' website www.eagleplains.com.

The original Eagle Plains Plan was presented to and approved by the Eagle Plains Shareholders at the 2000 annual and special meeting, was further ratified by the Eagle Plains Shareholders at the 2004 and 2007 annual and special meetings. The Eagle Plains Plan has not been implemented by Eagle Plains to date, though it remains available for implementation by the Eagle Plains board of directors at such time and under such circumstances as the Eagle Plains directors, in their sole discretion, shall determine.

The Yellowjacket Rights Plan is summarized as follows.

The purpose of the Yellowjacket Rights Plan is to give adequate time for the shareholders of Yellowjacket to properly assess the merits of a bid without undue pressure and to allow competing bids to emerge. The Yellowjacket Rights Plan is further designed to give the board of directors time to consider alternatives thereby allowing shareholders to receive full and fair value for their Yellowjacket Common Shares.

The Yellowjacket Rights Plan is not being adopted in response to management's anticipation of any acquisition, is not intended to prevent a takeover of Yellowjacket or to secure continuance in office of Yellowjacket management or the directors.

The Yellowjacket Rights Plan may increase the price to be paid by a potential offeror to obtain control of Yellowjacket and may discourage certain transactions. The adoption of the Yellowjacket Rights Plan does not detract in any way from or lessen the duties of the board of directors to act honestly and in good faith with a view to the best interest of Yellowjacket and its shareholders and to act in accordance with such standards when considering a bid made for the Yellowjacket Common Shares.

The Yellowjacket Rights Plan attaches one right to each Yellowjacket Common Share now existing and all shares issued in the future (the "Rights") and the Rights are not exercisable or independently transferable until separated from the underlying Yellowjacket Common Share ("Separation"). Separation occurs 10 trading days after an individual or group (the "Bidder") acquires or seeks to acquire 20% or more of the voting securities of Yellowjacket (a "Take Over Bid"). Upon Separation, the Rights attached to the securities held by the Bidder are automatically voided while the remaining Rights are exercisable at a substantial discount. As a result, the Bidder will be substantially diluted thereby providing additional time for competing bids to surface and for the shareholders and board of directors to assess various options.

Prior to Separation, the Yellowjacket Rights Plan is not dilutive and will not affect reported earnings per share or change the way in which shareholders would otherwise trade Yellowjacket Common Shares. Upon Separation, reported earnings per Yellowjacket Common Share on a fully diluted or non-diluted basis, may be affected. Holders of rights who do not exercise upon Separation may suffer substantial dilution along with the Bidder.

If a Bidder inadvertently acquires greater than 20% control of Yellowjacket's outstanding securities, the board of directors has the discretion to prevent Separation provided the offending party promptly divests itself of securities in excess of the 20% threshold.

Separation may also be avoided if a Take Over Bid meets certain criteria (a "Permitted Bid"). A Permitted Bid has the following characteristics:

a) it is required to remain open for 60 days;

b) any shares tendered under the bid may be withdrawn at any time before they are taken up;

c) if more than 50% of the shares, excluding the Bidder's shares, are tendered, the Bidder must make a public announcement to that effect and the Take Over Bid must remain open on the same terms for an additional 10 business days.

The Yellowjacket Rights Plan must be presented to shareholders every 5 years for ratification, failing which, the Yellowjacket Rights Plan will cease to be approved for implementation and will terminate if it had not yet been implemented at such time.

AUDIT COMMITTEE – AUDIT COMMITTEE CHARTER

Subject to Eagle Plains Shareholder approval of the Arrangement Resolution substantially in the form set out in Schedule "B" to this Information Circular, upon giving effect to the Arrangement, Yellowjacket will have adopted an "Audit Committee Charter" identical to the Eagle Plains Audit Committee Charter. See "Eagle Plains Resources Ltd. – Audit Committee".

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Yellowjacket Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Yellowjacket Board and who are charged with the day-to-day management of Yellowjacket. The Yellowjacket Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Subject to Eagle Plains Shareholder approval of the Arrangement Resolution substantially in the form set out in Schedule "B" to this Information Circular, upon giving effect to the Arrangement, Yellowjacket will have adopted corporate governance practices identical to the current Eagle Plains corporate governance practices. See "Eagle Plains Resources Ltd. – Corporate Governance".

RISKS AND UNCERTAINTIES

For a description of risk factors applicable to Yellowjacket, see "Risk Factors – Yellowjacket Risk Factors".

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors and senior officers of Yellowjacket or any known associate or affiliate of such person in any transaction since the commencement of Yellowjacket's last completed financial year or in any proposed transaction which has materially affected or would materially affect Yellowjacket, except as disclosed in this Information Circular.

PROMOTER

Based upon the definition of "promoter" in the Securities Acts, the promoters of Yellowjacket are the current directors and senior officers of Eagle Plains. See "Additional Matters to be Acted Upon – Election of Directors" which lists all current directors and senior officers of Eagle Plains.

INVESTOR RELATIONS ARRANGEMENT

There are no investor relations or promotional agreements contemplated for Yellowjacket upon completion of the Arrangement.

AUDITORS

It is anticipated that MacKay LLP, Chartered Accountants of 1100-1177 West Hastings Street, Vancouver, British Columbia, V6E 4T5, will be the Auditors of Yellowjacket upon completion of the Arrangement.

REGISTRAR AND TRANSFER AGENT

It is anticipated that the transfer agent and registrar for the Yellowjacket Shares will be Canadian Stock Transfer Company Inc., located at Suite 600, 333 – 7th Avenue SW, Calgary, Alberta, T2P 2Z1.

SPONSORSHIP

Yellowjacket will make application for an exemption from the sponsorship requirements of the TSX-V. There is no assurance that such application will be granted.

MATERIAL CONTRACTS

As of the date of this Information Circular, Yellowjacket is not a party to any material contract.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Meeting and this Circular have been approved by the Board of Directors of Eagle Plains.

Dated this 15th day of November, 2011.

ON BEHALF OF THE BOARD OF DIRECTORS
OF EAGLE PLAINS RESOURCES LTD:

"*Timothy J. Termuende*"

Timothy J. Termuende
President, Chief Executive Officer and Director

CERTIFICATE

The foregoing, including all schedules attached hereto, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to be made a statement not misleading in the light of the circumstances in which it was made.

DATED: November 15, 2011

"*Timothy J. Termuende*"	"*Glen Diduck*"
Timothy J. Termuende President and Chief Executive Officer	**Glen Diduck** Chief Financial Officer

SCHEDULE “A”

EAGLE PLAINS RESOURCES LTD.

STOCK OPTION PLAN (the "Plan")

1. Purpose of the Plan

The purpose of the Plan is to assist Eagle Plains Resources Ltd. (the **"Corporation"**) in attracting, retaining and motivating directors, officers, key employees and consultants of the Corporation and of its subsidiaries and to closely align the personal interests of such directors, officers, key employees and consultants with those of the shareholders by providing them with the opportunity, through options, to acquire common shares of the Corporation.

2. Implementation

The grant and exercise of any options under the Plan are subject to compliance with the applicable requirements of each stock exchange on which the shares of the Corporation are or become listed for trading and of any governmental authority or regulatory body to which the Corporation is subject.

3. Administration

The Plan shall be administered by the board of directors of the Corporation which shall, without limitation, have full and final authority in its discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations deemed necessary or advisable for the administration of the Plan. The board of directors may delegate any or all of its authority with respect to the administration of the Plan and any or all of the rights, powers and discretions with respect to the Plan granted to it under this Plan to the Executive Committee or such other committee of directors of the Corporation as the board of directors may designate. Upon any such delegation the Executive Committee or other committee of directors, as the case may be, as well as the board of directors, shall be entitled to exercise any or all of such authority, rights, powers and discretions with respect to the Plan. When used in the context of this Plan "board of directors" shall be deemed to include the Executive Committee or other committee of directors acting on behalf of the board of directors.

4. Number of Shares Under Plan

A maximum number of common shares equal to 10% of the issued and outstanding common shares of the Corporation, from time to time, (the **"Optioned Shares"**) shall be reserved, set aside and made available for issuance in accordance with the Plan provided that in no event shall options be granted in any 12 month period entitling:

(i) any one individual to purchase in excess of 5%, unless the Corporation has obtained disinterested shareholder approval as set out and described in the TSX Venture Exchange Policy 4.4;

(ii) any one consultant to purchase in excess of 2%; and

(iii) any one employee conducting investor relations activities to purchase in excess of 2%;

of the then outstanding shares in the Corporation. If option rights granted to an individual under the Plan shall expire or terminate for any reason without having been exercised in respect of certain Optioned Shares, such Optioned Shares may be made available for other options to be granted under the Plan.

5. Eligibility

Options may be granted under the Plan to any person who is a Director, Employee, Consultant or Management Company Employee (as such terms are defined in the TSX Venture Exchange Policy 4.4) of the Corporation, or of its subsidiaries, as the board of directors may from time to time designate as a participant under the Plan, or, except in relation to Consultant Companies (as such term is defined in the TSX Venture Exchange Policy 4.4), may be granted to a corporation 100% beneficially owned by any of the above referenced persons, which control and ownership shall continue for as long as any part of the option granted under the Plan remains unexercised (a **"Participant"**). Subject to the provisions of this Plan, the total number of Optioned Shares to be made available under the Plan and to each Participant, the time or times and price or prices at which options shall be granted, the time or times at which such options are exercisable, and any conditions or restrictions on the exercise of options, shall be in the full and final discretion of the board of directors. For all options granted under the Plan, the Corporation shall represent that the Participant, if not a Director, is either a bona fide Employee, Consultant or Management Company Employee, as the case may be (as such designations or terms are defined in the TSX Venture Exchange Policy 4.4).

6. Terms and Conditions

(a) Exercise Price

The exercise price to each Participant for each Optioned Share shall be as determined by the board of directors, but shall in no event be less than the market price of the common shares of the Corporation on the TSX Venture Exchange, or such other exchange on which the common shares are listed at the time of the grant of the option, less the maximum discount permitted under the policies of the TSX Venture Exchange or such other exchange on which the common shares are listed, or such other price as may be agreed to by the Corporation and approved by the TSX Venture Exchange or such other exchange on which the common shares are listed. In the event the Participant is an "Insider" of the Corporation (as such term is defined in the TSX Venture Exchange Policy 1.1), any reduction in the exercise price of any previously Optioned Share shall require disinterest shareholder approval as set out and described in the TSX Venture Exchange Policy 4.4.

(b) Option Agreement

All options shall be granted under the Plan by means of an agreement between the Corporation and each Participant (the **"Option Agreement"**) in the form as may be approved by the board of directors, such approval to be conclusively evidenced by the execution of the Option Agreement by any two directors or officers of the Corporation.

(c) Length of Grant

All options granted under the Plan shall expire not later than the tenth anniversary of the date such Options were granted.

(d) Non-Assignability of Options

Except as otherwise provided below, an option granted under the Plan shall not be transferable or assignable (whether absolutely or by way of mortgage, pledge or other charge) by a Participant, other than by will or other testamentary instrument or the laws of succession, and may be exercisable during the lifetime of the Participant only by the Participant. Subject to the prior approval of the board of directors and each stock exchange on which the common shares of the Corporation are listed for trading, an Option Agreement may be assigned by the Participant or the Participant's legal personal representative to a corporation controlled by the Participant and 100% beneficially owned by the Participant and his spouse or children, which control and ownership shall continue for as long as any part of the option granted under the Plan remains unexercised.

(e) Right to Postpone Exercise

Each Participant, upon becoming entitled to exercise the option in respect of any Optioned Shares in accordance with the Option Agreement, shall be entitled to exercise the option to purchase such Optioned Shares at any time prior to the expiration or other termination of the Option Agreement.

(f) Exercise and Payment

Any option granted under the Plan may be exercised by a Participant or the legal representative of a Participant giving notice to the Corporation specifying the number of shares in respect of which such option is being exercised, accompanied by payment (by cash or certified cheque payable to the Corporation) of the entire exercise price (determined in accordance with the Option Agreement) for the number of shares specified in the notice. Upon any such exercise of an option by a Participant the Corporation shall cause the transfer agent and registrar of the common shares of the Corporation to promptly deliver to such Participant or the legal representative of such Participant, as the case may be, a share certificate in the name of such Participant or the legal representative of such Participant, as the case may be, representing the number of shares specified in the notice.

(g) Rights of Participants

The Participants shall have no rights as shareholders in respect of any of the Optioned Shares (including, without limitation, any right to receive dividends or other distributions, voting rights, warrants or rights under any rights offering) other than Optioned Shares in respect of which Participants have exercised their option to purchase and which have been issued by the Corporation.

(h) Third Party Offer

If, at any time when an option granted under the Plan remains unexercised with respect to any Optioned Shares, an offer to purchase all of the common shares of the Corporation is made by a third party, the Corporation shall use its best efforts to bring such offer to the attention of the Participants as soon as practicable and the Corporation may, at its option, require the acceleration of the time for the exercise of the option rights granted under the Plan and of the time for the fulfilment of any conditions or restrictions on such exercise.

(i) Alterations in Shares

In the event of a share dividend, share split, issuance of shares or instruments convertible into common shares (other than pursuant to the Plan) for less than market value, share consolidation, share reclassification, exchange of shares, recapitalization, amalgamation, merger, consolidation, corporate arrangement, reorganization, liquidation or the like of or by the Corporation, the board of directors may make such adjustment, if any, of the number of Optioned Shares, or of the exercise price, or both, as it shall deem appropriate to give proper effect to such event, including to prevent, to the extent possible, substantial dilution or enlargement of rights granted to Participants under the Plan. In any such event, the maximum number of shares available under the Plan may be appropriately adjusted by the board of directors. If because of a proposed merger, amalgamation or other corporate arrangement or reorganization, the exchange or replacement of shares in the Corporation of those in another company is imminent, the board of directors may, in a fair and equitable manner, determine the manner in which all unexercised option rights granted under the Plan shall be treated including, for example, requiring the acceleration of the time for the exercise of such rights by the Participants and of the time for the fulfilment of any conditions or restrictions on such exercise. All determinations of the board of directors under this paragraph 6(i) shall be full and final.

(j) Termination

Subject to paragraph 6(k), if a Participant is dismissed as an officer or key employee by the Corporation or by one of its subsidiaries for cause, or if the Corporation or one of its subsidiaries cancels or rescind for breach of contract the agreement pursuant to which the Participant was to provide consulting or related services, all unexercised option rights of that Participant under the Plan shall immediately terminate, notwithstanding the original term of the option granted to such Participant under the Plan.

(k) Disability or Retirement

Notwithstanding paragraph 6(j), if a Participant ceases to be a director, officer, key employee or consultant of the Corporation or of one of its subsidiaries as a result of:

(a) disability or illness preventing the Participant from performing the duties routinely performed by such Participant;

(b) retirement at the normal retirement age prescribed by the Corporation pension plan;

(c) resignation; or

(d) such other circumstances as may be approved by the board of directors;

such Participant shall have the right for a reasonable period as set out in the Option Agreement (the **"Expiry Period"**) following the date of ceasing to be a director, an officer, key employee or consultant (or, if earlier, until the expiry date of the option rights of the Participant pursuant to the terms of the Option Agreement) to exercise the option under the Plan with respect to all Optioned Shares of such Participant to the extent they were exercisable on the date of ceasing to be a director, an officer, key employee or consultant. Upon the expiration of such Expiry Period, unless already expired pursuant to the terms of the Option Agreement, all unexercised option rights of that Participant shall immediately terminate and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.

(l) Deceased Participant

In the event of the death of any Participant, the legal representatives of the deceased Participant shall have the right for a period as set out in the Option Agreement and not exceeding one year from the date of death of the deceased Participant (or, if earlier, until the expiry date of the option rights of the Participant pursuant to the terms of the Option Agreement) to exercise the deceased Participant's option with respect to all of the Optioned Shares of the deceased Participant to the extent they were exercisable on the date of death. Upon the expiration of such period as provided for in the Option Agreement all unexercised option rights of the deceased Participant shall immediately terminate, notwithstanding the original term of the option granted to the deceased Participant under the Plan.

7. Amendment and Discontinuance of Plan

The board of directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time, provided that no such action may in any manner adversely affect the rights under any options earlier granted to a Participant under the Plan without the consent of that Participant.

8. No Further Rights

Nothing contained in the Plan nor in any option granted under this Plan shall give any participant or any other person, any interest or title in or to any common shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation other than as set out in the Plan and pursuant to the exercise of any option, nor shall it confer upon the Participants any right to continue as an employee, officer, consultant or director of the Corporation or of its subsidiaries.

9. Compliance with Laws

The obligations of the Corporation to sell common shares and deliver share certificates under the Plan are subject to such compliance by the Corporation and the Participants as the Corporation deems necessary or advisable with all applicable corporate and securities laws, rules and regulations.

10. Gender

The use of the masculine gender in this Plan shall be deemed to include or be replaced by the feminine gender where appropriate to the particular Participant.

SCHEDULE "B"

THE ARRANGEMENT RESOLUTION

SPECIAL RESOLUTION - ARRANGEMENT UNDER PART 15 SECTION 193 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

BE IT RESOLVED AS A SPECIAL RESOLUTION, THAT:

1. the Arrangement Agreement dated effective November 14, 2011 between Eagle Plains Resources Ltd. ("Eagle Plains") and Yellowjacket Resources Ltd. ("Yellowjacket"), attached as Schedule "D" to the Management Information Circular (the "Circular") of Eagle Plains dated effective November 15, 2011 is hereby confirmed, ratified and approved;

2. the arrangement (the "Arrangement") under Part 15, Section 193 of the *Business Corporations Act* (Alberta) substantially as set forth in the Plan of Arrangement attached as Exhibit I to the Arrangement Agreement attached as Schedule "D" to the Circular is hereby approved and authorized;

3. notwithstanding that this special resolution has been passed by the shareholders of Eagle Plains or has received the approval of the Alberta Court of Queen's Bench, the board of directors of Eagle Plains may amend the Arrangement Agreement and the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or decide not to proceed with the Arrangement or revoke this special resolution at any time prior to the filing of the certified copy of the court order approving the Arrangement with the Registrar of Corporations for Alberta without further approval of the shareholders of Eagle Plains;

4. any director or officer of Eagle Plains is hereby authorized, for and on behalf of Eagle Plains to execute and deliver all documents and instruments and take all such other actions as may be necessary or desirable to implement this special resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.

SCHEDULE "C"

YELLOWJACKET STOCK OPTION PLAN AND SHAREHOLDER RIGHTS PLAN AGREEMENT RESOLUTION

ORDINARY RESOLUTION - STOCK OPTION PLAN AND SHAREHOLDER RIGHTS PLAN AGREEMENT OF YELLOWJACKET RESOURCES LTD.

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Stock Option Plan (the "Plan") adopted by Eagle Plains Resources Ltd. ("Eagle Plains") be and the same is hereby approved, ratified and confirmed as the Plan for Yellowjacket Resources Ltd. ("Yellowjacket");

2. the directors of Yellowjacket be and they are hereby authorized until the date of the next annual general meeting to grant stock options pursuant to the terms and conditions of the Plan entitling the holders to purchase up to a maximum of 10% of the issued and outstanding common shares of Yellowjacket determined at the time of each grant of stock options;

3. The Shareholder Rights Plan Agreement (the "Rights Plan Agreement") substantially in the form adopted by Eagle Plains in connection with its 2007 annual and special shareholder meeting be adopted and the same is approved, ratified and confirmed as the Rights Plan Agreement for Yellowjacket;

4. The directors of Yellowjacket are authorized to implement the Rights Plan Agreement at such time and under such circumstances as the directors of Yellowjacket, in their sole discretion, shall determine; and

5. any director or officer of Yellowjacket be and is hereby authorized, for or on behalf of Yellowjacket, to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this ordinary resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.

SCHEDULE “D”

THIS ARRANGEMENT AGREEMENT dated as of the 14th day of November, 2011.

BETWEEN:

EAGLE PLAINS RESOURCES LTD., a corporation incorporated under the *Business Corporations Act* (Alberta)

(“Eagle Plains”)

AND:

YELLOWJACKET RESOURCES LTD., a corporation incorporated under the *Business Corporations Act* (Alberta)

(“Yellowjacket”)

WHEREAS:

(A) Eagle Plains and Yellowjacket have agreed to proceed with a corporate restructuring by way of a Plan of Arrangement whereby:

(i) Eagle Plains will reorganize its capital issuing Eagle Plains New Shares and Eagle Plains Butterfly Shares to the Eagle Plains Shareholders;

(ii) certain assets of Eagle Plains will be transferred to Yellowjacket, and Yellowjacket will assume certain debt obligations relating to the transferred assets, in exchange for Yellowjacket Reorganization Shares;

(iii) Eagle Plains Shareholders will transfer their Eagle Plains Butterfly Shares to Yellowjacket for sole consideration consisting of Yellowjacket Shares;

(iv) Eagle Plains will purchase for cash and/or acquire through the conversion of debt obligations that number of Yellowjacket Shares that shall equal fifteen percent (15%) of the total number of Yellowjacket Shares issued upon completion of the Arrangement; and

(v) the Yellowjacket Reorganization Shares and Eagle Plains Butterfly Shares will be purchased for cancellation by Yellowjacket and Eagle Plains respectively through the issuance of promissory notes of equal amounts, which notes will be set-off by being cross-transferred and cancelled**.**

(B) Eagle Plains proposes to convene a meeting of the Eagle Plains Shareholders to consider the Arrangement pursuant to Part 15, Section 193 of the BCA, on the terms and conditions set forth in the Plan of Arrangement attached as **Exhibit II** hereto; and

(C) Each of the parties to this Agreement has agreed to participate in and support the Arrangement.

NOW THEREFORE, in consideration of the premises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto hereby covenant and agree as follows:

ARTICLE 1
DEFINITIONS, INTERPRETATION AND EXHIBIT

1.1 <u>**Definitions**</u>: In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

(a) "**Agreement**" means this agreement including the exhibits attached hereto as the same may be supplemented or amended from time to time;

(b) "**Arrangement**" means the arrangement pursuant to Part 15, Section 193 of the BCA as contemplated by the provisions of this Agreement and the Plan of Arrangement;

(c) "**Arrangement Provisions**" means Part 15, Section 193 of the BCA;

(d) "**BCA**" means the *Business Corporations Act*, R.S.A. 2000, c.B-9, as amended;

(e) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Calgary, AB;

(f) “**Butterfly Proportion**” means the fraction A/B where:

A is the net fair market value of the Spin-off Property to be transferred by Eagle Plains to Yellowjacket, determined immediately before such transfer; and

B is the net fair market value of all property owned by Eagle Plains immediately before the transfer of the Spin-off Property to Yellowjacket;

(g) "**Closing Date**" means the last Business Day preceding the Effective Date;

(h) "**Constating Documents**" means Articles and/or Articles of Amendment and by-laws under the BCA;

(i) "**Court**" means the Court of Queen's Bench of the Province of Alberta;

(j) "**Eagle Plains**" means Eagle Plains Resources Ltd., a company existing under the provisions of the BCA;

(k) "**Eagle Plains Butterfly Shares**" means the new series of preferred shares, as more particularly described in Appendix I of the Plan of Arrangement, and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the Plan of Arrangement, and which shares the holders thereof will transfer to Yellowjacket as consideration for an equal number of Yellowjacket Shares as set out in §3.1(d) of the Plan of Arrangement;

(l) "**Eagle Plains Class A Shares**" means the renamed and redesignated Eagle Plains Shares as described in §3.1(a) in the Plan of Arrangement;

(m) "**Eagle Plains Meeting**" means the annual and special meeting of the Eagle Plains Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;

(n) "**Eagle Plains New Shares**" means a new class of common shares without par value which Eagle Plains will create and issue as described in §3.1(a) and (c) of the Plan of Arrangement and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Eagle Plains Shares;

(o) "**Eagle Plains Note**" means the promissory note which Eagle Plains will create and issue to Yellowjacket to redeem the Eagle Plains Butterfly Shares, as described in §0 of the Plan of Arrangement;

(p) "**Eagle Plains Options Commitment**" means the covenant of Eagle Plains described in §4.3 of this Agreement to issue Eagle Plains New Shares and to deliver Yellowjacket Shares to the holders of Eagle Plains Stock Options which are outstanding as of the Effective Date and to pay to Yellowjacket its share of the exercise price, upon the exercise of such stock options;

(q) "**Eagle Plains Shareholders**" means the shareholders of Eagle Plains;

(r) "**Eagle Plains Shares**" means the common shares without par value which Eagle Plains is authorized to issue as the same are constituted on the date hereof;

(s) "**Eagle Plains Stock Option Plan**" means the stock option plan of Eagle Plains adopted on February 24, 1995 and as subsequently updated and amended;

(t) "**Eagle Plains Stock Options**" means share purchase options issued pursuant to the Eagle Plains Stock Option Plan which are outstanding on the Effective Date;

(u) "**Effective Date**" shall be the Listing Date;

(v) "**Final Order**" means the final order of the Court approving the Arrangement;

(w) "**Information Circular**" means the management information circular of Eagle Plains to be sent to the Eagle Plains Shareholders in connection with the Eagle Plains Meeting;

(x) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Eagle Plains Meeting and the Arrangement;

(y) "**Listing Date**" means the date the Yellowjacket Shares are listed on the TSX Venture Exchange;

(z) "**Person**" means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;

(aa) "**Plan of Arrangement**" means the Plan of Arrangement attached to this Agreement as Exhibit II as the same may be amended from time to time;

(bb) "**Registrar**" means the Registrar of Corporations under the BCA;

(cc) "**Related Liabilities**" means liabilities that relate to the Spin-off Property as described in §2.7 of this Agreement;

(dd) "**Spin-off Property**" means the assets of Eagle Plains described in **Exhibit I** hereto which are to be transferred to Yellowjacket under the Arrangement;

(ee) "**T2057 Election Form**" has the meaning set out in §2.5 of this Agreement;

(ff) "**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

(gg) "**Yellowjacket**" means Yellowjacket Resources Ltd., a company existing under the BCA;

(hh) "**Yellowjacket Commitment**" means the covenant of Yellowjacket described in §4.3 of this Agreement to issue Yellowjacket Shares to the holders of Eagle Plains Stock Options who exercise their rights thereunder after the Effective Date and are entitled pursuant to the corporate reorganization terms thereof to receive Eagle Plains New Shares and Yellowjacket Shares, such Yellowjacket Shares to be issued at a price equal to the exercise price under the Eagle Plains Stock Options multiplied by the Butterfly Proportion;

(ii) "**Yellowjacket Note**" means the promissory note which Yellowjacket will create and issue to Eagle Plains to redeem the Yellowjacket Reorganization Shares, as described in §3.1(f) of the Plan of Arrangement;

(jj) "**Yellowjacket Reorganization Shares**" means the new series of preferred shares, as more particularly described in Appendix II of the Plan of Arrangement, to be created and issued by Yellowjacket to Eagle Plains as consideration for the Spin-off Property as set out in §3.1(e) of the Plan of Arrangement;

(kk) "**Yellowjacket Shareholders**" means the shareholders of Yellowjacket; and

(ll) "**Yellowjacket Shares**" means the voting common shares without par value which Yellowjacket is authorized to issue as the same are constituted on the date hereof.

1.2 **Currency**: All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 **Interpretation Not Affected by Headings**: The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement. The terms "this Agreement", "hereof', "herein", "hereunder" and similar expressions refer to this Agreement and the exhibits hereto as a whole and not to any particular article, section, subsection, paragraph or subparagraph hereof and include any agreement or instrument supplementary or ancillary hereto.

1.4 **Number and Gender**: In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.5 **Date for any Action**: In the event that any date on which any action is required to be taken hereunder by Eagle Plains or Yellowjacket is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.6 **Meaning**: Words and phrases used herein and defined in the BCA shall have the same meaning herein as in the BCA unless the context otherwise requires.

1.7 **Exhibits**: Attached hereto and deemed to be incorporated into and form part of this Agreement as **Exhibit I** is a description of the Spin-off Property and as **Exhibit II** is the Plan of Arrangement.

ARTICLE 2
ARRANGEMENT

2.1 **Arrangement**: The parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 **Effective Date of Arrangement**: The Arrangement shall become effective on the Effective Date as set out in the Plan of Arrangement.

2.3 **Commitment to Effect**: Subject to termination of this Agreement pursuant to Article 6 hereof, the parties shall each use all reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective by no later than November 15^{th}, 2011, or by such other date as Eagle Plains and Yellowjacket may determine, and in conjunction therewith to cause the conditions described in §5.1 to be complied with prior to the Effective Date. Without limiting the generality of the foregoing, the parties shall proceed forthwith to apply for the Interim Order and, upon obtainment thereof, Eagle Plains shall call the Eagle Plains Meeting and mail the Information Circular to the Eagle Plains Shareholders.

2.4 **Filing of Final Order**: Subject to the rights of termination contained in Article 6 hereof, upon the Eagle Plains Shareholders approving the Arrangement by special resolution in accordance with the provisions of the Interim Order and the BCA, Eagle Plains obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Eagle Plains on its behalf and on behalf of Yellowjacket shall file with the Registrar:

(a) the records and information required by the Registrar pursuant to the Arrangement Provisions; and

(b) a certified copy of the Final Order.

2.5 **Section 85 Rollover**: It is the intention of the parties that the exchange of Eagle Plains Butterfly Shares for Yellowjacket Shares as set out in §3.1(d) of the Plan of Arrangement, and the exchange of the Spin-off Property for the Yellowjacket Reorganization Shares as set out in §3.1(e) of the Plan of Arrangement, occur on a tax deferred basis in accordance with the provisions of Section 85(1) of the Tax Act so as to effect the transfer of the respective property at the agreed amount, with the result that the transfer will be effected without giving rise to the account of the respective vendor of such property to any tax liability. The parties undertake to file the prescribed form of election (the "**T2057 Election Form**") within the time referred to in subsection 85(6) of the Act to give effect to the joint elections which the respective parties have agreed to make herein. In respect of the exchange set out in §3.1(d) of the Plan of Arrangement, upon receipt of shareholder approval and the Final Order, recipients of Yellowjacket Shares shall be deemed to have authorized Eagle Plains as their power of attorney and agent, as required under the Tax Act, to sign on their behalf the T2057 Election Form which shall have been prepared by or on behalf of Yellowjacket. In respect of the exchange set out in §3.1(e) of the Plan of Arrangement, Yellowjacket agrees to sign the T2057 Election Form**,** which shall be prepared by or on behalf of Eagle Plains.

2.6 **Price Adjustment**: The consideration paid and received on the exchange of Eagle Plains Butterfly Shares for Yellowjacket Shares as set out in §3.1(d) of the Plan of Arrangement, and the exchange of the Spin-off Property for the Yellowjacket Reorganization Shares as set out in §3.1(e) of the Plan of Arrangement, is intended by the parties to be the fair market value of the Spin-off Property. The determination of such fair market value has been made by the directors of Eagle Plains and Yellowjacket, provided that if the fair market value of such consideration should be determined, whether:

(a) by a tribunal or court of competent jurisdiction as a result of a reassessment of income tax;

(b) by the Canada Revenue Agency and such determination is not or can no longer be appealed;

(c) by the Canada Revenue Agency, and the amount so determined is agreed to by the parties to this Agreement; or by agreement between the parties to this Agreement;

to be greater or less than the fair market value determined by the directors of Eagle Plains and Yellowjacket, then the consideration paid and received shall be increased or decreased so as to equal the fair market value determined pursuant to sub-clause (i), (ii) or (iii) above. Such adjustment shall be effective immediately before the Effective Date; and the parties to this Agreement shall make all payments and take all action required to give effect thereto. Without limiting the generality of the foregoing, if the consideration paid and received is adjusted at any time after the Effective Date, then the parties to this Agreement shall make all payments and take all action as may be necessary to give effect to the change in the consideration paid and received.

2.7 **Related Liabilities**: Although the parties to this Agreement are not aware of, and do not expect or anticipate, any liabilities, such as accounts payable, payments, liens or encumbrances that directly or indirectly relate to the Spin-off Property (the "**Related Liabilities**"), the parties agree that, should any such liabilities exist on the Effective Date they shall follow, or comprise part of, the Spin-off Property to be transferred to Yellowjacket, and in such case the appropriate adjustments to the fair market value of the Spin-off Property shall be made.

2.8 **Exemption Under the 1933 Act**: The parties agree that the Arrangement will be carried out with the intention that all Yellowjacket Shares and Eagle Plains New Shares issued and/or delivered on completion of the Arrangement to the Eagle Plains Shareholders will be issued and/or delivered in reliance on the exemption from the registration requirements of the 1933 Act provided by Section 3(a)(10) thereof (the "**Section 3(a)(10) Exemption**"). In order to ensure the availability of the Section 3(a)(10) Exemption, the parties agree that the Arrangement will be carried out on the following basis:

(a) the Arrangement will be subject to the approval of the Court;

(b) the Court will be advised as to the intention of the parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement;

(c) the Court will be required to satisfy itself as to the fairness of the Arrangement to the Eagle Plains Shareholders;

(d) the order approving the Arrangement that is obtained from the Court will expressly state that the Arrangement is approved by the Court as being fair to the Eagle Plains Shareholders;

(e) Eagle Plains will ensure that all Eagle Plains Shareholders entitled to receive Yellowjacket Shares and Eagle Plains New Shares on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(f) The Interim Order of the Court approving the Eagle Plains Meeting will specify that each Eagle Plains Shareholder will have the right to appear before the Court so long as such Eagle Plains Shareholder enters an appearance within a reasonable time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties**: Each of the parties hereby represents and warrants to each of the other parties that:

(a) it is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation, and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;

(b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;

(c) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of (i) any provision of its Constating Documents or other governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it, or (iii) any agreement or instrument to which it is a party or by which it is bound; and

(d) no dissolution, winding up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

ARTICLE 4
COVENANTS

4.1 **Covenants**: Each of the parties covenants with the others that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

4.2 **Interim Order and Final Order**: The parties acknowledge that Eagle Plains will apply to and obtain from the Court, pursuant to the Arrangement Provisions, the Interim Order providing for, among other things, the calling and holding of the Eagle Plains Meeting for the purpose of considering and, if deemed advisable, approving and adopting the Arrangement and that the Yellowjacket Shareholders shall approve the Arrangement by a consent resolution. The parties each covenant and agree that if the approvals of the Arrangement by the Eagle Plains Shareholders and the Yellowjacket Shareholders as set out in §5.1(b) and §(c) hereof are obtained, Eagle Plains will thereafter (subject to the exercise of any discretionary authority granted to Eagle Plains' directors and Yellowjacket's' directors by the Eagle Plains Shareholders and the Yellowjacket Shareholders, respectively) take the necessary actions to submit the Arrangement to the Court for approval and apply for the Final Order and, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 6 hereof, file the material described in §2.4 with the Registrar.

4.3 **Eagle Plains Stock Options**: After the Effective Date, all Eagle Plains Stock Options shall be exercisable into that number of Eagle Plains New Shares that equals the number of Eagle Plains Shares that would have been issued under the Eagle Plains Stock Options, and pursuant to the Yellowjacket Commitment, Yellowjacket shall issue that number of Yellowjacket Shares that equals one-third of the number of Eagle Plains Shares that would have been issued under the Eagle Plains Stock Options, and Eagle Plains shall, as agent for Yellowjacket, collect and pay to Yellowjacket an amount for each Yellowjacket Share so issued that is equal to the exercise price under the Eagle Plains Stock Options multiplied by the Butterfly Proportion.

ARTICLE 5
CONDITIONS

5.1 **Conditions Precedent**: The respective obligations of the parties to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of the following conditions:

(a) the Interim Order shall have been granted in form and substance satisfactory to Eagle Plains;

(b) the Arrangement and this Agreement, with or without amendment, shall have been approved at the Eagle Plains Meeting by the Eagle Plains Shareholders in accordance with the Arrangement Provisions, the Constating Documents of Eagle Plains, the Interim Order and the requirements of any applicable regulatory authorities;

(c) the Arrangement and this Agreement, with or without amendment, shall have been approved by the Yellowjacket Shareholders to the extent required by, and in accordance with the Arrangement Provisions and the Constating Documents of Yellowjacket;

(d) the Final Order shall have been obtained in form and substance satisfactory to Eagle Plains and Yellowjacket;

(e) the TSX Venture Exchange shall have conditionally approved the Arrangement, including the listing of the Eagle Plains Class A Shares in substitution for the Eagle Plains Shares, the delisting of the Eagle Plains Class A Shares and in substitution the listing of the Eagle Plains New Shares and the Eagle Plains Butterfly Shares, and the subsequent delisting of the Eagle Plains Butterfly Shares and the listing of the Yellowjacket Shares issuable under the Arrangement, as of the Effective Date, subject to compliance with the requirements of such exchange;

(f) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to Eagle Plains and Yellowjacket;

(g) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement;

(h) notices of dissent pursuant to Article 5 of the Plan of Arrangement shall not have been delivered by Eagle Plains Shareholders holding greater than 3% of the outstanding Eagle Plains Shares; and

(i) this Agreement shall not have been terminated under Article 6 hereof.

Except for the conditions set forth in this §5.1(a), (b), (c), (d), (e) and (i), which may not be waived, any of the other conditions in this §5.1 may be waived by either Eagle Plains or Yellowjacket at its discretion.

5.2 **Pre-Closing**: Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of McLeod & Company LLP, Gulf Canada Square, 850, 401 – 9 Avenue S.W., Calgary, Alberta T2P 3C5, at 2:00 p.m. on the Closing Date, or at such other location or at such other time or on such other date as they may mutually agree, and each of them shall deliver to the other of them:

(a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby (not including the T2057 Election Form which may be filed after the Effective Date), provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and

(b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 **Merger of Conditions**: The conditions set out in §5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 **Merger of Representations, Warranties and Covenants**: The representations and warranties in §3.1 shall be conclusively deemed to be correct as of the Effective Date and the covenant in §4.1 hereof shall be conclusively deemed to have been complied with in all respects as of the Effective Date, and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6
AMENDMENT AND TERMINATION

6.1 **Amendment**: Subject to any mandatory applicable restrictions under the Arrangement Provisions or the Final Order, this Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Eagle Plains Meeting, but prior to the Effective Date, be amended by the written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the Eagle Plains Shareholders.

6.2 **Termination**: Subject to §6.3, this Agreement may at any time before or after the holding of the Eagle Plains Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the Board of Directors of Eagle Plains without further action on the part of the Eagle Plains Shareholders, or by the Board of Directors of Yellowjacket without further action on the part of the Yellowjacket Shareholders, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Board of Directors of Eagle Plains or Yellowjacket to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

6.3 **Cessation of Right**: The right of Eagle Plains or Yellowjacket or any other party to amend or terminate the Plan of Arrangement pursuant to §6.1 and §6.2 shall be extinguished upon the occurrence of the Effective Date.

ARTICLE 7
GENERAL

7.1 **Notices**: All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or telecopied, addressed as follows:

in the case of Eagle Plains:

Suite 200, 44 - 12th Avenue S.
Cranbrook, British Columbia V1C 2R7

Attention: Timothy J. Termuende, President
Facsimile: (250) 426-6899

in the case of Yellowjacket:

Suite 200, 44 - 12th Avenue S.
Cranbrook, British Columbia V1C 2R7

Attention: Charles C. Downie, President
Facsimile: (250) 426-6899

with a copy to:

McLeod & Company LLP
Gulf Canada Square
850, 400 – 9th Avenue SW
Calgary, Alberta T2P 3C5

Attention: Darren B. Fach
Facsimile: (403) 271-1769

7.2 **Assignment**: None of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the others of them.

7.3 **Binding Effect**: This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

7.4 **Waiver**: Any waiver or release of the provisions of this Agreement, to be effective, must be in writing and executed by the party granting such waiver or release.

7.5 **Governing Law**: This Agreement shall be governed by and be construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated in all respects as an Alberta contract.

7.6 **Counterparts**: This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

7.7 **Expenses**: All expenses or costs, including without limitation, financial, advisory, accounting and legal fees, incurred by a party shall be borne by Eagle Plains.

7.8 **Entire Agreement**: This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understanding, negotiations and discussions, whether oral or written, of the parties.

7.9 **Time of Essence**: Time is of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

EAGLE PLAINS RESOURCES LTD.

Per: signed "*Glen J. Diduck*"
Glen J. Diduck, Chief Financial Officer

YELLOWJACKET RESOURCES LTD.

Per: signed "*Charles C. Downie*"
Charles C. Downie, President & CEO

EXHIBIT I

7.10 for reference November 18, 2011.

ASSETS OF EAGLE PLAINS TO BE TRANSFERRED
TO YELLOWJACKET RESOURCES LTD.

1. Cash in the amount of $600,000.

2. Investment Assets with a fair market value on the Effective Date of $1,286,684:

3. Interests in mineral properties and assets comprising Eagle Plains' Yellowjacket project.

   Note: The assets above include all rights and obligations under the underlying agreements in respect of the associated mineral properties.

EXHIBIT II

TO THE ARRANGEMENT AGREEMENT
DATED AS OF THE 14TH DAY OF NOVEMBER, 2011 BETWEEN
EAGLE PLAINS RESOURCES LTD. AND
YELLOWJACKET RESOURCES LTD.

PLAN OF ARRANGEMENT
UNDER PART 15, SECTION 193 OF
THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 **Definitions**: In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

(a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions on the terms and conditions set out herein;

(b) "**Arrangement Agreement**" means the arrangement agreement dated as of November 14, 2011 between Eagle Plains and Yellowjacket to which this Exhibit is attached, as may be supplemented or amended from time to time;

(c) "**Arrangement Provisions**" means Part 15, Section 193 of the BCA;

(d) "**BCA**" means the *Business Corporations Act*, RSA 2000, c. B - 9, as amended;

(e) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Calgary, Alberta;

(f) "**Butterfly Proportion**" means the fraction A/B where:

A is the net fair market value of the Spin-off Property to be transferred by Eagle Plains to Yellowjacket, determined immediately before such transfer; and

B is the net fair market value of all property owned by Eagle Plains immediately before the transfer of the Spin-off Property to Yellowjacket.

(g) "**Court**" means the Court of Queen's Bench of the Province of Alberta;

(h) "**Debt for the Cost Amount of the Spin-off Property**" means the amount elected in respect of the transfer of the Spin-off Property pursuant to §2.5 of the Arrangement Agreement;

(i) "**Depository**" means McLeod & Company LLP, Solicitors for Eagle Plains and Yellowjacket;

(j) "**Eagle Plains**" means Eagle Plains Resources Ltd., a company existing under the BCA;

(k) "**Eagle Plains Butterfly Shares**" means the new series of preferred shares, as more particularly described in Appendix I hereto, and for which the Eagle Plains Class A Shares are, in part, to be exchanged under this Plan of Arrangement, and which shares the holders thereof will transfer to Yellowjacket as consideration for an equal number of Yellowjacket Shares as set out in §3.1(d) of this Plan of Arrangement;

(l) "**Eagle Plains Class A Shares**" means the renamed and redesignated Eagle Plains Shares as described in §3.1(a) of this Plan of Arrangement;

(m) "**Eagle Plains Meeting**" means the annual and special meeting of the Eagle Plains Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;

(n) **"Eagle Plains New Shares**" means a new class of voting common shares without par value which Eagle Plains will create and issue as described in §3.1(a) and (c) of this Plan of Arrangement and for which the Eagle Plains Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Eagle Plains Shares;

(o) **"Eagle Plains Note"** means the promissory note which Eagle Plains will create and issue to Yellowjacket to redeem the Eagle Plains Butterfly Shares, as described in §3.1(g) of this Plan of Arrangement;

(p) "**Eagle Plains Options Commitment**" means an obligation of Eagle Plains to issue Eagle Plains New Shares and to deliver Yellowjacket Shares to the holders of Eagle Plains Stock Options which are outstanding as of the Effective Date, upon the exercise of such options and warrants;

(q) "**Eagle Plains Shareholders**" means the shareholders of Eagle Plains;

(r) "**Eagle Plains Shares**" means the voting common shares without par value which Eagle Plains is authorized to issue as the same are constituted on the date hereof;

(s) "**Eagle Plains Stock Option Plan**" means the stock option plan of Eagle Plains adopted on February 24, 1995, and as subsequently updated and amended;

(t) "**Eagle Plains Stock Options**" means share purchase options issued pursuant to the Eagle Plains Stock Option Plan which are outstanding on the Effective Date;

(u) "**Effective Date**" shall be the Listing Date;

(v) "**Final Order**" means the final order of the Court approving the Arrangement;

(w) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Eagle Plains Meeting and the Arrangement;

(x) "**Listing Date**" means the date the Yellowjacket Shares are listed on the TSX Venture Exchange;

(y) "**Plan of Arrangement**" means this Plan of Arrangement, as the same may be amended from time to time;

(z) "**Registrar**" means the Registrar of Corporations under the BCA;

(aa) "**Related Liabilities**" means liabilities that relate to the Spin-off Property, as described in §2.7 of the Arrangement Agreement;

(bb) "**Spin-off Property**" means the assets of Eagle Plains described in **Exhibit I** to the Arrangement Agreement;

(cc) "**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

(dd) "**Transfer Agent**" means CIBC Mellon Trust Company at its principal office in Calgary, Alberta;

(ee) "**Yellowjacket**" means Yellowjacket Resources Ltd., a company existing under the BCA;

(ff) "**Yellowjacket Commitment**" means the covenant of Yellowjacket described in §4.3 of the Arrangement Agreement to issue Yellowjacket Shares to the holders of Eagle Plains Stock Options who exercise their rights thereunder after the Effective Date and are entitled pursuant to the corporate reorganization terms thereof to receive Eagle Plains New Shares and Yellowjacket Shares, such Yellowjacket Shares to be issued at a price equal to the exercise price under the Eagle Plains Share Commitment multiplied by the Butterfly Proportion;

(gg) "**Yellowjacket Note**" means the promissory note which Yellowjacket will create and issue to Eagle Plains to redeem the Yellowjacket Reorganization Shares, as described in §3.1(f) of this Plan of Arrangement;

(hh) **"Yellowjacket Reorganization Shares"** means the new series of preferred shares, as more particularly described in Appendix II hereto, to be created and issued by Yellowjacket to Eagle Plains as consideration for the Spin-off Property as set out in §3.1(e) of this Plan of Arrangement;

(ii) "**Yellowjacket Shareholders**" means the shareholders of Yellowjacket; and

(jj) "**Yellowjacket Shares**" means the voting common shares without par value which Yellowjacket is authorized to issue as the same are constituted on the date hereof;

1.2 **Interpretation Not Affected by Headings**: The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender**: Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 **Meaning**: Words and phrases used herein and defined in the BCA shall have the same meaning herein as in the BCA, unless the context otherwise requires.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement**: This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

ARTICLE 3
THE ARRANGEMENT

3.1 **The Arrangement**: On the Effective Date, the following shall occur and be deemed to occur in the following chronological order without further act or formality notwithstanding anything contained in the provisions attaching to any of the securities of Eagle Plains or Yellowjacket, but subject to the provisions of Article 5:

(a) The authorized share capital of Eagle Plains shall be altered by:

(i) renaming and redesignating all of the issued and unissued Eagle Plains Shares as Class A common shares (the "Eagle Plains Class A Shares");

(ii) creating an unlimited number of common shares with terms identical to the Eagle Plains Shares (the "Eagle Plains New Shares"); and

(iii) creating an unlimited number of preferred shares, as more particularly described in Appendix I hereto (the "Eagle Plains Butterfly Shares").

(b) Eagle Plains's Articles shall be amended to reflect the alterations in §3.1(a).

(c) Each issued and outstanding Eagle Plains Class A Share outstanding on the Effective Date shall be exchanged for one Eagle Plains New Share and one-third of an Eagle Plains Butterfly Share and subject to the provisions of Article 5, such Eagle Plains Shareholders shall cease to be the holders of the Eagle Plains Class A Shares so exchanged. The name of each Eagle Plains Shareholder who is so deemed to exchange his, her or its Eagle Plains Class A Shares, shall be removed from the register of shareholders of Eagle Plains Class A Shares with respect to the Eagle Plains Class A Shares so exchanged and shall be added to the registers of shareholders of Eagle Plains New Shares and Eagle Plains Butterfly Shares as the holder of the number of Eagle Plains New Shares and Eagle Plains Butterfly Shares, deemed to have been received on the exchange, whereupon all of the issued Eagle Plains Class A Shares shall be cancelled with the appropriate entries being made in the register of shareholders of Eagle Plains Class A Shares. The paid-up capital (as that term is used for purposes of the Tax Act) of the Eagle Plains Class A Shares immediately prior to the Effective Date shall be allocated between the Eagle Plains New Shares and the Eagle Plains Butterfly Shares so that the paid-up capital of the Eagle Plains New Shares and the Eagle Plains Butterfly Shares is based on the proportion that the fair market value (as that term is used for purposes of the Tax Act) of the Eagle Plains New Shares or the Eagle Plains Butterfly Shares, as the case may be, is of the fair market value of all new shares issued on exchange.

(d) Each holder of Eagle Plains Butterfly Shares ("**Eagle Butterfly Holder**") issued pursuant to §3.10 will transfer to Yellowjacket their Eagle Plains Butterfly Shares having an aggregate fair market value equal to the amount by which the fair market value of the Spin-off Property exceeds the aggregate of the Related Liabilities assumed by Yellowjacket and the Debt for the Cost Amount of the Spin-off Property. As sole consideration, Yellowjacket will issue to each particular Eagle Butterfly Holder an equal number of Yellowjacket Shares having an aggregate fair market value at that time equal to the aggregate fair market value of the Eagle Plains Butterfly Shares that each particular Eagle Butterfly Holder so transferred to Yellowjacket.

(e) Eagle Plains shall transfer the Spin-off Property to Yellowjacket in exchange for:

(i) that number of Yellowjacket Reorganization Shares that equal the amount by which the fair market value of the Spin-off Property exceeds the aggregate of the Related Liabilities assumed by Yellowjacket and the Debt for the Cost Amount of the Spin-off Property; and

(ii) Yellowjacket entering into the Yellowjacket Commitment.

(f) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to §3.10, Yellowjacket will purchase for cancellation all of the Yellowjacket Reorganization Shares held by Eagle Plains and will issue to Eagle Plains, as payment therefore, a demand non-interest bearing promissory note having a principal amount and fair market value equal to the aggregate redemption amount and fair market value of the Yellowjacket Reorganization Shares so redeemed (the "Yellowjacket Note"). Eagle Plains will accept the Yellowjacket Note as full satisfaction for the redemption price of its Yellowjacket Reorganization Shares so redeemed.

(g) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to §3.10, Eagle Plains will purchase for cancellation all of the Eagle Plains Butterfly Shares held by Yellowjacket for an amount equal to their fair market value at that time and will issue to Yellowjacket, as payment thereof, a demand non-interest bearing promissory note having a principal amount and fair market value equal to that amount (the "Eagle Plains Note"). Yellowjacket will accept the Eagle Plains Note as full satisfaction for the purchase price of its Eagle Plans Butterfly Shares so purchased.

(h) The principal amount and fair market value of the Eagle Plains Note, and the principal amount and fair market value of the Yellowjacket Note, will be equal to each other.

(i) Eagle Plains will satisfy the principal amount of the Eagle Plains Note by transferring to Yellowjacket the Yellowjacket Note that will be accepted by Yellowjacket as full repayment, by way of set-off, of the Eagle Plains Note. Concurrently, Yellowjacket will satisfy the principal amount of the Yellowjacket Note by transferring to Eagle Plains the Eagle Plains Note that will be accepted by Eagle Plains as full repayment, by way of set-off, of the Yellowjacket Note. The Eagle Plains Note and the Yellowjacket Note will both be marked paid in full and cancelled.

(j) Immediately after the transfer of the Spin-off Property by Eagle Plains to Yellowjacket pursuant to §3.1(e), Eagle Plains will acquire, either by subscribing for and purchasing for cash consideration and/or by converting some or all of the Debt for the Cost Amount of the Spin-off Property, that number of Yellowjacket Shares which shall equal fifteen percent (15%) of the aggregate number of Yellowjacket Shares issued pursuant to this §3.1(j) and §3.1(d). Yellowjacket shall issue such Yellowjacket Shares at a deemed price per share equal to the Fair Market Value of each Yellowjacket Share issued pursuant to §3.1(d). If any such Yellowjacket Shares are subscribed for and purchased by Eagle Plains for cash (the aggregate amount of the cash purchase price being a "Cash Subscription"), the cash portion of the Spin-off Property shall be reduced by an amount which equals such Cash Subscription.

(k) The Eagle Plains Class A Shares and the Eagle Plains Butterfly Shares, none of which will be allotted and issued once the steps referred to in §3.1(a), §(c), §(d) and §(g) are completed, shall be cancelled and the authorized capital of Eagle Plains shall be diminished by deleting the Eagle Plains Class A Shares and the Eagle Plains Butterfly Shares as classes or series of shares of Eagle Plains.

(l) The Articles of Eagle Plains shall be amended to reflect the alterations in §3.1(k).

(m) The Yellowjacket Reorganization Shares, none of which will be allotted and issued once the steps referred to in §3.1(e) and §(f) are completed, shall be cancelled and the authorized capital of Yellowjacket shall be diminished by deleting the Yellowjacket Reorganization Shares as a series of preferred shares of Yellowjacket.

(n) The Articles of Yellowjacket shall be amended to reflect the alterations in §3.1(m).

(o) After the Effective Date, all Eagle Plains Options Commitments shall be exercisable into that number of Eagle Plains New Shares that equals the number of Eagle Plains Shares that would have been issued under the Eagle Plains Options Commitment, and pursuant to the Yellowjacket Commitment, Yellowjacket shall issue that number of Yellowjacket Shares that equals on third of the number of Eagle Plains Shares that would have been issued under the Eagle Plains Options Commitment, and Eagle Plains shall, as agent for Yellowjacket, collect and pay to Yellowjacket an amount for each Yellowjacket Share so issued that is equal to the exercise price under the Eagle Plains Options Commitment multiplied by the Butterfly Proportion.

3.2 **No Fractional shares**: Notwithstanding any other provision of this Arrangement, no fractional Yellowjacket Shares shall be distributed to the Eagle Plains Shareholders or the holders of Eagle Plains Options Commitments.

3.3 **Effective Date**: In §0 the reference to an Eagle Plains Shareholder shall mean a person who is an Eagle Plains Shareholder on the Effective Date, subject to the provisions of Article 5.

3.4 **Deemed Time for Redemption**: In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the exchange of Eagle Plains Butterfly Shares for Yellowjacket Shares set out in §3.1(f) shall occur and shall be deemed to occur immediately after the time of listing of the Yellowjacket Shares on the TSX Venture Exchange on the Effective Date.

3.5 **Deemed Fully Paid and Non-Assessable Shares**: All Eagle Plains New Shares, Eagle Plains Butterfly Shares, Yellowjacket Reorganization Shares and Yellowjacket Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCA.

3.6 **Arrangement Effectiveness**: The Arrangement shall become final and conclusively binding on the Eagle Plains Shareholders and the Yellowjacket Shareholders and each of Eagle Plains and Yellowjacket on the Effective Date.

3.7 **Supplementary Actions**: Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Eagle Plains and Yellowjacket shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, and any necessary additions to or deletions from share registers.

ARTICLE 4
CERTIFICATES

4.1 **Eagle Plains Class A Shares**: Recognizing that the Eagle Plains Shares shall be renamed and redesignated as Eagle Plains Class A Shares pursuant to §3.1(a) and that the Eagle Plains Class A Shares shall be exchanged partially for Eagle Plains New Shares pursuant to §0, Eagle Plains shall not issue replacement share certificates representing the Eagle Plains Class A Shares.

4.2 **Eagle Plains' Yellowjacket Reorganization Shares**: Recognizing that the Yellowjacket Reorganization Shares issued to Eagle Plains under §3.1(e) shall be redeemed by Yellowjacket pursuant to the provisions of §3.1(f), Yellowjacket shall issue one share certificate representing all of the Yellowjacket Reorganization Shares registered in the name of Eagle Plains, which share certificate shall be held by the Depository until such shares are redeemed by Yellowjacket and such certificate shall then be cancelled by the Depository.

4.3 **Eagle Plains Preferred Shares**: Recognizing that all of the Eagle Plains Butterfly Shares issued to the Eagle Plains Shareholders under §3.1(c) will be transferred by the Eagle Butterfly Holders to Yellowjacket in exchange for Yellowjacket Shares under §3.1(d), and that such Eagle Plains Butterfly Shares will then be purchased by Eagle Plains for cancellation under §3.1(g), Eagle Plains shall issue one share certificate representing all of the Eagle Plains Butterfly Shares issued pursuant to §0 in trust for the Eagle Plains Shareholders, which share certificate will be held by the Depository for the benefit of the Eagle Plains Shareholders and thereafter for the benefit of Yellowjacket until such Eagle Plains Butterfly Shares are purchased by Eagle Plains, and such certificate shall then be cancelled by the Depository.

4.4 **Yellowjacket Share Certificates**: As soon as practicable following the Effective Date, Yellowjacket shall cause to be issued to the registered holders of Eagle Plains Shares as of the Effective Date, share certificates representing the Yellowjacket Shares of which each such Eagle Plains Shareholder will be the registered holder at the close of business on the Effective Date, and shall cause such share certificates to be delivered or mailed to such registered shareholders.

4.5 **New Share Certificates**: From and after the Effective Date, share certificates representing Eagle Plains Shares not deemed to have been cancelled pursuant to Article 5 shall for all purposes be deemed to be share certificates representing Eagle Plains New Shares, and no new share certificates shall be issued with respect to the Eagle Plains New Shares issued in connection with the Arrangement.

4.6 **Interim Period**: Any Eagle Plains Shares traded after the Effective Date will represent Eagle Plains New Shares as of the Effective Date and shall not carry any rights to receive Yellowjacket Shares.

ARTICLE 5
RIGHTS OF DISSENT

5.1 **Dissent Right**: Notwithstanding §3.1 hereof, holders of Eagle Plains Shares may exercise rights of dissent (the "Dissent Right") in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in section 191 of the BCA (the "Dissent Procedures").

5.2 **Dealing with Dissenting Shares**: Eagle Plains Shareholders who duly exercise Dissent Rights with respect to their Eagle Plains Shares ("Dissenting Shares") and who:

(a) are ultimately entitled to be paid fair value for their Dissenting Shares shall be deemed to have transferred their Dissenting Shares to Eagle Plains for cancellation immediately before the Effective Date; or

(b) for any reason are ultimately not entitled to be paid for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Eagle Plains Shareholder and shall receive Eagle Plains New Shares and Yellowjacket Shares on the same basis as every other non-dissenting Eagle Plains Shareholder;

but in no case shall Eagle Plains be required to recognize such persons as holding Eagle Plains Shares on or after the Effective Date.

5.3 **Reservation of Yellowjacket Shares**: If an Eagle Plains Shareholder exercises the Dissent Right, Eagle Plains shall on the Effective Date set aside and not distribute that portion of the Yellowjacket Shares which is attributable to the Eagle Plains Shares for which Dissent Rights have been exercised. If the dissenting Eagle Plains Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Eagle Plains shall distribute to such Eagle Plains Shareholder his or her pro rata portion of the Yellowjacket Shares. If an Eagle Plains Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Eagle Plains shall retain the portion of the Yellowjacket Shares attributable to such Eagle Plains Shareholder and such shares will be dealt with as determined by the Board of Directors of Eagle Plains in its discretion.

ARTICLE 6
REFERENCE DATE

Reference Date: This plan of arrangement is dated for reference November 18, 2011.

APPENDIX I

SPECIAL RIGHTS AND RESTRICTIONS FOR THE

SERIES Z PREFERRED SHARES
OF EAGLE PLAINS RESOURCES LTD.

(the “Corporation”)

1.1 **The Butterfly Shares**

The Series Z Preferred Shares, as a series (the “Butterfly Shares”), shall have attached thereto the following special rights, privileges, restrictions and conditions:

(a) **Voting**

The holders of the Butterfly Shares shall be entitled as such to receive notice of, attend and vote at any meeting of the shareholders of the Corporation;

(b) **Dividends**

Subject to the prior rights of holders of any shares of the Corporation ranking in priority to the Butterfly Shares, the holders of the Butterfly Shares shall be entitled to receive, if, as and when declared by the Board of Directors, non-cumulative cash dividends in an amount or amounts to be determined by the Board of Directors from time to time;

(c) **Redemption**

Subject to applicable law, the Corporation may, with or without notice, redeem at any time any of the then outstanding Butterfly Shares on payment in cash or property for each Butterfly Share of an amount equal to the Butterfly Share Redemption Amount, and the Board of Directors may authorize any person to conclusively determine the Butterfly Share Redemption Amount at any time, such determination to be evidenced by a certificate of such person. The Butterfly Share Redemption Amount will be the specified amount for the purposes of the Tax Act;

(d) **Retraction**

Subject to applicable law, the holder of Butterfly Shares is entitled to require the Corporation to redeem the Butterfly Shares at any time for an amount equal to the Butterfly Share Redemption Amount;

(e) **Restriction on Payments to other Classes**

Notwithstanding any other provision contained in the Articles of the Corporation, no dividends shall be paid on any class of shares of the Corporation other than the Butterfly Shares, if there are reasonable grounds to believe that the realizable value of the net assets of the Corporation, after payment of the dividends would be less than the aggregate of the Butterfly Share Redemption Amount relating to all of the Butterfly Shares then outstanding; and

(f) **Dissolution**

In the event of liquidation, dissolution or winding-up of the Corporation or other return of capital by the Corporation, whether voluntary or involuntary, the holders of the Butterfly Shares are entitled to receive, before any distribution of any part of the profits and assets of the Corporation among the holders of any other shares, a payment of an amount equal to the Butterfly Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to shareholders upon such liquidation, dissolution or winding-up, and will be entitled to no more than the amount of that payment.

1.2 **Definitions**

In these Special Rights and Restrictions:

(a) “**Act**” means the *Business Corporations Act* (Alberta);

(b) “**Arrangement**” means the arrangement pursuant to Part 15, Section 193 of the Act as contemplated by the Arrangement Agreement dated as of November 14, 2011, between Yellowjacket and the Corporation;

(c) “**Board of Directors**” means the board of directors of the Corporation;

(d) “**Butterfly Proportion**” means the fraction A/B where:

A is the net fair market value of the Spin-off Property to be transferred by the Corporation to Yellowjacket, determined immediately before such transfer; and

B is the net fair market value of all property owned by the Corporation immediately before the transfer of the Spin-off Property to Yellowjacket.

(e) “**Butterfly Share Redemption Amount**” means the aggregate fair market value of the Eagle Plains Shares outstanding immediately before the exchange of Eagle Plains Shares, multiplied by the Butterfly Proportion, then divided by the number of Butterfly Shares issued and outstanding, plus any declared but unpaid dividends thereon;

(f) “**Butterfly Shares**” means the Series Z Preferred Shares described in §1.1 above;

(g) "**Corporation**" means Eagle Plains Resources Ltd.;

(h) "**Eagle Plains Shares**" means the issued voting common shares of the Corporation;

(i) "**Eagle Plains New Shares**" means the new voting common shares of the Corporation, identical in terms to the Eagle Plains Shares, for which the Eagle Plains Shares are, in part, to be exchanged pursuant to the Arrangement;

(j) "**Effective Date**" means the date upon which the Arrangement becomes effective;

(k) "**Spin-off Property**" means those assets of the Corporation which are to be transferred to Yellowjacket pursuant to §3.1(e) of the Arrangement;

(l) "**Tax Act**" means the *Income Tax Act* (Canada), as amended;

(m) "**Yellowjacket**" means Yellowjacket Resources Ltd.; and

(n) "**Yellowjacket Shares**" means the issued voting common shares of Yellowjacket.

1.3 **Issuance of Butterfly Shares**

On the Effective Date and subject to the provisions of the Act, pursuant to §3.1(c) of the Arrangement, each Eagle Plains Share shall be exchanged for one Eagle Plains New Share and one-third of a Butterfly Share, where:

(a) the amount to be specified in respect of each Butterfly Share so issued will:

(i) be pursuant to a resolution of the Board of Directors;

(ii) be expressed as a dollar amount;

(iii) not be determined by a formula; and

(iv) not exceed the net fair market of the property received by the Corporation in consideration for its issuance.

1.4 **Automatic Transfer**

On the Effective Date and subject to the provisions of Act, pursuant to §3.1(d) of the Arrangement each holder of Butterfly Shares will transfer to Yellowjacket their Butterfly Shares (having an aggregate fair market value equal to the fair market value of the Spin-off Property) for an equal number of Yellowjacket Shares with no par value having an aggregate fair market value equal to the fair market value of the Butterfly Shares so transferred. Such transfer will occur without any notice or other act or formality required by the Corporation, Yellowjacket or the holders of the Butterfly Shares, and the holders shall cease to be entitled to any right in respect of such shares except to receive the Yellowjacket Shares, unless the issuance of the Yellowjacket Shares is not made by Yellowjacket in accordance with the stated terms of the Arrangement and this §1.4, in which case the rights of the holders of such shares shall remain unimpaired.

1.5 **Automatic Purchase for Cancellation**

On the Effective Date and subject to the provisions of the Act, the Butterfly Shares transferred to Yellowjacket pursuant to §1.4 above, will pursuant to §3.1(g) of the Arrangement be purchased by the Corporation for cancellation by issuing to Yellowjacket, as payment therefore, a demand non-interest bearing promissory note having a principal amount and fair market value equal to the fair market value of the Butterfly Shares at that time (the "Note"), and Yellowjacket will accept the Note as full satisfaction for the purchase price of its Butterfly Shares so purchased, without any notice or other act or formality required by the Corporation or Yellowjacket, and Yellowjacket shall cease to be entitled to any right in respect of such shares except to receive the Note, unless the issuance of the Note is not made by the Corporation in accordance with the stated terms of the Arrangement and this §1.5, in which case the rights of Yellowjacket shall remain unimpaired.

APPENDIX II

SPECIAL RIGHTS AND RESTRICTIONS FOR THE
SERIES Z PREFERRED SHARES
OF YELLOWJACKET RESOURCES LTD.
(the "Corporation")

1.1 **The Reorganization Shares**

The Series Z Preferred Shares, as a series (the "Reorganization Shares"), shall have attached thereto the following special rights, privileges, restrictions and conditions:

(a) **Voting**

The holders of the Reorganization Shares shall be entitled as such to receive notice of, attend and vote at any meeting of the shareholders of the Corporation;

(b) **Dividends**

Subject to the prior rights of holders of any shares of the Corporation ranking in priority to the Reorganization Shares, the holders of the Reorganization Shares shall be entitled to receive, if, as and when declared by the Board of Directors, non-cumulative cash dividends in an amount or amounts to be determined by the Board of Directors from time to time;

(c) **Redemption**

Subject to applicable law, the Corporation may, with or without notice, redeem at any time any of the then outstanding Reorganization Shares on payment in cash or property for each Reorganization Share of an amount equal to the Reorganization Share Redemption Amount, and the Board of Directors may authorize any person to conclusively determine the Reorganization Redemption Amount at any time, such determination to be evidenced by a certificate of such person. The Reorganization Share Redemption Amount will be the specified amount for the purposes of the Tax Act;

(d) **Retraction**

Subject to applicable law, the holder of Reorganization Shares is entitled to require the Corporation to redeem the Reorganization Shares at any time for an amount equal to the Reorganization Share Redemption Amount;

(e) **Restriction on Payments to other Classes**

Notwithstanding any other provision contained in the Articles of the Corporation, no dividends shall be paid on any class of shares of the Corporation other than the Reorganization Shares, if there are reasonable grounds to believe that the realizable value of the net assets of the Corporation, after payment of the dividends would be less than the aggregate of the Reorganization Share Redemption Amount relating to all of the Reorganization Shares then outstanding; and

(f) **Dissolution**

In the event of liquidation, dissolution or winding-up of the Corporation or other return of capital by the Corporation, whether voluntary or involuntary, the holders of the Reorganization Shares are entitled to receive, before any distribution of any part of the profits and assets of the Corporation among the holders of any other shares, a payment of an amount equal to the Reorganization Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to shareholders upon such liquidation, dissolution or winding-up, and will be entitled to no more than the amount of that payment.

1.2 **Definitions**

In these Special Rights and Restrictions:

(a) "**Act**" Means the *Business Corporations Act* (Alberta);

(b) "**Arrangement**" means the arrangement pursuant to Part 15, Section 193 of the Act as contemplated by the Arrangement Agreement dated as of November 14, 2011, between Eagle Plains and the Corporation;

(c) "**Board of Directors**" means the board of directors of Yellowjacket;

(d) "**Corporation**" means Yellowjacket Resources Ltd.;

(e) "**Eagle Plains**" means Eagle Plains Resources Ltd.;

(f) "**Effective Date**" means the date upon which the Arrangement becomes effective;

(g) "**Reorganization Share Redemption Amount**" means the aggregate fair market value of the Spin-off Property at the time of transfer to Yellowjacket less any liabilities, divided by the number of Reorganization Shares issued in consideration therefore, plus any declared but unpaid dividends thereon;

(h) “**Reorganization Shares**” means the Series Z Preferred Shares described in §1.1 above;

(i) “**Spin-off Property**" means those assets of Eagle Plains which are to be transferred to Yellowjacket pursuant to §3.1(e) of the Arrangement;

(j) “**Tax Act**” means the *Income Tax Act* (Canada), as amended; and

(k) "**Yellowjacket Shares**" means the issued voting common shares of the Corporation.

1.3 **Issuance of Reorganization Shares**

On the Effective Date and subject to the provisions of the Act, pursuant to §3.1(e) of the Arrangement, the Corporation will issue to Eagle Plains a number of Reorganization Shares in exchange for the transfer by Eagle Plains to the Corporation of the Spin-off Property, where:

(a) the amount to be specified in respect of each Reorganization Share so issued will:

(i) be pursuant to a resolution of the Board of Directors;

(ii) be expressed as a dollar amount;

(iii) not be determined by a formula; and

(iv) not exceed the net fair market of the Spin-off Property received by the Corporation in consideration for its issuance;

(b) such issuance will occur without any notice or other act or formality required by the Corporation or Eagle Plains.

1.4 **Automatic Purchase for Cancellation**

On the Effective Date and subject to the provisions of the Act, the Reorganization Shares issued to Eagle Plains pursuant to §1.3 above, will pursuant to §3.1(f) of the Arrangement be purchased by the Corporation for cancellation by issuing to Eagle Plains, as payment therefore, a demand non-interest bearing promissory note having a principle amount and fair market value equal to the fair market value of the Reorganization Shares at that time (the "Note"), and Eagle Plains will accept the Note as full satisfaction for the purchase price of its Reorganization Shares so purchased, without any notice or other act or formality required by the Corporation or Eagle Plains, and Eagle Plains shall cease to be entitled to any right in respect of such shares except to receive the Note, unless the issuance of the Note is not made by the Corporation in accordance with the stated terms of the Arrangement and this §1.4, in which case the rights of Eagle Plains shall remain unimpaired.

SCHEDULE "E"

INTERIM ORDER

ORDER
Section 193 *ABCA*

COURT FILE NUMBER	1101- 15596	Clerk's Stamp CLERK OF THE COURT FILED NOV 21 2011 JUDICIAL CENTRE OF CALGARY
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
APPLICANT	EAGLE PLAINS RESOURCES LTD.	
	IN THE MATTER OF SECTION 193 OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9 AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING EAGLE PLAINS RESOURCES LTD., ITS SHAREHOLDERS, HOLDERS OF OPTIONS OF EAGLE PLAINS RESOURCES LTD., AND YELLOWJACKET RESOURCES LTD.	I hereby certify this to be a true copy of the original Order Dated this 21 day of November 2011 Courtney Salk for Clerk of the Court
RESPONDENT	NOT APPLICABLE	
DOCUMENT	**INTERIM ORDER**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McLEOD & COMPANY LLP LAWYERS 300, 14505 Bannister Rd. S.E. Calgary, AB T2X 3J3 Tel: (403) 873-3706 Fax: (403) 271-1769 Attn: Michael C. Kwiatkowski File No. 085775	

Date on which the Order was pronounced:	November 21, 2011
Name of Justice who made this Order:	The Honourable Justice P. R. Jeffrey
Location of where the Order was pronounced:	Calgary

UPON THE APPLICATION of Eagles Plains Resources Ltd. (the "Applicant") for an Interim Order under Section 193 of the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended (the "ABCA");

AND UPON READING the Originating Application and the Affidavit of Glen J. Diduck, Chief Financial Officer of the Applicant, sworn on November 16, 2011 and filed herein (the "Affidavit");

AND UPON HEARING counsel for the Applicant;

AND UPON NOTING that the Executive Director of the Alberta Securities Commission (the "Executive Director") has been served with notice of this application as required by subsection 193(8) of the ABCA;

AND UPON NOTING that for the purposes of this Interim Order the capitalized terms not defined herein shall have the meanings ascribed to them in the Management Information Circular of the Applicant (the "Information Circular"), a draft copy of which is attached as Exhibit "A" to the Affidavit;

AND UPON NOTING that all references to "Arrangement" used herein mean the Plan of Arrangement as described in the Affidavit and in the form attached as Appendix D to the Information Circular;

IT IS HEREBY ORDERED AND ADJUDGED THAT:

General

1. The proposed Arrangement is an "arrangement" within the meaning of such term as contemplated by Section 193 of the ABCA and the Applicant may proceed with the Arrangement.

2. The Applicant shall seek approval of the Arrangement by holders (the "Applicant Shareholders") of common shares (the "Applicant Shares") of the Applicant in the manner set forth below.

Meeting

3. The Applicant shall call and conduct a special meeting (the "Meeting") of the Applicant Shareholders on or about December 16, 2011 for the purpose of considering and, if thought advisable, passing, with or without variation, a special resolution (the "Arrangement Resolution") approving the Arrangement, substantially in the form set forth as Appendix B to the Information Circular and such other business as may properly be brought before the Meeting or any adjournment thereof, all as more particularly described in the Information Circular.

4. The Meeting shall, subject to the express provisions of this Interim Order, be called and conducted in accordance with the bylaws of the Applicant.

5. A quorum at the Meeting shall be at least one person holding or representing by proxy not less than 5% of the outstanding Applicant Shares entitled to be voted at

the Meeting. If within 30 minutes from the time appointed for the Meeting a quorum is not present, the Meeting shall be adjourned to such Business Day that is not less than 14 days following the day appointed for the Meeting, and to such time and place as may be appointed by the Chairman of the Meeting. If at such adjourned meeting a quorum is not present, the Applicant Shareholders present in person or by proxy shall be a quorum for all purposes.

6. The Arrangement Resolution must be approved by at least sixty-six and two-thirds (66 2/3%) percent of the votes cast by Applicant Shareholders, voting alone, either in person or by proxy, at the Meeting with each Applicant Shareholder being entitled to one vote for each Applicant Share held.

7. The Board of Directors of the Applicant has fixed a record date for the Meeting of November 15, 2011 (the "Record Date"). Only Applicant Shareholders whose names have been entered on the applicable register on the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting, provided that, to the extent an Applicant Shareholder transfers the ownership of any Applicant Shares after such date and the transferee of those Applicant Shares establishes that such transferee owns the Applicant Shares and demands, not later than 10 days before the Meeting, to be included in the list of Applicant Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Applicant Shares at the Meeting. Other than as set out in the preceding sentence, holders of Applicant Shares who acquire their Applicant Shares after the Record Date will not be entitled to vote such Applicant shares at the Meeting.

8. The Chairman of the Meeting shall be the President of the Applicant.

9. The only persons entitled to attend and speak at the Meeting shall be Applicant Shareholders or their authorized representatives, directors and officers of the Applicant, the auditor of the Applicant, legal counsel to the Applicant, directors and officers of, and legal counsel to, Yellowjacket Resources Ltd. and the Executive Director.

10. To be valid, a proxy must be deposited with the Applicant in the manner described in the Information Circular.

11. The registered Applicant Shareholders are, subject to the provisions hereof and the arrangement, accorded the right of dissent under Section 191 of the ABCA with respect to the Arrangement Resolution.

12. In order for a registered Applicant Shareholder (the "Dissenting Shareholder") to exercise such right of dissent under Section 191 of the ABCA:

a) The Dissenting Shareholder's written objection to the Arrangement Resolution must be received by the Applicant, care of its legal counsel McLeod & Company LLP, Gulf Canada Square, 850, 401 - 9th Avenue S.W., Calgary, Alberta T2P 3C5, Attention: Darren Fach, by 4:30 p.m. (Calgary time) on the second Business Day before the Meeting (or any adjournment or postponement thereof);

b) A Dissenting Shareholder shall not have voted his or her Applicant Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution,

c) A Registered Applicant Shareholder may not exercise the right of dissent in respect of only a portion of the holder's Applicant Shares, but may dissent only with respect to all of the Applicant Shares held by such holder; and

d) The exercise of such right of dissent must comply with the provisions of Section 191 of the ABCA, as modified hereby.

13. The fair value of the Applicant Shares shall be determined as of the close of business on the last Business Day before the day on which the Arrangement is approved by the Applicant Shareholders.

14. Subject to further order of this Honourable Court, the rights available to the registered Applicant Shareholders under the ABCA and the Arrangement to dissent from the Arrangement Resolution shall constitute full and sufficient rights of dissent for the registered Applicant Shareholders with respect to the Arrangement Resolution.

15. Notice to the registered Applicant Shareholders of their right of dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the ABCA and the Arrangement, the fair value of their Applicant Shares shall be sufficiently given by including information with respect to this right as set forth in the Information circular which is to be sent to Applicant Shareholders in accordance with this Interim Order.

Notice

16. A Notice of Meeting and the Information Circular, which includes, among other things, a copy of this Interim Order (collectively, the "Meeting Materials"), substantially in the form attached as Exhibit "A" to the Affidavit of Glen J. Diduck, with amendments thereto as counsel for the Applicant may determine necessary or desirable (provided such amendments are not inconsistent with the terms of this Interim Order), together with instruments of proxy and such other material as the Applicant may consider fit, shall be mailed by prepaid ordinary mail, at least 21 days prior to the date of the Meeting to the Applicant Shareholders at the addresses for such holders recorded in the records of the transfer agent of the Applicant, at the close of business on the Record Date, the directors of the Applicant, the auditor of the Applicant and the Executive Director. In calculating the 21 day period, the date of mailing shall be included and the date of the Meeting shall be excluded.

17. The accidental omission to give notice of the Meeting or the non-receipt of the notice shall not invalidate any resolution passed or proceedings taken at the Meeting.

18. Delivery of the following Meeting Materials in the manner directed by this Interim Order shall be deemed to be good and sufficient service upon the Applicant Shareholders, the directors of the Applicant, the auditor of the Applicant and the Executive Director:

    a) This Interim Order;

    b) The Notice of Meeting; and

    c) The Information Circular.

19. The mailing of the Meeting Materials referred to in paragraph 16 of this Interim Order shall also constitute good and sufficient service in respect of the Originating Application upon all persons who are entitled to receive such notice pursuant to this Interim Order and no other form of service need be made and no other material need be served on such persons in respect of these proceedings, and service of the Originating Application and the Affidavit is dispensed with.

<u>Amendments to the Plan of Arrangement</u>

20. The Applicant is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine necessary or desirable, provided that such amendments are made in accordance with and in the manner contemplated by the Plan of Arrangement. The Arrangement, as so amended, revised or supplemented shall be deemed to be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution.

<u>Final Application</u>

21. Subject to further order of this Honourable Court and provided that Applicant Shareholders have approved the Arrangement in the manner directed by this Honourable Court and the directors or officers of the Applicant have not revoked that approval, the Applicant may proceed with an application for approval of the Arrangement and the Final Order on December 19, 2011 at 3:00 p.m. ~~1:30 p.m.~~ (Calgary time) or as soon thereafter as counsel may be heard at the Calgary courts Centre in Calgary, Alberta. Subject to the Final Order, and to the filing of Articles of Arrangement pursuant to the provisions of the ABCA, the Arrangement will become effective under the ABCA in accordance with its terms and will be binding on and after the Effective Date on the Applicant, all Applicant Shareholders, Yellowjacket Resources Ltd. and all other persons, in accordance with its terms.

<u>Interested Persons</u>

22. Every Applicant Shareholder and any other interested party (each an "Interested Party") desiring to appear and make submissions at the application for the Final Order is required to file with this Honourable court and serve upon the Applicant on or before 12:00 p.m. (Calgary time) on December 19, 2011 any affidavit or any other evidence or materials which the Interested Party intends to present to this Honourable Court and the address for service of the Interested Party must be included in this material. Service on the Applicant shall be effected upon the solicitors of the Applicant, McLeod & Company LLP, Gulf Canada Square, 850, 401 - 9th Avenue S.W., Calgary, Alberta T2P 3C5, Attention: Darren Fach.

23. In the event that the application for the Final Order is adjourned, only those parties appearing before this Honourable Court of the application for the Final Order, and those Interested Parties who served an affidavit or other evidence in accordance with this Interim Order, shall have notice of the adjourned date.

<u>Leave to Vary Interim Order</u>

24. The Applicant is entitled at any time to seek leave to vary this Interim Order upon such terms and the giving of such notice as this Honourable Court may direct.

" P.R. Jeffery "

J.C.C.Q.B.A.

SCHEDULE "F"

DISSENT PROCEDURES

The ABCA does not contain a provision requiring Eagle Plains to purchase Eagle Plains Shares from Eagle Plains Shareholders who dissent from the Arrangement. However, pursuant to the terms of the Interim Order and the Plan of Arrangement, Eagle Plains has granted the Eagle Plains Shareholders who object to the Arrangement Resolution the right to dissent (the "Dissent Right or "Dissent Rights") in respect of the Arrangement. The Dissent Right is granted in Article 5 of the Plan of Arrangement and is summarized below. **The following is a summary only and Eagle Plains Shareholders are referred to the full text of the Plan of Arrangement (Schedule "D"), the Interim Order (Schedule "E") and the full text of Section 191 of the ABCA which follows this summary.**

Eagle Plains Shareholders are entitled, in addition to any other right such Eagle Plains Shareholders may have, to dissent (a "Dissenting Shareholder") and to be paid by Eagle Plains the fair value of the Eagle Plains Shares held by such Eagle Plains Shareholders in respect of which such Eagle Plains Shareholders dissent, determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution was adopted. An Eagle Plains Shareholder may dissent only with respect to all of the Eagle Plains Shares held by such Eagle Plains Shareholder or on behalf of any one beneficial owner and registered in such Eagle Plains Shareholder's name. Only registered Eagle Plains Shareholders may dissent. Persons who are beneficial owners of Eagle Plains Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that they may only do so through the registered owner of such securities. A registered holder, such as a broker, who holds Eagle Plains Shares as nominee for beneficial holders, some of whom wish to dissent, must exercise dissent rights on behalf of such beneficial owners with respect to the Eagle Plains Shares held for such beneficial owners. In such case, the demand for dissent should set forth the number of Eagle Plains Shares covered by it.

A Dissenting Shareholder must send a written objection to the Arrangement Resolution, which written objection must be received by Eagle Plains, c/o its counsel McLeod & Company LLP, 850, 401 – 9th Avenue SW, Calgary, Alberta, T2P 3C5, Attention: Darren Fach by 4:00 p.m. on the Business Day immediately preceding the date of the Meeting or any adjournment thereof.

An Eagle Plains Shareholder may not exercise the right to dissent in respect of only a portion of such Eagle Plains Shareholder's Eagle Plains Shares, but may dissent only with respect to all of the Eagle Plains Shares held by such Eagle Plains Shareholder. An Eagle Plains Shareholder wishing to exercise the right to dissent with respect to such Eagle Plains Shareholder's Eagle Plains Shares will not vote such Eagle Plains Shares at the Meeting, either by the submission of a proxy or by personally voting, in favour of the Arrangement Resolution.

An application may be made to the Court by Eagle Plains or by a Dissenting Shareholder after the adoption of the Arrangement Resolution to fix the fair value of the Dissenting Shareholder's Eagle Plains Shares. If such an application to the Court is made by Eagle Plains or a Dissenting Shareholder, Eagle Plains must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay the Dissenting Shareholder an amount considered by the Eagle Plains Board to be the fair value of the Eagle Plains Shares. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if Eagle Plains is the applicant, or within 10 days after Eagle Plains is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined.

A Dissenting Shareholder may make an arrangement with Eagle Plains for the purchase of such Dissenting Shareholder's Eagle Plains Shares in the amount of the offer made by Eagle Plains (or otherwise) at any time before the Court pronounces an order fixing the fair value of the Eagle Plains Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application or appraisal. On the application, the Court will make an order fixing the fair value of the Eagle Plains Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against Eagle Plains and in favour of each of those Dissenting Shareholders, and fixing the time within which Eagle Plains must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Eagle Plains Shareholder, until the date of payment.

Upon the completion of the Arrangement, the Dissenting Shareholder will cease to have any rights as a Eagle Plains Shareholder other than the right to be paid the fair value of such Dissenting Shareholder's Eagle Plains Shares, in the amount agreed to between Eagle Plains and the Dissenting Shareholder or in the amount of the judgment, as the case may be.

Eagle Plains will not make a payment to a Dissenting Shareholder under Section 191 of the ABCA if there are reasonable grounds for believing that Eagle Plains is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of Eagle Plains would thereby be less than the aggregate of its liabilities. In such event, Eagle Plains will notify each Dissenting Shareholder that it is unable lawfully to pay Dissenting Shareholders for their Eagle Plains Shares, in which case the Dissenting Shareholder will retain status as a claimant against Eagle Plains to be paid as soon as Eagle Plains is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of Eagle Plains but in priority to its shareholders.

All Eagle Plains Shares held by Dissenting Shareholders who exercise their Dissent Rights will be deemed to be transferred to Eagle Plains and cancelled at the Effective Time.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Dissenting Shareholders who seek payment of the fair value of their Eagle Plains Shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. Accordingly, each Dissenting Shareholder who might desire to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of Section 191 of the ABCA, the full text of which is set out below, and consult his or her own legal advisor.

It is a condition to the completion of the Arrangement that Eagle Plains Shareholders holding not more than 3% of the issued and outstanding Eagle Plains Shares, in the aggregate, will have exercised Dissent Rights in respect of the resolution approving the Arrangement Resolution that have not been withdrawn as of the Effective Date.

DISSENT PROVISIONS OF THE ABCA

Shareholders Right to Dissent – Section 191

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
(c) amalgamate with another corporation, otherwise than under section 184 or 187,
(d) be continued under the laws of another jurisdiction under section 189, or
(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on, or
(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court by originating notice after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation, or
(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5), to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
(b) within 10 days after the corporation is served with a copy of the originating notice, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and
(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and
(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

- (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
- (b) the trial of issues and interlocutory matters, including pleadings and examinations for discovery,
- (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
- (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
- (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
- (f) the service of documents, and
- (g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders, and
- (c) fixing the time within which the corporation must pay that amount to a shareholder.

(14) On

- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13), whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

- (a) the shareholder may withdraw the shareholder's dissent, or
- (b) the corporation may rescind the resolution, and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

- (a) the pronouncement of an order under subsection (13), or
- (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
- (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

SCHEDULE "G"

UNAUDITED PRO FORMA FINANCIAL STATEMENTS OF EAGLE PLAINS AND YELLOWJACKET AS AT JUNE 30, 2011

Eagle Plains Resources Ltd.

Yellowjacket Resources Ltd.

Pro Forma Financial Statements

(Unaudited – Prepared by Management)

As at June 30, 2011

	Eagle Plains Resources Ltd.	Note 2	Pro forma adjustments	Pro forma Eagle Plains Resources Ltd.	Pro forma Yellowjacket Resources Ltd
ASSETS					
Current					
Cash and cash equivalents	$ 4,676,068	(a)	(600,000)	$ 4,076,068	$ 600,000
Accounts receivable	1,137,627			1,137,627	-
Investments	2,887,285	(a)	(737,730)		
		(b)	796,574	2,946,129	737,730
Mineral exploration tax credits recoverable	54,790			54,790	-
	8,755,770			8,214,614	1,337,730
Investments in and advances to related company	20,020			20,020	-
Long term investments	2,148,500	(a)	(548,954)	1,599,546	548,954
Reclamation bonds	230,954	(a)	(150,000)	80,954	150,000
Property and equipment	2,312,746	(a)	(773,100)	1,539,646	773,100
Exploration and evaluation assets	5,560,867	(a)	(2,500,708)	3,060,159	2,500,708
	$ 19,028,857			**$ 14,514,939**	**$ 5,310,492**
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 1,176,067			$ 1,176,067	$ -
Long term mortgage	232,793			232,793	-
Future income tax liability	-	(c)	625,177	-	625,177
	1,408,860			1,408,860	625,177
SHAREHOLDERS' EQUITY					
Share capital	26,218,057	(a)	(5,310,492)		
		(b)	796,574		
		(c)	(625,177)	21,704,139	4,685,315
Contributed surplus	3,551,076			3,551,076	-
Accumulated other comprehensive loss	(25,575)			(25,575)	-
Deficit	(12,123,561)			(12,123,561)	-
	17,619,997			13,106,079	4,685,315
	$ 19,028,857			**$ 14,514,939**	**$ 5,310,492**

1. PLAN OF ARRANGEMENT AND BASIS OF PRESENTATION

These unaudited pro forma statements of financial position have been compiled for purposes of inclusion in the Management Information Circular of Eagle Plains Resources Ltd. ("Eagle Plains") dated November 15, 2011.

Eagle Plains intends to proceed with a reorganization which will have the result of dividing its present mineral properties into two separate public companies. Upon implementation of the plan of arrangement, Yellowjacket Resources Ltd. ("Yellowjacket") will hold the Yellowjacket mineral property and Eagle Plains will continue to hold the remaining properties.

The unaudited pro forma statements of financial position have been derived from the unaudited statement of financial position of Eagle Plains as at June 30, 2011 and the adjustments and assumptions contained in Note 2.

Yellowjacket is a newly formed company incorporated in the province of Alberta.

The pro forma balance sheets are prepared as if the reorganization of Eagle Plains into the two separate entities Eagle Plains and Yellowjacket had occurred on June 30, 2011. A pro forma income statement has not been prepared as the properties being transferred are in the development stage and have no operations associated with them. In the opinion of management the pro forma financial statements contain all the necessary adjustments for a fair presentation in accordance with IFRS accepted accounting principles.
These pro forma financial statements are not intended to reflect the financial position that would have occurred if the events reflected therein had been in effect at the dates indicated. Further these pro forma financial statements are not necessary indicative of the financial position that may be obtained in the future.

2. PRO FORMA ASSUMPTIONS

The unaudited pro forma statements of financial position give effect to the reorganization of Eagle Plains into two separate entities, as described in the Management Information Circular, as if it had occurred as at June 30, 2011 and based on the following assumptions:

(a)	Eagle Plains per the Plan of Arrangement will transfer the following assets to Yellowjacket in exchange for 4,896,392 Yellowjacket common shares	$ 5,310,492
	Cash in the amount of $600,000 Interest in equipment, located at Atlin, BC, of $773,100 Reclamation bond of $150,000 Investment assets with an approximate fair market value of $1,286,684 Interest in mineral property, comprising Eagle Plains Yellowjacket project, of $2,500,708	
(b)	Eagle Plains will own 15% of the outstanding shares in Yellowjacket	$ 796,574
(c)	A future income tax liability has been recognized under the assumption that the mineral properties transferred to Yellowjacket will have a $nil tax base	$ (625,177)

SCHEDULE “H”

EAGLE PLAINS UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTERS ENDED JUNE 30, 2011 AND 2010

EAGLE PLAINS RESOURCES LTD
(An Exploration Stage Corporation)
CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
For the period ended
June 30, 2011

(Unaudited – prepared by management)

The accompanying notes are an integral part of these condensed consolidated financial statements.

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Jun 30 2011 (unaudited)	Dec 31 2010 (unaudited) (Note 16)
Assets		
Current		
Cash and cash equivalents	**$ 4,676,068**	$ 3,633,401
Accounts receivable	**1,137,627**	544,543
Investments (Note 4)	**2,887,285**	3,066,538
Mineral exploration tax credits recoverable	**54,790**	54,790
	8,755,770	7,299,272
Investment in and advances to related company (Note 10)	**20,020**	20,020
Long term investments (Note 4)	**2,379,454**	2,882,877
Property and equipment (Note 5)	**2,312,746**	2,204,810
Exploration and evaluation assets (Note 6)	**5,560,867**	5,097,572
	$ 19,028,857	$ 17,504,551
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	**$ 1,176,067**	$ 666,875
Long term mortgage (Note 7)	**232,793**	296,368
Shareholders' equity		
Share capital (Note 8)	**26,218,057**	25,808,081
Contributed surplus (Note 8)	**3,551,076**	3,676,657
Accumulated other comprehensive income (loss) (Note 4)	**(25,575)**	1,924,773
Deficit	**(12,123,561)**	(14,868,203)
	17,619,997	16,541,308
	$ 19,028,857	$ 17,504,551

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 11)
Subsequent events (Note 15)

Approved on behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Glen J Diduck" Director
Mr. Glen J. Diduck (Signed)

The accompanying notes are an integral part of these condensed consolidated financial statements.

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Three Months Ended Jun 30 **2011**	Three Months Ended Jun 30 2010 (Note 16)	Six Months Ended Jun 30 **2011**	Six Months Ended Jun 30 2010 (Note 16)
Revenue				
Geological services	**$ 2,119,699**	$ 344,803	**$ 3,575,469**	$ 452,847
Gold sales	**-**	62,658	**-**	133,336
	2,119,699	407,461	**3,575,469**	586,183
Cost and Expenses of Operations				
Geological expenses				
Services	**1,417,194**	197,120	**2,469,761**	237,847
Depreciation	**15,714**	18,452	**33,454**	36,682
Salaries and subcontractors	**291,482**	55,821	**438,004**	189,383
	1,724,390	271,393	**2,941,219**	463,912
Mining expenses				
Cost of sales	**-**	52,302	**-**	85,982
Depreciation	**-**	116,130	**-**	232,260
	-	168,432	**-**	318,242
Gross income (loss)	**395,309**	(32,364)	**634,250**	(195,971)
Expenses				
Administration costs (Note 10)	**259,077**	304,826	**547,934**	465,799
Depreciation	**71,871**	8,771	**142,067**	16,169
Professional fees (Note 10)	**29,751**	45,288	**50,592**	62,691
Public company costs	**8,780**	21,713	**22,036**	32,821
Share-based payments (Notes 8 and 10)	**-**	238,879	**29,859**	238,879
Trade shows, travel and promotion	**22,535**	32,153	**64,048**	61,611
	392,014	651,630	**856,536**	877,970
Income (loss) before other items	**3,295**	(683,994)	**(222,286)**	(1,073,941)
Other items				
Other income	**36,059**	20,153	**79,082**	34,329
Investment income	**9,758**	1,631	**14,963**	3,043
Option proceeds in excess of carrying value	**520,524**	**-**	**2,264,235**	**-**
Loss on disposal of equipment	**-**	-	**(392)**	-
Gain on sale of investments	**93,587**	31,259	**609,040**	73,172
Income (loss) before non-controlling interest	**663,223**	(630,951)	**2,744,642**	(963,397)
Non-controlling interest (Note 17)	**-**	49,761	**-**	84,637
Net income (loss) before income tax	**663,223**	(581,190)	**2,744,642**	(878,760)
Deferred income tax recovery	**-**	**47,813**	**-**	**47,813**
Net income (loss) for the period	**663,223**	**(533,377)**	**2,744,642**	**(830,947)**
Other comprehensive income (loss)				
Unrealized loss on investments	**(1,920,137)**	(451,614)	**(2,559,388)**	(401,665)
Reclassification on disposition of investments	**93,587**	31,258	**609,040**	73,172
	(1,826,550)	**(420,356)**	**(1,950,348)**	**(328,493)**
Comprehensive income (loss) for the period	**$ (1,163,327)**	$ (953,733)	**$ 794,294**	$ (1,159,440)
Earnings per share – basic and diluted (Note 9)	**$ 0.01**	$ (0.01)	**$ 0.03**	$ (0.01)
Weighted average number of shares – basic and diluted (Note 9)	**83,159,727**	76,614,370	**82,881,428**	76,614,370

The accompanying notes are an integral part of these condensed consolidated financial statements.

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Three Months Ended Jun 30 **2011**	2010	Six Months Ended Jun 30 **2011**	2010
Cash flows from operating activities				
Net Income (loss) for the period	**$ 663,223**	$ (533,377)	**$ 2,744,642**	$ (830,947)
Adjustment for:				
Non-controlling interest	-	(49,761)	-	(84,637)
Option proceeds in excess of carrying value	**(520,524)**	-	**(2,264,235)**	-
Depreciation	**87,585**	143,353	**175,521**	285,111
Share-based payments	**-**	238,879	**29,859**	238,879
Deferred income tax	-	(47,813)	-	(47,813)
Gain on sale of investments	**(93,587)**	(31,259)	**(609,040)**	(73,172)
Loss on disposal of equipment	-	-	**392**	-
	136,697	(279,978)	**77,139**	(512,579)
Changes in non-cash working capital items				
(Increase) decrease in accounts receivable	**(794,146)**	(261,386)	**(593,084)**	451,727
Increase (decrease) in accounts payable	**521,015**	163,982	**509,192**	(22,037)
	(136,434)	(377,382)	**(6,753)**	(82,889)
Cash flows from financing activity				
Issue of shares for cash	**84,950**	-	**254,536**	-
Proceeds from mortgage	-	299,250	-	299,250
Mortgage principal repayments	**(2,108)**	(895)	**(63,575)**	(895)
Share issuance costs	**-**	-	-	(5,424)
	82,842	298,355	**190,961**	292,931
Cash flows from investing activities				
Proceeds from sale of investments	**235,669**	274,218	**1,391,680**	445,390
Purchase of investments	**(39,100)**	(1,133)	**(39,100)**	(1,133)
Cash received for option payments	**110,000**	90,000	**145,000**	95,000
Exploration of mineral exploration properties	**(126,642)**	(194,128)	**(355,272)**	(448,018)
Purchase of property and equipment	**(208,222)**	(404,809)	**(283,849)**	(501,855)
	(28,295)	(235,852)	**858,459**	(410,616)
Increase (decrease) in cash and cash equivalents	**(81,887)**	(314,879)	**1,042,667**	(200,574)
Cash and cash equivalents, beginning of period	**4,757,955**	2,855,985	**3,633,401**	2,741,680
Cash and cash equivalents, end of period	**$ 4,676,068**	$ 2,541,106	**$ 4,676,068**	$ 2,541,106
Cash and cash equivalents comprise:				
Bank deposits	**$ 2,125,852**	$ 1,217,489	**$ 2,125,852**	$ 1,217,489
Term deposits	**2,550,216**	1,323,617	**2,550,216**	1,323,617
	$ 4,676,068	$ 2,541,106	**$ 4,676,068**	$ 2,541,106

The Company made no cash payments for income taxes.
The Company made cash payments of $7,752 for interest for the six months-ended June 30, 2011.
Statement of Cash Flow (Note 13)

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Share Capital		Contributed	Accumulated Other Comprehensive		Capital Attributable to equity	Non Controlling	
	Shares	Amount	Surplus	Income (loss)	Deficit	Shareholders	Interest	Equity
Balance, January 1, 2010	76,614,370	$24,168,174	$2,237,216	$ 284,196	$(13,807,461)	$12,882,125	$1,314,602	$14,196,727
Share-based payments			11,654			11,654		11,654
Comprehensive income for the period				91,863		91,863		91,863
Share issue costs		(5,424)				(5,424)		(5,424)
Loss for the period					(290,585)	(290,585)	(34,876)	(325,461)
Balance, March 31, 2010	76,614,370	24,162,750	2,248,870	376,059	(14,098,046)	12,689,633	1,279,726	13,969,359
Share-based payments			238,879			238,879		238,879
Comprehensive loss for the period				(420,356)		(420,356)		(420,356)
Fair value of warrants expired			(7,720)		7,720	-		-
Adjust future income tax		(40,600)				(40,600)		(40,600)
Loss for the period					(533,377)	(533,377)	(49,761)	(583,138)
Balance, June 30, 2010	76,614,370	24,122,150	2,480,029	(44,297)	(14,623,703)	11,934,179	1,229,965	13,164,144
Balance, January 1, 2011	82,243,382	$25,808,081	$ 3,676,657	$ 1,924,773	$(14,868,203)	$16,541,308		$16,541,308
Shares issued	587,787	169,586				169,586		169,586
Options exercised		19,308	(19,308)			-		-
Share-based payments			29,859			29,859		29,859
Comprehensive loss for the period				(123,798)		(123,798)		(123,798)
Income for the period					2,081,419	2,081,419		2,081,419
Balance, March 31, 2011	82,831,169	$25,996,975	$ 3,687,208	$ 1,800,975	$(12,786,784)	$18,698,374		$18,698,374
Shares issued	411,250	84,950				84,950		84,950
Options exercised		136,132	(136,132)			-		-
Comprehensive loss for the period				(1,826,550)		(1,826,550)		(1,826,550)
Income for the period					663,223	663,223		663,223
Balance, June 30, 2011	**83,242,419**	**$26,218,057**	**$ 3,551,076**	**$ (25,575)**	**$(12,123,561)**	**$17,619,997**		**$17,619,997**

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Nature and continuance of operations

Eagle Plains Resources Ltd (the "Company" or "Eagle Plains" or "EPL") was incorporated on March 30, 1994, pursuant to the Alberta Business Corporation Act (Alberta), and is extra provincially registered in the Yukon, British Columbia, the Northwest Territories and Saskatchewan. The Company is in the business of exploring for mineral resources and is actively exploring properties located in British Columbia, Yukon, the Northwest Territories and Saskatchewan. As the Company has not commenced production on any of its mining properties the Company continues to be an exploration stage corporation.

The Company's corporate office and principal place of business is Suite 200, 44-12th Avenue South, Cranbrook, British Columbia, Canada.

These statements have been prepared on the basis of accounting principles applicable to a going concern. Management has assessed that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Recoverability of the amounts shown for mineral exploration properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and attain profitable production or proceeds from the disposition of the properties in excess of the carrying amount.

2. Basis of preparation

(a) Statement of Compliance

The consolidated financial statements for the Company for the year-ending December 31, 2011 will be prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), having previously been prepared in accordance with Canadian Generally Accepted Accounting Principles. These condensed consolidated interim financial statements for the three and six month periods ended June 30, 2011 have been prepared in accordance with IAS 34 - *Interim Financial Reporting* and as they are part of the Company's first IFRS annual reporting period, IFRS 1 - *First-time Adoption of International Financial Reporting Standards* has been applied. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements. However, they have been prepared in accordance with accounting policies the Company expects to adopt in its December 31, 2011 financial statements.

These condensed consolidated interim financial statements should be read in conjunction with the Company's 2010 annual financial statements and the explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 16.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 26, 2011.

(b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as FVTPL and available-for-sale which are stated at their fair value.

These condensed consolidated interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant areas requiring the use of management estimates include impairment of mineral properties; impairment of property and equipment; useful lives for amortization of property and equipment; reclamation and environmental obligations; determining the provision for deferred income taxes and contingencies reported in the notes to the financial statements.

3. Significant Accounting Policies

Areas of significant judgement include the classification of financial instruments and the classification of exploration and evaluation expenditures, which requires judgement in determining whether it is likely that future economic benefits will flow to the Company.

The accounting policies set out below have been applied consistently to all periods presented in these condensed consolidated interim financial statements and in preparing the opening IFRS statement of financial position at January 1, 2010 for the purposes of the transition to IFRS. The accounting policies have been applied consistently by the Company and its wholly owned subsidiary.

The condensed consolidated interim financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Basis of consolidation
The condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary, Terralogic Exploration Inc. (a BC corporation). All significant intercompany transactions and balances have been eliminated.

b) Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments with maturities of three months or less from the date of purchase that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

c) Financial instruments
Financial instruments recognized in the balance sheet include cash and cash equivalents, trade and other receivables, investments, trade and other payables and mortgage payable.

Financial assets

Financial assets at fair value through profit or loss (“FVTPL”)

Financial assets are classified as FVTPL when the financial asset is held for trading or it is designated as FVTPL. Financial assets classified as FVTPL are stated at fair value with any resultant gain or loss recognized in profit and loss.

The Company has classified cash and cash equivalents as FVTPL.

Available-for-sale financial assets (“AFS”)

Investments in marketable securities are classified as AFS financial assets. Investments are initially recognized at fair value and are subsequently carried at fair value with changes recognized in other comprehensive income or loss. Fair value is based on closing market prices for publicly traded shares without recognizing the possible effects of price fluctuations, quantities traded and similar items.

Shares held in escrow have been valued at fair value, discounted by the put option for the length of the escrow period; which is calculated using the Black-Scholes option-pricing model.

Equity instruments for which there is no quoted market price in an active market are accounted for at cost. However, if fair value can be reliably measured for an equity instrument not traded on an active market, it will be measured at fair value.

The Company has classified long term investments as AFS.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

The Company has classified accounts receivable and investment in and advances to related company as loans and receivables.

Impairment of financial assets

The Company assesses at each statement of financial position date whether there is objective evidence that a financial asset is impaired. Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

Where impairment has occurred, the cumulative loss is recognized in the income statement.

June 30, 2011 and 2010 Expressed in Canadian dollars

3. Significant Accounting Policies - continued

c) Financial instruments - continued

Financial liabilities

Financial liabilities primarily consist of payables, accruals and mortgage payable and are measured at amortized cost.

The Company holds various financial instruments. Unless otherwise indicated, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. Investments in entities in which the Company does not have control or significant influence are designated as available-for-sale. The fair value for investments designated as available-for-sale is recorded on the balance sheet, with unrealized gains and losses, net of related income taxes, recorded in accumulated other comprehensive income ("AOCI"). The cost of securities sold is based on the specific identification method. Realized gains and losses, including any other-than-temporary decline in value, on these equity securities are removed from AOCI and recorded in income or loss.

The Company has designated its cash and cash equivalents as FVTPL, which are measured at fair value. Investments are classified as available-for-sale and are recorded at fair value with changes in fair value recorded in other comprehensive income until such gains or losses are recognized or an other than temporary impairment is determined to have occurred. Accounts receivable, due from related company and investment in and advances to related company are classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities and mortgage payable are classified as other financial liabilities, which are measured at amortized cost. Transaction costs are expensed as incurred.

The carrying amounts and fair values of financial assets and liabilities are as follows:

	June 30 2011		December 31 2010	
	Carrying Value	**Estimated Fair Value**	Carrying Value	Estimated Fair Value
FVTPL				
Cash and cash equivalents	**$4,676,068**	**$4,676,068**	$3,633,401	$3,633,401
Loans and receivables				
Accounts receivable	**1,137,627**	**1,137,627**	544,543	544,543
Available-for-sale financial assets				
Investments	**5,266,739**	**5,266,739**	5,949,415	5,949,415
Financial liabilities				
Payables and accrued liabilities	**1,176,067**	**1,176,067**	666,875	666,875
Mortgage payable	**232,793**	**232,793**	296,368	296,368

d) Exploration and evaluation expenditures

Pre -exploration costs
Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditures
Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transfee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash or other consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess consideration accounted for as a gain on disposal.

June 30, 2011 and 2010 Expressed in Canadian dollars

3. Significant Accounting Policies - continued

d) Exploration and evaluation expenditures- continued

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss/income.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties. As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets.

e) Mineral tax credit
The Federal and Provincial taxation authorities provide companies with tax incentives for undertaking mineral exploration programs in certain areas. The Company accrues these credits as a reduction of exploration and evaluation expenditures in the period that the related expenditures were incurred. These accrued credits are subject to review by the relevant authorities and by their nature are subject to measurement uncertainty. Adjustments if any, resulting from such a review are recorded in the period that the tax filings are amended.

f) Option Agreements
Certain of the Company's exploration and development activities are conducted jointly with others. These consolidated financial statements reflect only the Company's proportionate interest in such activities.

g) Property, plant and equipment
Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items. The amortization method, useful life and residual values are assessed annually.

Property, plant and equipment are carried at cost, less accumulated amortization and accumulated impairment losses. Amortization is determined using the declining balance method, using the rates below which approximate the estimated useful life of the asset:

Automotive	- 30% per annum
Building	- 4% per annum
Computer equipment	- 30%, 45%, 55% and 100% per annum
Computer software	- 100% per annum
Furniture and equipment	- 20% per annum
Ore processing equipment	- 20% and 30% per annum
Dewatering pipeline	- 6% per annum

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of comprehensive income or loss.

h) Investment property
The Company's real estate holdings, which include the head office building and warehouse facilities, do not meet the definition of an investment property under IAS 40 and are therefore included in property, plant and equipment. Although a portion of the head office building is rented to a third party, under IAS 40, a portion of dual-use property is classified as investment property only if the portion could be sold or leased out separately under a finance lease. Otherwise, the entire property is classified as property, plant and equipment unless only an "insignificant" portion is held for own use.

3. Significant Accounting Policies - continued

i) Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The impairment loss is recognized in the income statement for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit and loss.

j) Rehabilitation obligations

The Company recognizes the fair value of a legal or constructive liability for an asset retirement obligation in the year in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of comprehensive income (loss). Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. The Company does not have significant asset retirement obligations.

k) Revenue recognition

Revenue associated with the geological services provided by the Company is recognized when services are performed under an agreement with a customer, and collection of any resulting receivable is reasonably assured.

l) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years.

Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

m) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, options and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus.

3. Significant Accounting Policies - continued

m) Share capital - continued

Flow-through shares
Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until qualifying expenditures are incurred.

n) Per share amounts
Basic income per common share is computed by dividing the net income for the year by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the period.

o) Share based payments
Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

June 30, 2011 and 2010 Expressed in Canadian dollars

3. Significant Accounting Policies - continued

p) New accounting pronouncements

Certain new accounting standards and interpretations have been published that are not mandatory for the June 30, 2011 reporting period. The following standard is assessed not to have any impact on the Company's financial statements:

- IFRS 9, Financial Instruments: effective for accounting periods commencing on or after January 1, 2013.

4. Investments

The Company holds securities that have been designated as available-for-sale as follows:

	June 30, 2011		December 31, 2010	
	Market Value	**Cost**	Market Value	Cost
Current:				
Common shares in public companies	**$ 2,887,285**	**$ 3,584,690**	$ 3,066,538	$ 2,407,330
Long-term:				
Common shares of public companies held in escrow	**1,412,000**	**408,702**	2,064,023	496,490
Common shares in public companies	**82,500**	**139,000**	-	-
Common shares in private companies	**504,000**	**504,000**	477,000	504,000
Guaranteed investment certificates	**380,954**	**380,954**	341,854	341,854
	$ 2,379,454	**$ 1,432,656**	$ 2,882,877	$ 1,342,344
	$ 5,266,739	**$ 5,017,346**	$ 5,949,415	$ 3,749,674

For securities traded in an active market, market value is based on the quoted closing prices of the securities at June 30, 2011. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded.

The Company holds public traded securities held in escrow to be released to the Company over a period from October 15, 2011 to December 1, 2013. Securities held in escrow have been recorded at fair value, discounted by the put option for the length of the escrow period; which is calculated using the Black-Scholes option-pricing model.

Accumulated other comprehensive income (loss) of $(25,575) (December 31, 2010 – $1,924,773) is the result of the change in fair value to June 30, 2011.

Expressed in Canadian dollars

5. Property and Equipment

	Land	Building	Automotive	Computer Equipment & Software	Furniture and Equipment	Ore Processing Equipment	Dewatering Pipeline	Total
Cost								
Balance at December 31, 2010	$ 298,856	$ 849,882	$ 380,887	$ 268,382	$ 284,564	$ 722,370	$ 33,547	$ 2,838,488
Additions		241,450	2,001	5,924	11,035			260,410
Disposals		(214,417)						(214,417)
Balance at March 31, 2011	298,856	876,915	382,888	274,306	295,599	722,370	33,547	2,884,481
Additions		101,019	14,244	3,339	89,620			208,222
Balance at June 30, 2011	**$ 298,856**	**$ 977,934**	**$ 397,132**	**$ 277,645**	**$ 385,219**	**$ 722,370**	**$ 33,547**	**$ 3,092,703**
Depreciation								
Balance at December 31, 2010		$ 48,667	$ 138,999	$ 223,611	$ 122,564	$ 99,061	$ 776	$ 633,678
Additions		8,557	18,136	5,916	8,087	46,749	491	87,936
Disposals		(29,242)						(29,242)
Balance at March 31, 2011		27,982	157,135	229,527	130,651	145,810	1,267	692,372
Additions		6,985	18,848	2,686	11,826	46,748	492	87,585
Balance at June 30, 2011		**$ 34,967**	**$ 175,983**	**$ 232,213**	**$ 142,477**	**$ 192,558**	**$ 1,759**	**$ 779,957**
Net Book Value								
At December 31, 2010	$ 298,856	$ 801,215	$ 241,888	$ 44,771	$ 162,000	$ 623,309	$ 32,771	$ 2,204,810
At March 31, 2011	$ 298,856	$ 848,933	$ 225,753	$ 44,779	$ 164,948	$ 576,560	$ 32,280	$ 2,192,109
At June 30, 2011	**$ 298,856**	**$ 942,967**	**$ 221,149**	**$ 45,432**	**$ 242,742**	**$ 529,812**	**$ 31,788**	**$ 2,312,746**

June 30, 2011 and 2010 Expressed in Canadian dollars

6. Exploration and Evaluation Assets

During the second quarter, acquisition and exploration expenditures totalled $126,641 (2010 - $212,153) and grants, option payments, and mineral tax credits totalled $821,212 (2010 - $221,234). The Company recognized option proceeds received in excess of carrying values of $520,524 (2010 – nil).

The Company's subsidiary, Terralogic Exploration Inc, carried out exploration programs on behalf of option partners on various optioned properties totalling $2,104,744 (2010 – $344,803).

The Company has interests in a number of optioned exploration projects. As at June 30, 2011, the Company has executed option agreements with third parties on the following projects:

Option Agreements - Third party earn in

a) **Acacia Project:** On June 21, 2011, the Company and Ecomax Energy Services Ltd. ("Ecomax") entered into an agreement whereby Ecomax may earn a 60% interest in the 4,600 ha Acacia Property, located 45 km north of Kamloops in central British Columbia. Under terms of the Agreement, Ecomax has the option to earn its interest in the property by completing $3,000,000 in exploration expenditures, making $240,000 in cash payments and issuing 1,000,000 common shares to Eagle Plains over 4 years.

b) **Baska-Eldorado Project:** On July 24, 2009, the Company signed a Letter of Intent with 99 Capital Corporation ("Giyani" - The company was formerly known as 99 Capital Corporation and changed its name to Giyani Gold Corp. in January 2011) whereby Giyani may purchase a 100% interest in the property, in north-central Saskatchewan, Canada, by issuing 2,000,000 common shares to Eagle Plains. The shares will be held in escrow and will be released from escrow as to 200,000 shares on the closing date and as to 300,000 shares every six months thereafter. The Company received 200,000 shares in December on approval of the Qualifying Transaction by the Exchange. Eagle Plains has been granted a back-in option entitling it to purchase a 50% interest in the Baska-Eldorado property at any time between the second and fourth anniversaries of the closing date by paying Giyani the sum of $250,000 plus an amount in cash equal to one-half of all amounts spent by Giyani on exploration of the Baska-Eldorado property and one-half of all other expenditures by Giyani in relation to the Baska-Eldorado property plus a premium of 150% applied to each expenditure grouping. If Eagle Plains does not exercise its back-in option it will be granted a 1% net smelter returns royalty on the Baska-Eldorado property to a maximum of $2-million. In the event that Eagle Plains exercises its back-in option, the parties will be deemed to have formed a joint venture for the further exploration and development of the Baska-Eldorado property with Giyani holding an initial participating interest of 50% cent and Eagle Plains holding an initial participating interest of 50%.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	November 19, 2009 (received)
300,000	May 19, 2010 (received)
300,000	November 19, 2010 (received)
300,000	May 19, 2011 (received)
300,000	November 19, 2011
300,000	May 19, 2012
300,000	November 19, 2012
2,000,000	

c) **Bohan Project:** On September 20, 2010, the Company executed a property purchase agreement with Active Growth Capital Inc. ("Active Growth") whereby Active Growth purchased a 100% right, title and interest in the Bohan property (the "Property") located near Creston in south-western British Columbia. As consideration for the acquisition, Active Growth agreed to issue 2,000,000 common shares to Eagle Plains, to be held in escrow pursuant to the Exchange policies. Of the total share consideration, 10% (or 200,000 shares) was released from escrow upon issuance of the Final Exchange Bulletin in respect of the Qualifying Transaction and the remainder will be released from escrow in increments of 300,000 shares every 6 months thereafter.

Pursuant to the Agreement, Eagle Plains has the right to re-purchase a 50% ownership interest in the Property from Active Growth at any time after the second anniversary of the Qualifying Transaction, and extending up to the fourth anniversary of the Qualifying Transaction, at the Company's aggregate acquisition cost plus a premium of 150%. The re-acquisition price, if applicable, would be payable in cash. In the event that Active Growth wishes to sell the Property, Eagle Plains will have the right of first refusal to acquire it. In the event that the Property is put into commercial production and Eagle Plains has not exercised its' right to re-purchase an ownership interest in the Property as described above, then Eagle Plains will receive a 1% net smelter returns ("NSR") royalty.

June 30, 2011 and 2010 Expressed in Canadian dollars

6. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in – continued

c) **Bohan Project- continued:**
The 1% NSR royalty is only payable to Eagle Plains if Eagle Plains has no ownership interest in the Property. In the event that Eagle Plains wishes to sell the 1% NSR royalty, then Active Growth will have the right of first refusal to acquire it.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	December 13, 2010 (received)
300,000	June 1, 2011 (received)
300,000	December 1, 2011
300,000	June 1, 2012
300,000	December 1, 2012
300,000	June 1, 2013
300,000	December 1, 2013
2,000,000	

d) **Coyote Creek Project:** On June 9, 2009 Eagle Plains announced that it had reached agreement with Heemskirk Canada Ltd. whereby Heemskirk may earn a 100% interest in the property located in southwestern British Columbia. In order to exercise the option and acquire a 100% interest in the property Heemskirk is required to make cash payments totalling $240,000 plus a production royalty on material extracted.

Payments are due as follows:

Cash Payments	Due Date
$ 20,000	June 26, 2009 (received)
20,000	120 days after “Initial Work” results (received)
200,000	June 30, 2012

e) **Dragon Lake Project:** On June 20, 2011, the Company and Olympic Resources Ltd**.** (“Olympic”) executed a formal option agreement (subject to TSX-V approval) whereby Olympic has the exclusive right to earn a 60% interest in the property. To exercise the option, Olympic must complete $3,000,000 in exploration expenditures, issue 1,000,000 common shares and make cash payments of $500,000 to Eagle Plains over 4 years.

f) **Eagle Lake Project:** On September 11, 2009, the Company completed an option agreement whereby Sandstorm Metals & Energy Ltd. could earn a 60% interest in Eagle Plains’ 100% owned mineral property, located in north-central Saskatchewan, by making exploration expenditures of $3,000,000 and completing payments of 850,000 shares and $495,000 cash by the fifth anniversary.

Sandstorm terminated the agreement May 10, 2011. During the term of the agreement the Company received $30,000 cash and 50,000 shares of Sandstorm.

g) **Elsiar Project:** On April 12, 2010, the Company completed an option agreement (subject to TSX-V approval) whereby Parkside Resources Corp. (“Parkside”) can earn a 60% interest in Eagle Plains’ 100% owned copper-moly-gold property, located in Northwestern British Columbia, by making exploration expenditures of $3,000,000 and completing payments of 1,000,000 shares and $250,000 cash by the fourth anniversary of the agreement. In July 2010, Eagle Plains was notified by Parkside Resources Ltd. (a private B.C. company) that Parkside agreed to transfer its option interest in and to the Elsiar project (held 100% by Eagle Plains and subject to a 1% NSR) to 0802906 B.C. Ltd (which has subsequently become Blackrock Resources Ltd.). A 1% NSR is reserved for a third party. Payments are due as follows:

June 30, 2011 and 2010 Expressed in Canadian dollars

6. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in – continued

g) **Elsiar Project- continued:**

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ -	Date of agreement (received cash)
-	-	100,000	December 31, 2010 (completed)
50,000	200,000	-	July 12, 2011 (received cash)
-	-	200,000	December 31, 2011
50,000	200,000	-	July 12, 2012
-	-	800,000	December 31, 2012
50,000	200,000	-	July 12, 2013
		1,900,000	December 31, 2013
75,000	300,000	-	July 12, 2014
$ 250,000	1,000,000	$ 3,000,000	

h) **Findlay Project:** On March 4, 2011, the Company executed a letter of intent with Minerals and Metals Group ("MMG") whereby Eagle Plains has agreed to grant an option to MMG to earn a 60-per-cent interest in Eagle Plains' 100-per-cent-owned Findlay/Greenland Creek properties (the "Project"), located 30 kilometers north of Kimberley, in south-eastern B.C. Under terms of the proposed agreement, MMG may earn a 60% interest in the 33,500 ha property by making staged cash payments to EPL totalling $500,000 and completing $5,000,000 in exploration expenditures over 5 years. MMG may earn an additional 15% interest (for a total of 75%) by delivering a bankable feasibility study by 2021.

i) **Hit Project:** Aben Resources Ltd. ("Aben") has entered into an Acquisition Agreement whereby Aben will acquire a 100% interest in the Hit project, located in the eastern Yukon Territory. Upon receipt of acceptance of the Acquisition Agreement by the TSX Venture Exchange, Aben Resources issued a total of 1,500,000 common shares to Eagle Plains. The project shall be subject to a three percent (3%) net smelter return royalty ("NSR") in favour of Eagle Plains. Aben Resources has been granted a right to purchase a 2% NSR at any time prior to commencement of commercial production for the consideration of $2,000,000 (the "Buy Down Option"). Aben agrees to pay Eagle Plains a yearly minimum advanced royalty of $25,000 commencing January 1, 2015.

j) **Ice River Project:** On September 25, 2008, Eagle Plains Resources Ltd. announced that it had reached agreement with Waterloo Resources Ltd. ("Waterloo") whereby Waterloo may earn a 60% interest in the Ice River Property (amended March 5, 2009), located in British Columbia. In order to exercise the option and acquire a 60% interest in the property Waterloo is required to make cash payments totalling $510,000 (originally $500,000), issue 750,000 (originally 350,000) common shares and make exploration expenditures of $3,000,000 (no change) over a period of five years. A 1% NSR is reserved for Eagle Plains. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000		$ -	On signing of formal agreement (received)
20,000	100,000	-	Sept 27, 2009 (received)
25,000	100,000	200,000	Sept 27, 2010 (received)(completed)
25,000	100,000	50,000	Sept 27, 2011
50,000	150,000	500,000	Sept 27, 2012
120,000	100,000	1,000,000	Sept 27, 2013
260,000	200,000	1,250,000	Sept 27, 2014
$ 510,000	750,000	$ 3,000,000	

k) **Iron Range Project:** On April 21, 2010, the Company completed an option agreement with Providence Capital Corp ("Providence") whereby Providence may earn a 60% interest in the property, located in British Columbia, by making exploration expenditures of $3,000,000 and completing payments of 1,000,000 shares and $500,000 cash by the fourth anniversary. As at June 30, 2011, Providence has completed $2,024,062 in exploration expenditures. Payments are due as follows:

June 30, 2011 and 2010 Expressed in Canadian dollars

6. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in – continued

k) **Iron Range Project- continued:**

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ -	On Approval date - June 3, 2010 (received)
-	-	200,000	December 31, 2010 (completed)
50,000	100,000	-	June 3, 2011 (received)
-	-	300,000	December 31, 2011
75,000	200,000	-	June 3, 2012
-	-	500,000	December 31, 2012
150,000	300,000	-	June 3, 2013
-	-	2,000,000	December 31, 2013
200,000	300,000	-	June 3, 2014
$ 500,000	1,000,000	$ 3,000,000	

l) **Justin (Sprogge) Project:** Aben Resources Ltd. ("Aben") has entered into an Acquisition Agreement whereby Aben will acquire a 100% interest in the Justin project, located in the eastern Yukon Territory. Upon receipt of acceptance of the Acquisition Agreement by the TSX Venture Exchange, Aben Resources issued a total of 3,500,000 common shares to Eagle Plains. The project shall be subject to a three percent (3%) net smelter return royalty ("NSR") in favour of Eagle Plains. Aben has been granted a right to purchase a 2% NSR at any time prior to commencement of commercial production for the consideration of $2,000,000 (the "Buy Down Option"). Aben agrees to pay Eagle Plains a yearly minimum advanced royalty of $25,000 commencing January 1, 2015.

m) **K-9 Project:** On May 9, 2011, Eagle Plains and **Bluefire** Mining Corp. (a private B.C. company)("Bluefire") entered into an agreement whereby Bluefire may earn a 60% interest in the K-9 copper-gold property, located in south-eastern British Columbia. Under terms of the agreement, Bluefire has the option to earn a 60% interest in the 9,760 ha property by completing $5,000,000 in exploration expenditures, making $500,000 in cash payments, and issuing 1,000,000 common shares to Eagle Plains over 5 years. Eagle Plains will maintain a 4% Gross Metal Royalty on the claims, which may be reduced to 2% upon payment of $2,000,000. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ 100,000	On approval date
-	-	200,000	1st anniversary of approval date
25,000	100,000	-	2nd anniversary of approval date
75,000	100,000	500,000	3rd anniversary of approval date
125,000	200,000	1,200,000	4th anniversary of approval date
250,000	500,000	3,000,000	5th anniversary of approval date
$ 500,000	1,000,000	$ 5,000,000	

n) **Kalum Project:** On November 13, 2009, Eagle Plains Resources Ltd. and Windstorm Resources Inc. ("Windstorm") entered into an option agreement on the property. Under terms of the agreement, Windstorm may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $400,000 in cash payments, and issuing 500,000 voting class common shares to Eagle Plains.

Windstorm terminated the agreement May 31, 2011. During the term of the agreement the Company received $10,000 cash, 50,000 shares of Windstorm and Windstorm completed exploration expenditures of $300,000.

o) **Karin Lake Project:** On June 15, 2010, Eagle Plains and Slater Mining Corporation ("Slater") entered into an option agreement on the Karin Lake property located 40 km east of Cameco's Key Lake deposit in north-central Saskatchewan. Under terms of the agreement, Slater may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $500,000 in cash payments, and issuing 1,000,000 common shares to Eagle Plains over four years.

June 30, 2011 and 2010 Expressed in Canadian dollars

6. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in – continued

Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000	-	$ -	Date of agreement (received)
15,000	100,000	-	On exchange approval – Sept 16, 2010 (received)
-	-	200,000	December 31, 2010 (completed)
50,000	100,000	-	June 15, 2011 (received)
-	-	300,000	December 31, 2011
75,000	200,000	-	June 15, 2012
-	-	500,000	December 31, 2012
100,000	300,000	-	June 15, 2013
-	-	750,000	December 31, 2013
250,000	300,000	-	June 15, 2014
-	-	1,250,000	December 31, 2014
$ 500,000	1,000,000	$ 3,000,000	

o) **Rohan Project:** On February 23, 2011, Eagle Plains Resources Ltd. and Rosedale Resources Ltd. (“Rosedale”)(a private B.C. company) entered into an agreement whereby Rosedale may earn an interest in the Rohan copper-gold property, located in northwestern British Columbia. Under terms of the agreement, Rosedale has the option to earn a 60% interest in the 3,000 ha property by completing $5,000,000 in exploration expenditures, making $500,000 in cash payments and issuing 1,000,000 common shares to Eagle Plains over 5 years. Eagle Plains will maintain a 4% Gross Metal Royalty on the claims, which may be reduced to 2% upon payment of $2,000,000. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ 100,000	On approval date
-	-	200,000	1st anniversary of approval date
25,000	100,000	-	2nd anniversary of approval date
75,000	100,000	500,000	3rd anniversary of approval date
125,000	200,000	1,200,000	4th anniversary of approval date
250,000	500,000	3,000,000	5th anniversary of approval date
$ 500,000	1,000,000	$ 5,000,000	

p) **Rusty Springs Project:** On February 22, 2011, Eagle Plains Resources Ltd. and Aben Resources Ltd. (“Aben”) entered into an Agreement whereby Aben may earn a 100% interest in the Rusty Springs Property, located north of Dawson City, Yukon. Under terms of the agreement, Aben has the option to earn a 100% interest in the 1,100 ha property by making $500,000 in cash payments and issuing 1,500,000 common shares to Eagle Plains over 5 years. The property shall be subject to a three percent (3%) net smelter return royalty (“NSR”) in favour of Eagle Plains. Aben Resources has been granted a right to purchase a 2% NSR at any time prior to commencement of commercial production for the consideration of $2,000,000 (the “Buy Down Option”). Aben agrees to pay Eagle Plains a yearly minimum advanced royalty of $25,000 commencing January 1, 2015.

Cash Payments	Share Payments	Due Date
$ 25,000	250,000	On approval date - March 15, 2011 (received)
25,000	250,000	December 31, 2011
75,000	250,000	December 31, 2012
100,000	250,000	December 31, 2013
125,000	250,000	December 31, 2014
150,000	250,000	December 31, 2015
$ 500,000	1,500,000	

Expressed in Canadian dollars

6. Exploration and Evaluation Assets - continued

Option Agreements - Third party earn in - continued

q) **Sphinx Project:** On July 16, 2009 the Company executed a property purchase agreement with Touchdown Capital Inc. (“TCI”) whereby TCI may purchase a 100% interest in the copper-gold-molybdenum project, located in British Columbia, by allotting and issuing to Eagle Plains 2,000,000 common shares of TCI on the closing date, which is five business days following the date of Exchange Approval. The shares will be held in escrow and will be released from escrow as to 200,000 shares on the closing date and as to 300,000 shares every six months thereafter. The Company has received the first tranche of 200,000 shares. The property is subject to a 2.5% NSR to a third party and a 1% NSR to Eagle Plains, to a maximum of $2-million. TCI incurred eligible exploration expenditures on the property of $200,000 as of December 31, 2009.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	October 15, 2009 (received)
300,000	April 15, 2010 (received)
300,000	October 15, 2010 (received)
300,000	April 15, 2011 (received)
300,000	October 15, 2011
300,000	April 15, 2012
300,000	October 15, 2012
2,000,000	

r) **Titan Project:** On December 9, 2010, Eagle Plains Resources Ltd. and Drexel Capital Corp (“Drexel” - changed its name to Drexel Resources Ltd.) entered into an agreement whereby Drexel may earn an interest in the Titan property, located in northwestern British Columbia. Under terms of the agreement, Drexel has the option to earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $500,000 in cash payments and issuing 1,000,000 common shares to Eagle Plains over 4 years. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ -	On approval date (July 4, 2011) received
-	-	200,000	December 31, 2011
50,000	100,000	-	1st anniversary of approval date
-	-	300,000	December 31, 2012
75,000	200,000	-	2nd anniversary of approval date
-	-	500,000	December 31, 2013
150,000	300,000	-	3rd anniversary of approval date
-	-	2,000,000	December 31, 2014
200,000	300,000	-	4th anniversary of approval date
$ 500,000	1,000,000	$ 3,000,000	

s) **Wildhorse Project:** On March 11, 2010, Eagle Plains Resources Ltd. and Excelsior Mining Corp. entered into an option agreement on Eagle Plains' 100% owned Wildhorse project located 40km north of Cranbrook, B.C. Under the terms of the Agreement, Excelsior may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $250,000 in cash payments and issuing 1,000,000 shares to EPL over 4 years. Excelsior has an option to earn an additional 10% interest, thereby increasing its total interest in the Property to 70%, which may be exercised by exercising the Option, issuing a further 300,000 Excelsior shares and incurring further exploration expenditures totalling $1,000,000.

Excelsior terminated the agreement February 17, 2011. During the term of the agreement the Company received $10,000 cash and 100,000 shares of Excelsior and Excelsior completed exploration expenditures of $200,000.

Expressed in Canadian dollars

7. Mortgage payable

	June 30 2011	December 31 2010
Mortgage, secured by land and building, repayable in monthly payments of $1,888 including interest at 5.75%, maturing March 2015	**$ 232,793**	**$ 296,368**

During the period ending June 30, 2011, the Company paid interest of $7,752 (2010 - $3,826) and a lump sum payment of $60,000 was made on the first anniversary date of the mortgage.

8. Equity Instruments

a) Authorized
Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

b) Issued and outstanding

	Number of shares	Amount	Contributed Surplus Warrants	Contributed Surplus Options
Balance, January 1, 2010	76,614,370	$24,168,174	$ 81,506	$ 2,155,710
Share-based payment				11,654
Share issue costs		(5,424)		
Balance, March 31, 2010	76,614,370	24,162,750	81,506	2,167,364
Share-based payments				238,879
Balance, June 30, 2010	76,614,370	24,162,750	81,506	2,406,243
Issuance of shares -exercise of options	1,532,500	356,522		
Issuance of shares -exercise of warrants	2,081,512	562,223		
Issuance of shares -mineral properties	2,000,000	240,000		
Black Scholes - options exercised		443,242		(443,242)
Fair value of warrants exercised		41,996	(41,996)	
Warrants policy change			(7,720)	
Shares to be cancelled	15,000			
Share issue costs		1,348		
Share-based payment				1,920,745
Balance, December 31, 2010	82,243,382	25,808,081	31,790	3,644,867
Issued shares on exercise of options	130,000	36,250		
Issued shares on exercise of warrants	457,787	133,336		
Black Scholes - options exercised		19,308		(19,308)
Share-based payment				29,859
Balance, March 31, 2011	82,831,169	25,996,975	31,790	3,655,418
Shares issued for cash	411,250	84,950		
Black Scholes - options exercised		136,132		(136,132)
Balance, June 30, 2011	**83,242,419**	**$ 26,218,057**	**$ 31,790**	**$ 3,519,286**

June 30, 2011 and 2010 Expressed in Canadian dollars

8. Equity Instruments - continued

b) Issued and outstanding- continued

2010 share issuance
In the third quarter, the Company issued 2,000,000 shares, valued at $240,000, to Prize Mining Corporation as part of the purchase price for the remaining beneficial right, title and interest in the Yellowjacket Project, including mineral and placer rights, and all equipment and infrastructure in place on the Yellowjacket mine site.

In the fourth quarter, the Company issued 2,081,512 shares on the exercise of purchase warrants with exercise prices of $0.18 to $0.30 resulting in proceeds to the Company of $562,223.

In the fourth quarter, the Company issued 1,532,500 shares on the exercise of employee options with exercise prices of $0.25 to $0.40 resulting in proceeds to the Company of $356,522.

2011 share issuance
In the first quarter, the Company issued 457,787 shares on the exercise of purchase warrants with exercise prices of $0.30 resulting in proceeds to the Company of $133,336.

In the first quarter, the Company issued 130,000 shares on the exercise of employee options with exercise prices of $0.25 to $0.40 resulting in proceeds to the Company of $36,250. The weighted average market share price on the date of exercise was $0.55.

In the second quarter, the Company issued 266,250 shares on the exercise of purchase warrants with exercise prices of $0.20 and $0.30 resulting in proceeds to the Company of $57,250.

In the second quarter, the Company issued 145,000 shares on the exercise of employee options with exercise prices of $0.40 and $0.25 resulting in proceeds to the Company of $27,700. The weighted average market share price on the date of exercise was $0.33.

c) Stock Option Plan
The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

As at June 30, 2011, the Company has the following stock options outstanding:

Total issued and outstanding	Number of Options	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding**,** December 31, 2010	7,797,500	$0.25 - $1.00	$0.48
Options exercised	(130,000)	($0.25 - $0.40)	($0.28)
Options outstanding, March 31, 2011	7,667,500	$0.25 - $1.00	$0.48
Options exercised	(145,000)	($0.25 - $0.40)	($0.35)
Options outstanding, June 30, 2011	**7,522,500**	**$0.25 - $1.00**	**$0.49**

The following table summarizes information about stock options outstanding at June 30, 2011:

Options outstanding	Option price	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
500,000	$0.40	$0.40	0.50 years	500,000	$0.40
175,000	$0.40	$0.40	0.60 years	175,000	$0.40
110,000	$0.40	$0.40	0.75 years	110,000	$0.40
1,025,000	$0.40	$0.40	2.00 years	1,025,000	$0.40
600,000	$0.40	$0.40	3.00 years	600,000	$0.40
2,122,500	$0.25	$0.25	3.85 years	2,122,500	$0.25
1,100,000	$0.25	$0.25	4.35 years	1,100,000	$0.25
1,890,000	$1.00	$1.00	4.50 years	1,890,000	$1.00
7,522,500		**$0.49**		**7,522,500**	**$0.49**

June 30, 2011 and 2010 Expressed in Canadian dollars

8. Equity Instruments - continued

d) Compensation expense for share options
As at June 30, 2011, $29,859 (2010 – $238,879) has been recorded as share-based payments related to options issued and vested during the period.

e) Warrants outstanding

At **June 30, 2011**, the Company has the following share purchase warrants outstanding:

	Number	Price
Balance, December 31, 2010	5,938,628	$0.20 - $0.30
Exercised	(457,787)	($0.20 - $0.30)
Balance, March 31, 2011	5,480,841	$0.20 - $0.30
Exercised	(226,500)	($0.20 - $0.30)
Expired	(1,351,023)	($0.20 - $0.30)
Balance, June 30, 2011	**3,863,318**	**$0.20 - $0.30**

The following table summarizes information about warrants outstanding at June 30, 2011:

	Expiry	Number	Price
	August 18, 2011*	11,000	$0.20
	August 18, 2011*	3,852,318	$0.30
Balance, June 30, 2011		**3,863,318**	**$0.20 - $0.30**

* Subsequent to June 30, 2011, 11,250 warrants were exercised and the balance expired unexercised.

f) Shareholder rights protection plan
The shareholders have approved a plan which the directors intend to implement at their discretion to provide adequate time for the shareholders and the directors to seek alternatives to, and to assess the merits of, bids for the shares of the Company. This plan attaches special rights to the issued shares of the Company. These special rights are void to a bidder who seeks to acquire more than 20% of the voting shares of the Company.

9. Per share amounts

The calculation of per share amounts have been calculated based on the weighted average number of shares outstanding during the three and six month periods ended June 30, 2011 of 83,159,727 and 82,881,428 respectively (2010 – 76,614,370). The net effect of applying the treasury-stock method to the weighted average number of shares outstanding had an anit-dilutive effect for the period ended June 30, 2011.

10. Related Party Transactions

The Company was involved in the following related party transactions during the period ended June 30, 2011:

(a) The Company is related to Apex Diamond Drilling Ltd. ("Apex") through ownership of 10% of the shares of Apex. At June 30, 2011 Eagle Plains' interest in Apex is as follows:

	June 30 2011	December 31, 2010
Shareholder loan, interest free, no specific terms of repayment	**$ 20,000**	$ 20,000
Shares in Apex	**20**	20
	$ 20,020	$ 20,020

During the quarter the Company had no transactions with the related company.

June 30, 2011 and 2010 Expressed in Canadian dollars

10. Related Party Transactions - continued

(b) The Company is related to Omineca Mining and Metals Ltd ("OMM") through common directors. During the quarter the Company had the following transactions with the related company:

	2011	2010
Invoiced OMM for services provided by EPL	**$ 17,262**	$ -
Invoiced OMM for services provided by Terralogic	**$ 19,037**	$ -

At June 30, 2011, $36,299 (2010 - nil) is included in accounts receivable.

Compensation to key management:

(a) Included in administration expenses is $14,000 (2010 - $6,377) paid for accounting services and related expenses to Glen Diduck, a director and officer of the Company.

(b) Included in professional fees is $32,713 (2010 - $32,803) paid for legal fees to a law firm of which one of the directors, Darren Fach, is a partner. At June 30, 2011, $22,208 (December 31, 2010 - $nil) is included in accounts payable and accrued liabilities.

(c) Included in administration expenses is $40,000 (2010 – $34,500) paid for consulting fees to Toklat Resources Ltd, a company owned by Tim Termuende, a director and officer of the Company.

(d) Share-based payments of $nil (2010 - $238,879) were made in the quarter.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties.

11. Commitments and Contingencies

The Company has a mortgage on its office building repayable in monthly payments of $1,888 including interest at 5.75% which matures in March 2015.

The Company has a truck lease payable of $1,153 per month expiring September 29, 2012.

The Company is presently being audited by Canada Revenue Agency with respect to flow-through and BC Mining Tax Credit filings going back through 2005. The potential reassessment, if any, cannot be reasonably estimated.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to any beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks associated with the indemnifications.

12. Financial Instruments

IFRS 39 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

June 30, 2011 and 2010 Expressed in Canadian dollars

12. Financial Instruments - continued

June 30, 2011		**Level 1**		**Level 2**		**Level 3**		**Total**
Assets:								
Cash and cash equivalents	**$**	**4,676,068**	**$**	**-**	**$**	**-**	**$**	**4,676,068**
Investments	**$**	**3,350,739**	**$**	**1,412,000**	**$**	**504,000**	**$**	**5,266,739**

December 31, 2010		Level 1		Level 2		Level 3		Total
Assets:								
Cash and cash equivalents	$	3,633,401	$	-	$	-	$	3,633,401
Investments	$	3,408,392	$	2,064,023	$	477,000	$	5,949,415

As disclosed in Note 3 (c), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk and price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk
At June 30, 2011 and December 31, 2010, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions. Concentration risk also exists in marketable securities (investments) because the Company's investments are primarily in shares of junior resource companies involved in gold exploration.

b) Credit risk
The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with accounts receivable is the carrying value.

c) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. As at June 30, 2011, the Company has cash of $16,081 (December 31, 2010 - $18,662) in US$.

d) Price risk
The Company's investments designated as available-for-sale are traded on the TSX Venture and TSE. A 1% change in the cumulative quoted share price would change the fair value of the investments by approximately $60,000. The change would be recorded in Accumulated Other Comprehensive Income (Loss).

13. Statement of Cash Flow

At June 30, 2011, the Company held cashable guaranteed investment certificates (GIC's) and term deposits in the amount of $2,550,216, bearing interest rates of 0.90% to 1.10% (2010 – 0.46% to 0.72%) and with maturity terms of July 13, 2011 to July 27, 2011 (2010 – July 2, 2010 to July 21, 2010). All of these investments are cashable before maturity and have been treated as cash equivalents.

14. Capital management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company

14. Capital management - continued

will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended June 30, 2011. The Company is not subject to externally imposed capital requirements.

15. Subsequent Events

a) On July 8, 2011, the Company received a cash option payment of $30,000 from Olympic Resources Ltd. for the Dragon Lake option agreement.

b) On July 15, 2011, the Company received option payments of $25,000 cash and 100,000 shares from Drexel Resources Ltd. for the Titan option agreement.

c) On July 21, 2011, the Company received a cash option payment of $50,000 from Blackrock Resources Ltd. for the Elsiar option agreement.

d) On August 4, 2011, the Company executed two separate property option agreements with Minerals and Metals Group ("MMG") relating to the Findlay and Boundary properties. MMG may earn a 60% interest in Eagle Plains' 100-per-cent-owned Findlay properties, located 30 kilometers north of Kimberley, in south-eastern B.C. Under terms of the agreement, MMG may earn a 60% interest in the 33,500 ha property by making cash payments to EPL of $500,000 and completing $5,000,000 in exploration expenditures over 5 years. MMG may earn an additional 15% interest (for a total of 75%) by delivering a bankable feasibility study by 2018.

   MMG may earn a 60% interest in Eagle Plains' 100-per-cent-owned Boundary (Dode) properties, located along the US border approximately 20km SE of Creston, British Columbia. The claims were acquired by Eagle Plains through staking carried out in December, 2010. Under terms of the agreement, MMG may earn a 60% interest in the property by reimbursing EPL all acquisition costs and completing $3,000,000 in exploration expenditures over 5 years. MMG may earn an additional 15% interest (for a total of 75%) by delivering a bankable feasibility study by 2018.

16. Transition to IFRS

First time adoption of IFRS - The Company's consolidated financial statements for the year ending December 31, 2011 will be the first annual financial statements that will be prepared in accordance with IFRS. IFRS 1, First Time Adoption of International Financial Reporting Standards, requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was January 1, 2010 (the ""Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all IFRS standards as of the reporting date, which for the Company will be December 31, 2011. However, it also provides for certain optional exemptions and certain mandatory exceptions for the first time IFRS adoption. Prior to transition to IFRS, the Company prepared its financial statements in accordance with pre-changeover Canadian Generally Accepted Accounting Principles ("pre-changeover Canadian GAAP").

In preparing the Company's opening IFRS financial statements, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with pre-changeover Canadian GAAP.

Reconciliation of IFRS to GAAP

IFRS has many similarities with Canadian GAAP as it is based on a similar conceptual framework. However, there are important differences with respect to recognition, measurement and disclosure. The restatement from Canadian GAAP to IFRS had no significant effect on the reported cash flows generated by the Company. The reconciling items between Canadian GAAP presentation and IFRS presentation have no net effect on the cash flows generated. Set out below is equity reconciliation at June 30, 2010 and total comprehensive income reconciliations for the three and six months ended June 30, 2010:

Expressed in Canadian dollars

16. Transition to IFRS - continued

Notes to the reconciliations:

(a) Flow-through shares

Under pre-changeover Canadian GAAP, the entire proceeds from the issuance of flow-through shares were recognized in equity less the tax effects of renunciation. Under IFRS, on issuance of flow-through shares, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

As a result, for issuances of flow-through shares for which expenditures have been incurred, share capital was increased by $692,727 at June 30, 2010, contributed surplus was decreased by $628,869 at June 30, 2010 and retained earnings were decreased by $145,577. The impact on net income for the three months-ended June 30, 2010 was $Nil (three months-ended March 31, 2010 - $(18,639); year-ended December 31, 2010 - $(63,364)).

(b) Adjustment for change of accounting policy for valuation of equity units issued in private placements

Effective January 1, 2011, the Company changed its accounting policy with respect to the valuation of equity units issued in private placements.

The Company previously valued warrants issued in conjunction with equity units first, using the Black-scholes pricing model and the residual value assigned to share capital. If the warrants expired unexercised, the value attributed to the warrants was attributed to share capital. The Company has changed its policy to value shares first, using market values, and the residual if any, assigned to warrants. If the warrants expire unexercised, the value attributable to the warrants is attributed to retained earnings.

The impact of the change in accounting policy as at June 30, 2010 is an increase of share capital within the Statement of Financial Position of $466,516 with a corresponding decrease in contributed surplus.

For warrants which expired or exercised subsequent to the date of transition, the impact of the change in accounting policy as at June 30, 2010 is a decrease in share capital of $508,552, increase in contributed surplus of $500,832 and an increase in retained earnings of $7,720.

Reconciliation of Shareholder's equity as at June 30, 2010:

	Previous Canadian GAAP $	Effect of transition to IFRS $	IFRS $
Shareholders' equity			
Share capital	23,471,459	1,159,243	24,122,150
Warrants	668,339	(594,553)	73,786
Contributed surplus	2,371,281	34,962	2,406,243
Accumulated other comprehensive loss	(44,297)	-	(44,297)
Deficit	(14,450,884)	(172,819)	(14,623,703)
	12,015,898		11,934,179

June 30, 2011 and 2010 Expressed in Canadian dollars

16. Transition to IFRS- continued

Reconciliation of income (loss) for the period ended:

		Three months ended, June 30, 2010			Six months ended, June 30, 2010		
		Previous Canadian GAAP	Effect of Transition to IFRS	IFRS	Previous Canadian GAAP	Effect of Transition to IFRS	IFRS
Revenue							
Geological services		$344,803		$344,803	$452,847		$452,847
Gold sales		62,658		62,658	133,336		133,336
		407,461		407,461	586,183		586,183
Cost and Expenses of Operations							
Geological expenses							
Services		197,120		197,120	237,847		237,847
Amortization		18,452		18,452	36,682		36,682
Salaries and subcontractors		55,821		55,821	189,383		189,383
		(271,393)		(271,393)	(463,912)		(463,912)
Mining expenses							
Cost of sales		52,302		52,302	85,982		85,982
Amortization		116,130		116,130	232,260		232,260
		(168,432)		(168,432)	(318,242)		(318,242)
Gross profit (loss)		(32,364)		(32,364)	(195,971)		(195,971)
Expenses							
Administration costs		304,826		304,826	465,799		465,799
Amortization		8,771		8,771	16,169		16,169
Professional fees		45,288		45,288	62,691		62,691
Public company costs		21,713		21,713	32,821		32,821
Share-based payments		238,879		238,879	238,879		238,879
Trade shows, travel and promotion		32,153		32,153	61,611		61,611
		(651,630)		(651,630)	(877,970)		(877,970)
Loss before other items		(683,994)		(683,994)	(1,073,941)		(1,073,941)
Other items							
Other income		20,153		20,153	34,329		34,329
Investment income		1,631		1,631	3,043		3,043
Gain (loss) on sale of investments		31,259		31,259	73,172		73,172
Loss before non-controlling interest		(630,951)		(630,951)	(963,397)		(963,397)
Non-controlling interest		49,761		49,761	84,637		84,637
Loss before income tax		(581,190)		(581,190)	(878,760)		(878,760)
Deferred income tax recovery	a	-	47,813	47,813	-	47,813	47,813
Net loss for the period		(581,190)		(533,377)	(878,760)		(830,947)
Other comprehensive income (loss)		(420,356)		(420,356)	(328,493)		(328,493)
Total comprehensive income (loss)		(1,001,546)		(953,733)	(1,207,253)		(1,159,440)

June 30, 2011 and 2010 Expressed in Canadian dollars

17. Non-controlling Interest

The Company entered into a Joint Venture Agreement ("JVA") with Prize Mining Ltd. ("Prize Mining") in May 2009 whereby the two parties formed a joint venture, Yellowjacket Joint Venture, to facilitate the production of gold and conduct further exploration and development of the Yellowjacket Zone on the Atlin Gold Property. Eagle Plains purchased a 40% interest in the project by providing $2,000,000 in working capital. A cash call was made in July which Prize Mining was unable to satisfy whereby Eagle Plains increased their interest in the joint venture from 40% to 52.244% by providing $1,350,000. A second cash call was made on December 15, 2009 which Prize Mining was again unable to satisfy whereby Eagle Plains increased their interest in the joint venture from 52.244% to 58% by providing the full $862,564. In light of Prize Mining's diluted interest and inability to satisfy the cash calls, the Company determined that it had acquired control of the joint venture. Accordingly, the Company consolidated the results of the joint venture with those of the Company.

On August 19th, 2010, Eagle Plains Resources Ltd. completed the purchase of Prize Mining Corp's remaining interest in the Yellowjacket Joint Venture ("YJV") with an effective date of August 18th, 2010. Eagle Plains now holds a 100% interest in the project, subject to a 1.5% NSR. The YJV has been dissolved and Eagle Plains is the sole owner and operator of the project.

Under the terms of the original JVA, Eagle Plains earned an initial 40% interest in the Project from Prize by making a $2,000,000 cash payment. Since commencing activities, Eagle Plains has advanced the JV an additional amount of approximately $2,600,000. Prize Mining subsequently agreed to accept dilution of its interest in the project in accordance with a formula established in the YJV agreement. Prior to the purchase of the remaining Prize interest and dissolution of the YJV, Eagle Plains held a 59.62% interest. The total consideration for the purchase of Prize's remaining 40.38% interest was $400,000 cash plus 2,000,000 Eagle Plain common shares. These shares are subject to escrow restrictions over a two year period releasable as to 500,000 every six months commencing August 18, 2010. During the year ended December 31, 2010, 500,000 of the escrow shares were released and as at June 30, 2011, 1,000,000 shares remain in escrow.

Escrow shares to be released	
Balance, December 31, 2011	1,500,000
February 18, 2011	(500,000)
Balance, June 30, 2011	1,000,000
August 18, 2011	(500,000)
February 18, 2012	(500,000)

Eagle Plains Resources Ltd.
(An Exploration Stage Corporation)
Schedule of Exploration and Evaluation Assets
June 30, 2011 and 2010 Expressed in Canadian dollars

	British Columbia	Atlin-Yellowjacket	NW Territories	Saskatchewan	Yukon Territory	Total
Balance, December 31, 2010	$ 2,379,819	$ 2,287,798	$ 124,621	$ 54,214	$ 251,129	$ 5,097,572
Acquisition and Exploration	34,356	208,946	(29,690)	1,741	13,278	228,631
Grants, Option Payments & Mineral Tax Credits	(10,000)	-	-	-	(1,325,000)	(1,335,000)
Option proceeds in excess of carrying value	418,708	-	-	-	1,325,003	1,743,711
Balance, March 31, 2011	2,822,874	2,496,744	94,931	55,955	264,410	5,734,914
Acquisition and Exploration	22,349	3,964	29,312	61,876	9,140	126,641
Grants, Option Payments & Mineral Tax Credits	(142,762)	-	-	(678,450)	-	(821,212)
Option proceeds in excess of carrying value	52,383	-	-	678,190	(210,049)	520,524
Balance, June 30, 2011	**$ 2,754,844**	**$ 2,500,708**	**$ 124,243**	**$ 117,571**	**$ 63,501**	**$ 5,560,867**

SCHEDULE "I

EAGLE PLAINS AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

EAGLE PLAINS RESOURCES LTD.
(An Exploration Stage Corporation)
CONSOLIDATED FINANCIAL STATEMENTS

for the years ended
December 31, 2010 and 2009

Independent Auditor's Report

To the Shareholders of
Eagle Plains Resources Ltd.

We have audited the accompanying consolidated financial statements of Eagle Plains Resources Ltd. and its subsidiary, which comprise the consolidated balance sheets as at December 31, 2010 and December 31, 2009, and the consolidated statements of operations and deficit, comprehensive loss, accumulated other comprehensive loss and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Eagle Plains Resources Ltd. and its subsidiary as at December 31, 2010 and December 31, 2009, and the consolidated results of their operations and their consolidated cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt about the ability of Eagle Plains Resources Ltd. and its subsidiary to continue as a going concern.

Chartered Accountants
Vancouver, British Columbia
April 29, 2011

Eagle Plains Resources Ltd.
(An Exploration Stage Corporation)
Consolidated Balance Sheets

As at December 31	2010	2009
Assets		
Current		
Cash and cash equivalents	**$ 3,633,401**	$ 2,741,680
Accounts receivable	**544,543**	751,883
Subscriptions receivable	**-**	25,900
Mineral exploration tax credits receivable	**54,790**	54,790
Investments (Note 3)	**3,066,538**	2,369,771
	7,299,272	5,944,024
Investment in and advances to related company (Note 9)	**20,020**	20,020
Long-term investments (Note 3)	**2,882,877**	1,158,735
Property and equipment (Note 4)	**2,204,810**	1,997,987
Mineral properties (Note 5)	**5,097,572**	5,567,283
	$ 17,504,551	$ 14,688,049
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	**$ 666,875**	$ 343,151
Mortgage payable (Note 6)	**296,368**	-
	963,243	343,151
Non-controlling interest (Note 15)	**-**	1,314,602
Shareholders' equity		
Share capital (Note 7)	**25,065,966**	23,008,931
Warrants (Note 7)	**506,232**	1,176,891
Contributed surplus (Note 7)	**3,644,867**	2,132,402
Accumulated other comprehensive gain (Note 14)	**1,924,773**	284,196
Deficit	**(14,600,530)**	(13,572,124)
	16,541,308	13,030,296
	$ 17,504,551	$ 14,688,049

Nature and continuance of operations (Note 1)

Commitments and contingencies (Notes 5 and 10)

Subsequent events (Note 17)

Approved on behalf of the Board:

"Timothy J. Termuende" Director

Mr. Timothy J. Termuende

"Glen J. Diduck" Director

Mr. Glen J. Diduck

The accompanying notes are an integral part of these consolidated financial statements.

For the years ended December 31	2010	2009
Revenue		
Geological services	**$ 2,347,050**	$ 1,661,249
Gold sales	**102,131**	36,658
	2,449,181	1,697,907
Cost and Expenses of Operations		
Geological expenses		
Services	**1,479,182**	793,668
Amortization	**84,332**	77,294
Salaries and subcontractors	**315,705**	364,978
	(1,879,219)	(1,235,940)
Mining expenses		
Cost of sales	**-**	2,476,447
Amortization	**257,687**	326,042
	(257,687)	(2,802,489)
Gross profit (loss)	**312,275**	(2,340,522)
Other Expenses		
Administration costs (Note 9)	**988,872**	628,921
Amortization	**39,568**	29,824
Bad debts	**-**	324,962
Professional fees (Note 9)	**136,149**	84,953
Public company costs	**49,578**	45,666
Stock compensation expense (Note 7)	**1,955,707**	302,213
Trade shows, travel and promotion	**127,525**	94,987
Write down of mineral properties (Note 5)	**47,343**	4,415,282
	(3,344,742)	(5,926,808)
Loss before other items	**(3,032,467)**	(8,267,330)
Other items		
Option proceeds in excess of carrying value	**1,100,235**	15,796
Other income (Note 9)	**98,821**	35,798
Investment income	**7,458**	56,485
Gain (loss) on disposal of equipment	**47,999**	(311,549)
Impairment of investment (Note 3)	**-**	(39,999)
Gain (loss) on sale of long-term investments	**768,672**	(144,375)
	2,023,185	(387,844)
Loss before income tax and non-controlling interest	**(1,009,282)**	(8,655,174)
Non-controlling interest (Note 15)	**(463,668)**	1,735,398
Net loss before income tax	**(1,472,950)**	(6,919,776)
Future income tax recovery (Note 13)	**444,544**	630,118
Net Loss for the year	**(1,028,406)**	(6,289,658)
Deficit, beginning of year	**(13,572,124)**	(7,282,466)
DEFICIT, END OF YEAR	**$ (14,600,530)**	$ (13,572,124)
Net loss per share – basic and diluted (Note 8)	**$ (0.01)**	$ (0.09)
Weighted average number of shares - basic and diluted	**77,551,515**	66,837,130

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Loss

For the years ended December 31	2010	2009
Net loss	**$ (1,028,406)**	$ (6,289,658)
Other comprehensive gain		
Unrealized gain on investments, net of tax, (Notes 3 and 14)	**871,905**	2,086,037
Reclassification on disposition of investments	**768,672**	144,375
Comprehensive gain (loss)	**$ 612,171**	$ (4,059,246)

Eagle Plains Resources Ltd.
(An Exploration Stage Corporation)
Consolidated Statements of Accumulated Other Comprehensive Gain and Deficit

As at and for the years ended December 31	2010	2009
Accumulated other comprehensive gain, Beginning of year	**$ 284,196**	**$ (1,946,216)**
Other comprehensive income	**1,640,577**	**2,230,412**
Accumulated other comprehensive gain, End of year (Note 14)	**1,924,773**	**284,196**
Deficit	**(14,600,530)**	**(13,572,124)**
Accumulated other comprehensive gain and deficit	**$ (12,675,757)**	**$ (13,287,928)**

The accompanying notes are an integral part of these consolidated financial statements.

For the years ended December 31	2010	2009
Cash flows from operating activities		
Net loss for the year	$ (1,028,406)	$ (6,289,658)
Adjustments for :		
Non-controlling interest	463,668	(1,735,398)
Amortization	381,587	433,160
Bad debts	-	324,962
Stock compensation	1,955,707	302,213
Impairment of investment	-	39,999
(Gain) loss on sale of long-term investments	(768,672)	144,375
(Gain) loss on disposal of equipment	(47,999)	311,549
Option proceeds in excess of carrying value	(1,100,235)	(15,796)
Write down of mineral properties	47,343	4,415,282
Future income tax expense (recovery)	(444,544)	(630,118)
	(541,551)	(2,699,430)
Changes in non-cash working capital items		
(Increase) decrease in accounts receivable	63,727	(292,408)
Increase (decrease) in accounts payable and accrued liabilities	253,288	57,887
	(224,536)	(2,933,951)
Cash flows from financing activity		
Proceeds from mortgage	300,000	-
Principal payments on mortgage	(3,632)	-
Issue of shares for cash, net of issuance costs	939,210	2,509,162
	1,235,578	2,509,162
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in mineral exploration tax credits recoverable	-	676,187
Decrease in due from related party	-	163,695
Acquisition of mineral exploration properties	(400,000)	(1,050,000)
Proceeds from sale of investments	1,712,211	602,410
Purchase of investments	(1,255)	(250,694)
Cash received for option payments	180,000	130,000
Exploration of mineral exploration properties	(982,478)	(390,710)
Proceeds from sale of equipment	48,000	-
Purchase of property and equipment	(675,799)	(493,991)
	(119,321)	(613,103)
Change in cash and cash equivalents	891,721	(1,037,892)
Cash and cash equivalents, beginning of year	2,741,680	3,779,572
Cash and cash equivalents, end of year	$ 3,633,401	$ 2,741,680
Cash and cash equivalents comprises:		
Bank deposits	$ 1,188,555	$ 1,692,321
Term deposits	2,444,846	1,049,359
	$ 3,633,401	$ 2,741,680

The Company made no cash payments for income taxes and made interest payments of $12,416.

Statement of Cash Flow (Note 12)

1. Nature and Continuance of Operations

Eagle Plains Resources Ltd (the "Company" or "Eagle Plains" or "EPL") was incorporated on March 30, 1994, pursuant to the Alberta Business Corporation Act (Alberta), and is extra provincially registered in the Yukon, British Columbia, the Northwest Territories and Saskatchewan. The Company is a junior resource company holding properties located in British Columbia, Yukon, the Northwest Territories and Saskatchewan for the purpose of exploring for, and the development of mineral resources. As the Company has not commenced commercial production on any of its mining properties the Company continues to be an exploration stage company.

These statements have been prepared on the basis of accounting principles applicable to a going concern. Management has assessed that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Recoverability of the amounts shown for mineral exploration properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and attain profitable production or proceeds from the disposition of the properties in excess of the carrying amount. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Significant Accounting Policies

These consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

The preparation of consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

d) Principles of consolidation
The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Terralogic Exploration Inc. (formerly Bootleg Exploration Inc.) All significant intercompany balances and transactions have been eliminated.

e) Financial instruments
In accordance with CICA Handbook Section 3855, the Company classifies all financial instruments as either held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. All financial instruments are measured in the balance sheet at fair value initially, with the exception of certain related party transactions. Subsequent measurement and changes in fair value will depend on their initial classification. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading, are measured at amortized cost. Available-for-sale assets are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized on the statement of operations.

Section 3862 provides guidance on disclosures in the financial statements to enable users of the financial statements to evaluate the significance of financial instruments to the Company's financial position and performance, and about risks associated with both recognized and unrecognized financial instruments and how these risks are managed. Section 3863 establishes standards for presentation of financial instruments.

The Company holds various financial instruments. Unless otherwise indicated, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. Investments in entities in which the Company does not have control or significant influence are designated as available-for-sale. The fair value for investments designated as available-for-sale is recorded on the balance sheet, with unrealized gains and losses, net of related income taxes, recorded in accumulated other comprehensive income ("AOCI"). The cost of securities sold is based on the specific identification method. Realized gains and losses, including any other-than-temporary decline in value, on these equity securities are removed from AOCI and recorded in income or loss.

The Company has designated its cash and cash equivalents as held-for trading, which are measured at fair value. Investments are classified as available-for-sale and are recorded at fair value. Accounts and subscriptions receivable and investment in and advances to related company are classified as receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and long term debt are classified as other financial liabilities, which are measured at amortized cost. Transaction costs are expensed as incurred.

The carrying amounts and fair values of financial assets and liabilities are as follows:

2. Significant Accounting Policies - continued

	December 31 2010		December 31 2009	
	Carrying Value	**Estimated Fair Value**	Carrying Value	Estimated Fair Value
Held-for-trading				
Cash and cash equivalents	**$3,633,401**	**$3,633,401**	$2,741,680	$2,741,680
Receivables				
Accounts receivable	**544,543**	**544,543**	777,783	777,783
Mineral exploration tax credit receivable	**54,790**	**54,790**	54,790	54,790
Available-for-sale financial assets				
Investments	**5,949,415**	**5,949,415**	3,528,506	3,528,506
Other financial liabilities				
Payables and accrued liabilities	**666,875**	**666,875**	343,151	343,151
Mortgage payable	**296,368**	**296,368**	-	-

f) Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments with maturities of three months or less from the date of purchase, with little or no credit or interest rate risk.

g) Investments
Securities acquired under option agreements executed with option partners on the Company's mineral properties are recorded at the "fair value" as determined by management. Fair value is based on closing market prices for publicly traded shares without recognizing the possible effects of price fluctuations, quantities traded and similar items. The fair value may or may not approximate trading prices at the time the agreement is executed. The related capitalized mining expenditures are reduced by the fair value of the investment received.

Shares held in escrow have been valued at fair value, discounted by the put option for the length of the escrow period; which is calculated using the Black-Scholes option-pricing model.

h) Property and equipment
Property and equipment is recorded at cost. Amortization is determined using the declining balance method, using the rates below which approximate the estimated useful life of the asset:

Automotive	- 30% per annum
Building	- 4% per annum
Computer equipment	- 30%, 45% and 100% per annum
Computer software	- 100% per annum
Furniture and equipment	- 20% per annum
Leasehold improvements	- straight line over 6 years
Ore processing equipment	- 20% and 30% per annum
Dewatering pipeline	- 6% per annum

i) Mineral exploration properties
Costs of acquisition, exploration and development of mineral properties are capitalized on a property by property basis. General and administrative costs are either charged to expense in the year incurred or capitalized if they directly relate to exploration. Amortization of these costs will be on a unit-of-production basis, based on estimated proven reserves of minerals of the areas, should such reserves be found. Properties are abandoned either when the lease expires or when management determines that no further work will be performed on the property since it has no value to the Company. When properties are abandoned, the costs are charged to operations. The proceeds received from a partial disposition or an option payment is credited against the capitalized costs; proceeds received in excess of costs incurred on a property by property basis are credited to income. In addition, if there has been a delay in development activity for several successive years, a write-down of capitalized costs will be charged to operations.

Management of the Company reviews and evaluates the carrying value of each mineral property for impairment each reporting period. If the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the asset, an impairment loss is recognized and the asset written down to fair value which is normally determined using the discounted value of future cash flows. Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether carrying value can be recovered by considering alternative methods of determining fair value.

2. Significant Accounting Policies - continued

j) Asset retirement obligation
The Company recognizes the fair value of a legal liability for an asset retirement obligation in the year in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method

of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. The Company does not have significant asset retirement obligations.

k) Mineral tax credits
The Federal and Provincial taxation authorities provide companies with tax incentives for undertaking mineral exploration programs in certain areas. The Company accrues these credits as a reduction of mineral exploration expenditures in the period that the related expenditures were incurred. These accrued credits are subject to review by the relevant authorities and by their nature are subject to measurement uncertainty. Adjustments if any, resulting from such a review are recorded in the period that the tax filings are amended.

l) Option Agreements
Certain of the Company's exploration and development activities are conducted jointly with others. These consolidated financial statements reflect only the Company's proportionate interest in such activities.

m) Flow-through shares
The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with tax legislation. Under the liability method of accounting for income taxes, the future income taxes related to the temporary difference arising at the renunciation date are recorded at that time together with a corresponding reduction to the carrying value of the shares issued. In instances where the Company has sufficient deductible temporary differences available to offset the future income tax liability created from renouncing qualifying expenditures, the realization of the deductible temporary differences will be shown as a recovery in operations in the period of renunciation.

n) Per share amounts
Basic loss per common share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

o) Stock-based compensation plan
The Company has an equity incentive plan which is described in Note 7. The fair value of options to purchase common shares is calculated at the date of grant using the Black-Scholes option-pricing model and that value is recorded as compensation expense over the option's vesting period with an offsetting credit to contributed surplus. The fair value of stock options granted to non-employees is re-measured at the earlier of each financial reporting or vesting date, and any adjustment is charged or credited to operations upon re-measurement. Upon exercise of the share purchase option, the associated amount is reclassified from contributed surplus to share capital. Consideration paid by employees upon exercise of share purchase options is credited to share capital. The Company has not incorporated an estimated forfeiture rate for stock options that will not vest; rather the Company accounts for actual forfeitures as they occur.

p) Share issue costs
Commissions paid to underwriters, and other related share issue costs, such as legal, auditing, and printing, on the issue of the Company's shares are charged directly to share capital.

q) Valuation of equity units issued in private placements
The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common share purchase warrants was determined to be the more easily measureable component and was determined at the announcement date using the Black-Scholes pricing model. The balance of proceeds is allocated to the common shares. The fair value attributed to the warrants is recorded as warrants. If the warrants are exercised or expire unexercised, the value attributable to the warrants is attributed to common shares.

r) Revenue recognition
Revenue associated with the geological services provided by the Company's wholly owned subsidiary Terralogic Exploration Inc. (formerly Bootleg Exploration Inc.) is recognized when services are performed under an agreement with a customer, and collection of any resulting receivable is reasonably assured.

2. Significant Accounting Policies - continued

s) Income taxes
The Company uses the liability method of accounting for income taxes. Under this method, future income tax liabilities and future income tax assets are recorded based on temporary differences – the difference between the carrying amount of an asset and liability in the balance sheet and its tax basis and the carry forward of unused tax pools and unamortized share issue costs. Future income tax assets and liabilities are measured using income tax rates expected to apply in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that the change is substantially enacted. Future income tax assets are evaluated and if realization is not considered "more likely than not", a valuation allowance is provided.

t) Impairment of long-lived assets
The Company has adopted the recommendations of CICA Handbook Section 3063 "Impairment of Long-lived Assets" and abstract EIC 174, "Mining Exploration Costs" ("EIC 174") of the Emerging Issues Committee. Section 3063 requires that long-lived assets and intangibles to be held and used by the Company be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If changes in circumstance indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated.

EIC 174 provides that an enterprise that is in the development stage with initially capitalized exploration costs but has not established mineral reserves objectively and therefore does not have a basis for preparing a projection of the estimated future net cash flow from the property, is not obliged to conclude that the capitalized costs have been impaired. However, such an enterprise should consider whether a subsequent write-down of capitalized exploration costs related to mining properties is required.

u) Measurement Uncertainty
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include recoverability of mineral properties; impairment of property and equipment; useful lives for amortization of property and equipment; reclamation and environmental obligations; and contingencies reported in the notes to the financial statements. Financial results as determined by actual events could differ from those estimates.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

v) New accounting policies not yet adopted
In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company has done preliminary reviews of financial reporting and does not anticipate any material changes to financial statement presentation and is presently reviewing note disclosure requirements under IFRS.

(i) Section 1582, "Business Combinations"
In January 2009, the CICA issued Handbook Section 1582, "Business Combinations". This Section, which replaced the former Business Combination Section, Section 1581, establishes standards for the accounting for a business combination and provides the Canadian equivalent to International Financial Reporting Standard IFRS 3, "Business Combinations". Section 1582 requires assets and liabilities acquired in a business combination, contingent consideration and certain acquired contingencies to be measured at their fair values as of the date of acquisition. In addition, acquisition-related and restructuring costs are to be recognized separately from the business combination and included in the statement of earnings. The guidance within Section 1582 has an effective date of January 1, 2011. Early adoption of this section is permitted. The Company did not adopt this section prior to the adoption of IFRS and therefore there was no impact to the consolidated financial statements.

(ii) Section 1601, "Consolidated Financial Statements"
In January 2009, the CICA issued Handbook Section 1601, "Consolidated Financial Statements". This Section, together with new Section 1602 ("Non-controlling Interests"), replaces the former Consolidated Financial Statements (Section 1600) and establishes standards for the preparation of financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of this section is permitted. The Company did not adopt this section prior to the adoption of IFRS and therefore there was no impact to the consolidated financial statements.

(iii) Section 1602, "Non-controlling Interests"
Effective January 1, 2011, the Company will be required to adopt CICA Handbook Section 1602, "Non-controlling Interests", which with CICA Handbook Section 1601, will supersede the existing business combinations standard. This section establishes the standards for the

2. Significant Accounting Policies - continued

accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. A non-controlling interest in a subsidiary will be required to be classified as a separate component of equity under this standard. Early adoption of this section is permitted. The Company did not adopt this section prior to the adoption of IFRS and therefore there was no impact to the consolidated financial statements.

3. Investments

The Company holds securities that have been designated as available-for-sale as follows:

	December 31, 2010		December 31, 2009	
	Market Value	**Cost**	Market Value	Cost
Current:				
Common shares in public companies	**$ 3,066,538**	**$ 2,911,330**	$ 2,369,771	$ 2,246,368
Long-term:				
Common shares of public companies held in escrow	**2,064,023**	**496,490**	341,135	112,742
Common shares in private companies	**477,000**	**477,000**	477,001	477,001
Guaranteed investment certificates	**341,854**	**341,854**	340,599	340,599
	2,882,877	**1,315,344**	1,158,735	930,342
	$ 5,949,415	**$ 4,226,674**	$ 3,528,506	$ 3,176,710

For securities traded in an active market, market value is based on the quoted closing prices of the securities at December 31, 2010. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded. The investment in common shares in private companies was written down in 2009 to reflect impairment in value as the securities were not traded in an active market.

The Company holds public traded securities held in escrow to be released to the Company over a period from October 1, 2010 to December 1, 2013. Securities held in escrow have been recorded at fair value, discounted by the put option for the length of the escrow period; which is calculated using the Black-Scholes option-pricing model.

Accumulated other comprehensive gain of $1,924,773 (2009 - $284,196) is the result of the change in fair value, net of tax, up to December 31, 2010.

4. Property and Equipment

	Dec 31 2010		Dec 31 2009	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Land	**$ 298,856**	**$ -**	$ 230,216	$ -
Buildings	**849,882**	**48,667**	301,352	26,711
Automotive	**380,887**	**138,999**	416,014	113,421
Computer equipment and software	**268,382**	**223,611**	214,516	175,933
Furniture and equipment	**284,564**	**122,564**	329,596	107,371
Ore processing equipment	**722,370**	**99,061**	1,179,025	253,722
Dewatering pipeline	**33,547**	**776**	-	-
Leasehold improvements	**38,640**	**38,640**	38,640	34,214
	$ 2,877,128	**$ 672,318**	$ 2,709,359	$ 711,372
Net Book Value	**$ 2,204,810**		$ 1,997,987	

5. Mineral Properties

During the year, the Company made acquisition and exploration expenditures of $1,312,060 (2009 - $3,080,508) and received grants, option payments, and mineral tax credits of $1,788,006 (2009 - $536,172). As a result of option payments received the Company recorded in income option proceeds in excess of carrying value of $1,100,235 (2009 - $15,796). In accordance with company policy, properties were written down totaling $47,343 (2009 - $4,415,282) at December 31, 2010.

The Company acquired a 100% interest in the Yellowjacket property for $400,000 cash and 2,000,000 shares of Eagle Plains valued at $240,000, with a reduction of the property costs of $1,046,657 (see Note 15).

As a result of the foregoing, mineral exploration properties totaled $5,097,572 at December 31, 2010, down from $5,567,283 at December 31, 2009.

The Company's subsidiary, Terralogic Exploration Inc, carried out exploration programs on behalf of option partners on various optioned properties totaling $2,347,050 (2009 – $1,697,907) in the year.

The Company has interests in a number of optioned exploration projects. As at December 31, 2010, the Company had executed option or purchase agreements with third parties on the following projects:

Option Agreements - Third party earn in

a) **Baska-Eldorado Project:** On September 17, 2009, the Company signed a Purchase Agreement with Giyani Gold Corp. (formerly 99 Capital Corporation(("Giyani") whereby Giyani purchased a 100% interest in the property, in north-central Saskatchewan, Canada, by issuing 2,000,000 common shares to Eagle Plains. The shares are held in escrow and will be released from escrow as to 200,000 shares on the closing date and as to 300,000 shares every six months thereafter. The Company has received 800,000 shares as at December 31, 2010. Eagle Plains has been granted a back-in option entitling it to purchase a 50% interest in the Baska-Eldorado property at any time between the second and fourth anniversaries of the closing date by paying Giyani the sum of $250,000 plus an amount in cash equal to one-half of all amounts spent by Giyanil on exploration of the Baska-Eldorado property and one-half of all other expenditures by Giyani in relation to the Baska-Eldorado property plus a premium of 150% applied to each expenditure grouping. If Eagle Plains does not exercise its back-in option it will be granted a 1% net smelter returns royalty on the Baska-Eldorado property to a maximum of $2-million. In the event that Eagle Plains exercises its back-in option, the parties will be deemed to have formed a joint venture for the further exploration and development of the Baska-Eldorado property with Giyani holding an initial participating interest of 50% cent and Eagle Plains holding an initial participating interest of 50%.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	November 19, 2009 (received)
300,000	May 19, 2010 (received)
300,000	November 19, 2010 (received)
300,000	May 19, 2011
300,000	November 19, 2011
300,000	May 19, 2012
300,000	November 19, 2012
2,000,000	

b) **Bohan Project:** On September 20, 2010, the Company executed a property purchase agreement with Active Growth Capital Inc. ("Active Growth") whereby Active Growth purchased a 100% right, title and interest in the Bohan property (the "Property") located near Creston in south-western British Columbia. As consideration for the acquisition, Active Growth agreed to issue 2,000,000 common shares to Eagle Plains, to be held in escrow pursuant to the Exchange policies. Of the total share consideration, 10% (or 200,000 shares) was released from escrow upon issuance of the Final Exchange Bulletin in respect of the Qualifying Transaction and the remainder will be released from escrow in increments of 300,000 shares every 6 months thereafter.

Pursuant to the Agreement, Eagle Plains has the right to re-purchase a 50% ownership interest in the Property from the Active Growth at any time after the second anniversary of the Qualifying Transaction, and extending up to the fourth anniversary of the Qualifying Transaction, at Active Growth's aggregate acquisition cost plus a premium of 150%. The re-acquisition price, if applicable, would be payable in cash. In the event that Active Growth wishes to sell the Property, Eagle Plains will have the right of first refusal to acquire it. In the event that the Property is put into commercial production and Eagle Plains has not exercised its' right to re-purchase an ownership interest in the Property as described above, then Eagle Plains will receive a 1% net smelter returns ("NSR") royalty. The 1% NSR royalty is only payable to Eagle Plains

5. Mineral Properties - continued

Option Agreements - Third party earn in - continued

if Eagle Plains has no ownership interest in the Property. In the event that Eagle Plains wishes to sell the 1% NSR royalty, then Active Growth will have the right of first refusal to acquire it.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	December 13, 2010 (received)
300,000	June 1, 2011
300,000	December 1, 2011
300,000	June 1, 2012
300,000	December 1, 2012
300,000	June 1, 2013
300,000	December 1, 2013
2,000,000	

c) **Coyote Creek Project:** On June 9, 2009 Eagle Plains announced that it had reached agreement with Heemskirk Canada Ltd. ("Heemskirk") whereby Heemskirk may earn a 100% interest in the property located in south-western British Columbia. In order to exercise the option and acquire a 100% interest in the property Heemskirk is required to make cash payments totalling $240,000 plus a production royalty on material extracted. Heemskirk has made the first two payments required, totalling $40,000, and must pay Eagle Plains $200,000 by June 30, 2012 to complete the option terms.

d) **Eagle Lake Project-** On September 11, 2009, the Company completed an option agreement whereby Sandstorm Metals & Energy Ltd. can earn a 60% interest in Eagle Plains' 100% owned mineral property, located in north-central Saskatchewan, by making exploration expenditures of $3,000,000 and completing
payments of 850,000 shares and $495,000 cash by the fifth anniversary. A 1% NSR is reserved for Eagle Plains. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000		$ -	Date of agreement (received)
20,000	50,000	-	Date of Regulatory approval (received)
20,000	50,000	200,000	May 13, 2011
25,000	50,000	50,000	May 13, 2012
50,000	200,000	500,000	May 13, 2013
120,000	200,000	1,000,000	May 13, 2014
250,000	300,000	1,250,000	May 13, 2015
$ 495,000	850,000	$ 3,000,000	

e) **Elsiar Project:** On July 12, 2010, the Company completed an option agreement whereby Blackrock Resources Ltd (formerly 0802906 B.C. LTD.) can earn a 60% interest in Eagle Plains' 100% owned copper-moly-gold property, located in northwestern British Columbia, by making exploration expenditures of $3,000,000 and completing payments of 1,000,000 shares and $250,000 cash by the fourth anniversary of the agreement. A 1% NSR is reserved for a third party. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ -	Date of agreement (received cash)
-	-	100,000	December 31, 2010 (completed)
50,000	200,000	-	July 12, 2011
-	-	200,000	December 31, 2011

5. Mineral Properties - continued

Option Agreements - Third party earn in – continued

50,000	200,000	-	July 12, 2012
-	-	800,000	December 31, 2012
50,000	200,000	-	July 12, 2013
-	-	1,900,000	December 31, 2013
75,000	300,000	-	July 12, 2014
$ 250,000	1,000,000	$ 3,000,000	

f) **Ice River Project:** On September 25, 2008, Eagle Plains Resources Ltd. announced that it had reached agreement with Waterloo Resources Ltd. ("Waterloo") whereby Waterloo may earn a 60% interest in the Ice River Property (amended March 5, 2009), located in British Columbia. In order to exercise the option and acquire a 60% interest in the property Waterloo is required to make cash payments totalling $510,000 (originally $500,000), issue 750,000 (originally 350,000) common shares and make exploration expenditures of $3,000,000 (no change) over a period of five years. A 1% NSR is reserved for Eagle Plains. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000		$ -	On signing of formal agreement (received)
20,000	100,000	-	Sept 27, 2009 (received)
25,000	100,000	200,000	Sept 27, 2010 (received)
25,000	100,000	50,000	Sept 27, 2011
50,000	150,000	500,000	Sept 27, 2012
120,000	100,000	1,000,000	Sept 27, 2013
260,000	200,000	1,250,000	Sept 27, 2014
$ 510,000	750,000	$ 3,000,000	

g) **Iron Range Project:** On April 21, 2010, Eagle Plains Resources Ltd ("Eagle Plains") and Providence Capital Corp ("Providence") entered into an option agreement on Eagle Plains' 100% owned Iron Range project located in south-eastern BC. Under the terms of the agreement, Providence may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $500,000 in cash payments and issuing 1,000,000 shares to Eagle Plains over 4 years. Upon Providence exercising its option, a 60/40 Joint Venture between Providence and Eagle Plains will be established. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	100,000	$ -	On exchange approval – June 3, 2010 (received)
-	-	200,000	December 31, 2010 (completed)
50,000	100,000	-	June 3, 2011
-	-	300,000	December 31, 2011
75,000	200,000	-	June 3, 2012
-	-	500,000	December 31, 2012
150,000	300,000	-	June 3, 2013
-	-	2,000,000	December 31, 2013
200,000	300,000	-	June 3, 2014
$ 500,000	1,000,000	$ 3,000,000	

h) **Kalum Project:** On November 13, 2009, Eagle Plains Resources Ltd. and Windstorm Resources Inc. ("Windstorm") entered into an option agreement on the property. Under terms of the agreement, Windstorm may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $400,000 in cash payments, and issuing 500,000 voting class common shares to Eagle Plains. Windstorm may increase its interest to 75% by delivering a pre-feasibility study before December 31, 2016. A 1% NSR is held in favour of a third party, and may be purchased at any time for $1,000,000. Payments are due as follows:

5. Mineral Properties - continued

Option Agreements - Third party earn in – continued

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000	50,000	$ -	On exchange approval – July 23, 2010 (received)
-	-	100,000	December 31, 2009 (completed)
30,000	50,000	200,000	July 23, 2011
70,000	100,000	500,000	July 23, 2012
100,000	100,000	800,000	July 23, 2013
190,000	200,000	1,400,000	July 23, 2014
$ 400,000	500,000	$ 3,000,000	

i) **Karin Lake Project:** On June 15, 2010, Eagle Plains Resources and Slater Mining Corporation ("Slater") entered into an option agreement on the Karin Lake property located 40 km east of Cameco's Key Lake deposit in north-central Saskatchewan. Under terms of the agreement, Slater may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $500,000 in cash payments, and issuing 1,000,000 common shares to Eagle Plains over four years. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 10,000	-	$ -	Date of agreement (received)
15,000	100,000	-	On exchange approval – Sept 16, 2010 (received)
-	-	200,000	December 31, 2010 (completed)
50,000	100,000	-	June 15, 2011
-	-	300,000	December 31, 2011
75,000	200,000	-	June 15, 2012
-	-	500,000	December 31, 2012
100,000	300,000	-	June 15, 2013
-	-	750,000	December 31, 2013
250,000	300,000	-	June 15, 2014
-	-	1,250,000	December 31, 2014
$ 500,000	1,000,000	$ 3,000,000	

j) **Sphinx Project:** On July 16, 2009 the Company executed a property purchase agreement with Touchdown Resources Inc. (formerly Touchdown Capital Inc) ("TCI") whereby TCI purchased a 100% interest in the copper-gold-molybdenum project, located in British Columbia, by allotting and issuing to Eagle Plains 2,000,000 common shares of TCI. The shares are held in escrow and will be released from escrow as to 200,000 shares on the closing date and 300,000 shares every six months thereafter. The Company has received 800,000 shares as at December 31, 2010. The property is subject to a 2.5% NSR to a third party and a 1% NSR to Eagle Plains, to a maximum of $2,000,000.

Shares to be released from escrow as follows:

Share Instalments	Due Date
200,000	October 15, 2009 (received)
300,000	April 15, 2010 (received)
300,000	October 15, 2010 (received)
300,000	April 15, 2011
300,000	October 15, 2011
300,000	April 15, 2012
300,000	October 15, 2012
2,000,000	

5. Mineral Properties - continued

Option Agreements - Third party earn in – continued

k) **Wildhorse Project:** On March 11, 2010, Eagle Plains Resources Ltd. and Excelsior Mining Corp ("Excelsior") entered into an option agreement on Eagle Plains' 100% owned Wildhorse project located 40km north of Cranbrook, B.C. Under the terms of the Agreement, Excelsior may earn a 60% interest in the property by completing $3,000,000 in exploration expenditures, making $250,000 in cash payments and issuing 1,000,000 shares to Eagle Plains over 4 years. Excelsior has an option to earn an additional 10% interest, thereby increasing its total interest in the Property to 70%, which may be exercised by exercising the Option, issuing a further 300,000 Excelsior shares and incurring further exploration expenditures totalling $1,000,000. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 5,000	-	$ -	On execution of agreement (received)
5,000	100,000	-	On exchange approval - May 14, 2010 (received)
-	-	200,000	December 31, 2010
25,000	100,000	-	May 14, 2011
		300,000	December 31, 2011
50,000	200,000	-	May 14, 2012
		500,000	December 31, 2012
75,000	300,000	-	May 14, 2013
		750,000	December 31, 2013
90,000	300,000	-	May 14, 2014
		1,250,000	December 31, 2014
$ 250,000	1,000,000	$ 3,000,000	

On February 17, 2011, the Company received notice from Excelsior that they were terminating the option agreement.

Option Agreement- earn in

k) **Yellowjacket Project:** In 2009, the Company acquired a 40% interest in the Yellowjacket Gold Mine Project located east of Atlin, BC. Eagle Plains and Prize Mining Corp. ("Prize Mining") executed a formal agreement whereby the two parties formed a joint-venture (Note 15), "Yellowjacket Joint Venture", to immediately facilitate the production of gold and conduct further exploration and development of the Yellowjacket Zone on the Atlin Gold Property. Under terms of the agreement, Eagle Plains purchased a 40% interest in the project by providing $2,000,000 in working capital, effective at closing of the agreement. These funds were used to clear existing liens and obligations on the Property, in addition to completing upgrades of the existing mill facility and covering costs related to engineering, permitting and environmental compliance. There is an underlying option agreement with a third party which requires option payments of $200,000 by January 15, 2010 (paid) and an additional $200,000 by January 15, 2011 (subsequently paid) and reserves a 1.5% NSR for the third party.

A number of cash calls were made to Prize Mining during 2009. Prize Mining was unable to meet these cash calls whereby Eagle Plains increased their interest in the joint venture. The JV ownership ratio resulting from this dilution resulted in ownership interest changing to 59.62% for Eagle Plains and 40.38% for Prize Mining.

On August 18, 2010, Eagle Plains Resources Ltd announced the execution of a formal agreement whereby Eagle Plains purchased from Prize Mining Ltd. the remaining beneficial right, title and interest in the Yellowjacket Project, including mineral and placer rights, and all equipment and infrastructure currently in place on the Yellowjacket mine site by making a cash payment of $400,000 and issuing 2,000,000 common shares valued at $240,000 of Eagle Plains Resources.

6. Long term debt

	Dec 31 2010	Dec 31 2009
Mortgage, secured by land and building, repayable in monthly payments of $1,888 including interest at 5.75%, maturing March 2015	**$ 296,368**	$ -

During the year ended December 31, 2010 the Company paid $12,416 in interest.

7. Equity Instruments

b) Authorized
Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

c) Issued and outstanding

Common Shares	Number of shares	Amount	Warrants	Contributed Surplus
Balance, December 31, 2008	63,305,598	$ 21,091,699	$ 508,552	$ 1,830,189
Issuance of shares - flow-through financing	3,704,272	846,140		
Issuance of shares - private placement	9,604,500	1,890,960		
Black Scholes value of warrants issued		(668,339)	668,339	
Stock-based compensation				302,213
Share issue costs, net of tax effect		(151,529)		
Balance, December 31, 2009	76,614,370	23,008,931	1,176,891	2,132,402
Issuance of shares – exercise of options	1,532,500	356,522		
Issuance of shares – exercise of warrants	2,081,512	562,223		
Issuance of shares - mineral properties	2,000,000	240,000		
Black Scholes - warrants exercised		162,107	(162,107)	
Black Scholes - warrants expired		508,552	(508,552)	
Black Scholes – options exercised		443,242		(443,242)
Shares to be cancelled	15,000			
Tax effect of flow-through financings		(211,535)		
Stock-based compensation				1,955,707
Share issue costs, net of tax effect		(4,076)		
Balance, December 31, 2010	**82,243,382**	**$ 25,065,966**	**$ 506,232**	**$ 3,644,867**

2010 share issuance
In the third quarter, the Company issued 2,000,000 shares, valued at $240,000, to Prize Mining Corporation as part of the purchase price for the remaining beneficial right, title and interest in the Yellowjacket Project, including mineral and placer rights, and all equipment and infrastructure in place on the Yellowjacket mine site. See Note 15.

In the fourth quarter, the Company issued 2,081,512 shares on the exercise of purchase warrants with exercise prices of $0.18 to $0.30 resulting in proceeds to the Company of $562,223.

In the fourth quarter, the Company issued 1,532,500 shares on the exercise of employee options with exercise prices of $0.25 to $0.40 resulting in proceeds to the Company of $356,522.

2009 share issuance
In the third quarter, the Company issued 8,107,500 non flow-through units and 1,040,000 flow-through units for gross proceeds of $1,881,500. Non flow-through units were sold at a price of $.20 per unit, each unit consisting of a non-flow-through common share and one-half non-flow-through common share purchase warrant, each whole warrant exercisable at $.30 for a 24 month period. Flow-through units were sold at a price of $.25 per unit, each unit consisting of a flow-through common share and a non-flow-through common share purchase warrant, each warrant exercisable at $.30 for a 24 month period.

The Company issued 575,500 Broker warrants with the third quarter financing, each whole warrant exercisable at $0.20 for a 24 month period expiring August 18, 2011.

7. Equity Instruments - continued

2009 share issuance- continued
In the fourth quarter, the Company issued 1,497,000 non flow-through units and 2,664,272 flow-through units for gross proceeds of $855,600. Non flow-through units were sold at a price of $.18 per unit, each unit consisting of a non-flow-through common share and one-half non-flow-through common share purchase warrant, each whole warrant exercisable at $.30 for a 18 month period. Flow-through units were sold at a price of $.22 per unit, each unit consisting of a flow-through common share and one-half non-flow-through common share purchase warrant, each whole warrant exercisable at $.30 for an 18 month period. All issued securities are subject to a hold period expiring April 12, 2010.

The Company issued 270,254 Broker warrants with the fourth quarter financing, each whole warrant exercisable at $0.18 for a 12 month period expiring December 11, 2010.

d) Stock Option Plan
The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

On June 9, 2006, the shareholders approved a plan of arrangement to reorganize the Company's mineral property assets in an effort to maximize shareholder value. Per the Plan of Arrangement, all option holders of record in Eagle Plains received, in addition to an Eagle Plains share, one share of Copper Canyon Resources Ltd. (“Copper Canyon”) when the option is exercised. Proceeds from the exercise of options will be split between Eagle Plains 40.65% and Copper Canyon 59.35%. At December 31, 2010, all options subject to the Plan of Arrangement have been exercised or expired.

As at **December 31, 2010**, the Company has the following stock options outstanding:

Total issued and outstanding	Number of Options	Option Price per Share Range[1]	Weighted Average Exercise Price
Balance, December 31, 2008	6,038,000	$0.25 - $1.40	$0.64
Options issued	720,000	$0.40	$0.40
Options expired/cancelled	(1,425,000)	($0.40 - $1.00)	($0.46)
Balance, December 31, 2009	5,333,000	$0.40	$0.40
Options issued	5,640,000	$0.25 - $1.00	$0.50
Options exercised	(1,532,500)	$0.25 - $0.40	$0.36
Options expired/cancelled	(1,618,000)	$0.40	$0.40
Balance, December 31, 2010	**7,822,500**	**$0.25 - $1.00**	**$0.48**

[1] On May 22, 2009, the Company re-priced 5,438,000 options from exercise prices ranging from $0.50 to $1.40 and expiring from September 20, 2009 to June 20, 2013, setting a new exercise price of $0.40. The vesting provisions and expiry dates of the re-priced options remain unchanged.

The following table summarizes information about stock options outstanding at **December 31, 2010:**

Options outstanding Dec 31, 2010	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life**	**Number of Options Currently Exercisable**	**Weighted Average Exercise Price of Options Currently Exercisable**
95,000	**$0.40**	**0.50 years**	**95,000**	**$0.40**
525,000	**$0.40**	**1.00 years**	**525,000**	**$0.40**
175,000	**$0.40**	**1.25 years**	**175,000**	**$0.40**
110,000	**$0.40**	**1.25 years**	**110,000**	**$0.40**
1,050,000	**$0.40**	**2.50 years**	**1,050,000**	**$0.40**
600,000	**$0.40**	**3.50 years**	**600,000**	**$0.40**
2,197,500	**$0.25**	**4.50 years**	**955,000**	**$0.25**
1,180,000	**$0.25**	**4.75 years**	**1,180,000**	**$0.25**
1,890,000	**$1.00**	**5.00 years**	**1,890,000**	**$1.00**
7,822,500	**$0.48**		**6,580,000**	**$0.53**

7. Equity Instruments - continued

The following table summarizes information about stock options outstanding at December 31, 2009:

Options Outstanding Dec 31, 2009	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
793,000	$0.40	0.25 years	773,000	$0.40
625,000	$0.40	0.50 years	625,000	$0.40
845,000	$0.40	1.00 years	845,000	$0.40
95,000	$0.40	1.50 years	75,000	$0.40
600,000	$0.40	2.00 years	600,000	$0.40
175,000	$0.40	2.25 years	175,000	$0.40
115,000	$0.40	2.25 years	115,000	$0.40
100,000	$0.40	3.00 years	60,000	$0.40
1,285,000	$0.40	3.50 years	1,285,000	$0.40
700,000	$0.40	4.50 years	370,000	$0.40
5,333,000	$0.40		4,923,000	$0.40

e) Compensation expense for share options

As at December 31, 2010, $1,955,707 (2009 – $144,504) has been recorded as stock based compensation related to the options issued and vested during the year and $Nil (2009 - $157,709) relating to options re-priced during the year. Compensation expense has been determined based on the estimated fair value of the options at the grant and re-price dates and amortized over the vesting period.The Company valued the options issued and re-priced using the Black-Scholes model with the following weighted average assumptions:

	2010	2009
Expected annual volatility	**100**%	93%
Expected risk free rate	**2.6**%	2.3 %
Expected term	**5 yrs**	5 yrs
Expected dividends	**Nil**	Nil
Fair value:		
exercise price exceeds market price on grant date	**$0.07**	$0.15
exercise price equals market price on grant date	**$0.27**	-

f) Warrants outstanding

At **December 31, 2010**, the Company has the following share purchase warrants outstanding:

	Number	Price
Balance, December 31, 2008	5,241,300	$1.00
Issued	8,020,140	$0.18 - $0.30
Balance, December 31, 2009	13,261,440	$0.18 - $1.00
Expired	(5,241,300)	($1.00)
Exercised	(2,081,512)	($0.18 - $0.30)
Balance, December 31, 2010	**5,938,628**	**$0.20 - $0.30**

The following table summarizes information about warrants outstanding at **December 31, 2010:**

Expiry	Number	Price
June 11, 2011	1,486,023	$0.30
June 23, 2011	21,375	$0.30
August 18, 2011	277,500	$0.20
August 18, 2011	4,153,730	$0.30
	5,938,628	

7. Equity Instruments - continued

The Company issued 8,020,140 warrants as part of the 2009 private placement financings noted in Note 7(b). The warrants were valued at $668,339 using the Black-Scholes option pricing model on the date of grant and were included in warrants at December 31, 2009. The grant-date fair value for the warrants was estimated using the following weighted average assumptions: no dividends are to be paid; annual volatility of 99%; risk free rate of 1.38%; and expected life of 1.84 years.

g) Shareholder rights protection plan
The shareholders have approved a plan which the directors intend to implement at their discretion to provide adequate time for the shareholders and the directors to seek alternatives to, and to assess the merits of, bids for the shares of the Company. This plan attaches special rights to the issued shares of the Company. These special rights are void to a bidder who seeks to acquire more than 20% of the voting shares of the Company.

8. Per Share Amounts

The calculation of per share amounts have been calculated based on the weighted average number of shares outstanding during the year ended December 31, 2010 of 77,551,515 shares (2009–66,837,130). The net effect of applying the treasury-stock method to the weighted average number of shares outstanding had an anti-dilutive effect for the years ended December 31, 2010 and 2009.

9. Related Party Transactions

The Company was involved in the following related party transactions during the year:

(a) The Company is related to Apex Diamond Drilling Ltd. ("Apex") through ownership of 10% of the shares of Apex. At December 31, 2010 Eagle Plains' interest in Apex is as follows:

	2010	2009
Shareholder loan, interest free, no specific terms of repayment	**$ 20,000**	$ 20,000
Shares in Apex	**20**	20
	$ 20,020	$ 20,020

During the year the Company had the following transactions with the related company:

	2010	2009
Drilling services provided by Apex	**$ 59,271**	$ -
Proceeds received from Apex on sale of equipment	**48,000**	-
Payments received for share of income	**-**	163,695

(b) The Company is related to Copper Canyon Resources Ltd. ("CPY") through common directors. During the year the Company had the following transactions with the related company:

	2010	2009
Management fees received	**$ 30,000**	$ 30,000
Due to CPY for EPL options exercised	**200,603**	-
Invoiced CPY for services provided by EPL	**51,440**	45,585
Invoiced CPY for services provided by TerraLogic	**268,696**	85,394

At December 31, 2010, $22,298 (2009 - $53,158) is included in accounts receivable and $200,603 (2009 - $Nil) is included in accounts payable.

(c) Included in administration expenses is $7,802 (2009 - $18,975) paid for accounting services and related expenses to Glen Diduck, a director and officer of the Company.

9. Related Party Transactions - continued

(d) Included in professional fees is $63,536 (2009 - $61,644) paid for legal fees to a law firm of which one of the directors, Darren Fach, is a partner. At December 31, 2010, $Nil (2009 - $1,772) is included in accounts payable and accrued liabilities.

(e) Included in administration expenses is $32,250 (2009 - $32,000) paid for directors fees.

(f) Included in administration expenses is $84,000 (2009 – $48,500) paid for consulting fees to a director and officer of the Company.

(g) The Company granted 3,500,000 options, with exercise prices of $0.25 - $1.00 and expiry dates of April 30, 2011 to December 10, 2015, to directors of the Company.

(h) The Company issued 600,000 shares to directors of the Company on the exercise of options, resulting in proceeds of $121,300 to the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment.

10. Commitments and Contingencies

The Company has a mortgage on its office building repayable in monthly payments of $1,888 including interest at 5.75% which matures in March 2015.

The Company has a truck lease payable of $1,153 per month expiring September 29, 2012.

The Company is presently being audited by Canada Revenue Agency with respect to flow-through and BC mining tax credit filings going back

10. Commitments and Contingencies - continued

through 2005. The potential reassessment, if any, cannot be reasonably estimated.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification.

11. Financial Instruments

CICA Handbook Section 3862 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

December 31, 2010	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 3,633,401	$ -	$ -	$ 3,633,401
Investments	$ 3,408,392	$ 2,064,023	$ 477,000	$ 5,949,415

11. Financial Instruments - continued

December 31, 2009	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 2,741,680	$ -	$ -	$ 2,741,680
Investments	$ 2,710,370	$ 341,135	$ 477,001	$ 3,528,506

As disclosed in Note 2(b), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk and price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

e) Concentration risk
At December 31, 2010 and 2009, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions. Concentration risk also exists in marketable securities (investments) because the Company's investments are primarily in shares of junior resource companies, involved in gold exploration.

f) Credit risk
The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with accounts receivable is the carrying value.

g) Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The company believes that these sources will be sufficient to cover the likely short and long term cash requirements.

h) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. As at December 31, 2010 the Company has cash of $18,662 (2009 - $47,427) in US$.

i) Price risk
The Company's investments designated as available-for-sale are traded on the TSX Venture Exchange and TSE. A 1% change in the cumulative quoted share price would change the fair value of the investments by approximately $45,000. The change would be recorded in Accumulated Other Comprehensive Income (Loss).

12. Statement of Cash Flow

Non-cash investing activities:

Pursuant to certain mineral property option agreements, the Company received 1,100,000 (2009 – 850,000) shares with an attributed value of $1,066,920 (2009 - $132,000). In addition 1,800,000 (2009 – 3,600,000) shares were held in escrow with an attributed value of $421,328 (2009 - $112,742). Included in accounts payable is $70,436 (2009 - $nil) of expenditures for mineral exploration properties and in accounts receivable is $91,496 (2009 - $52,117) for exploration grants.

Non-cash finance activity:

Pursuant to the purchase of Prize Mining Corp's remaining interest in the Yellowjacket Joint- Venture (Note 15) the company issued 2,000,000 (2009 – nil) common shares with a value to $240,000 (2009 - $nil).

At December 31, 2010, the Company held cashable guaranteed investment certificates (GIC's) and term deposits bearing interest rates from 0.80% to 1.08% (2009 – 0.10% to 0.46%) with maturity terms of January 6, 2011 to January 25, 2011 (2009– January 4, 2010 to January 13, 2010). All of these investments are cashable before maturity and have been treated as cash equivalents.

13. Income Taxes

As of December 31, 2010, the effective tax rate of income tax varies from the statutory rate as follows:

	2010	2009
Statutory tax rates	28.50%	30%
Expected income tax expense at statutory rates	$(287,645)	$(2,075,933)
Stock compensation	557,376	90,664
Loss (gain) on sale of long-term investments	(109,536)	21,656
Adjustment to opening tax pools	-	9,910
Rate change	(19,991)	311,758
Tax benefits recognized	(455,217)	-
Change in valuation allowance	(132,120)	991,966
Other permanent differences	2,589	19,861
	$(444,544)	$(630,118)

The components of the Company's future income tax liability are a result of the origination and reversal of temporary differences and are comprised of the following:

Nature of temporary differences	2010	2009
Property and equipment	$ 363,604	$ 491,287
Investments	(274,968)	(40,600)
Unused tax losses carried forward	721,982	459,431
Cumulative eligible capital	2,714	2,918
Share issue costs	46,514	78,930
Future income tax	859,846	991,966
Valuation allowance	(859,846)	(991,966)
Future income tax liability	$ -	$ -

13. Income Taxes - continued

As of December 31, 2010, subject to confirmation by income tax authorities, the Company has approximately the following available tax pools, deductible from future income at rates prescribed by the Canadian Income Tax Act:

	2010	2009
Undepreciated capital cost	$2,272,192	$1,878,746
Cumulative eligible capital	10,851	11,668
Non-capital losses carried forward	2,887,927	1,837,725
Cumulative Canadian exploration and development expenses	4,845,735	6,031,032
Undeducted share issue costs carried forward	186,057	315,716
	$ 10,202,762	$ 10,074,887

At December 31, 2010 the non-capital tax losses of $2,887,927 available for carry-forward to reduce future years' taxable income, expires as follows:

2029	$ 1,837,725
2030	1,050,202
	$ 2,887,927

14. Accumulated other comprehensive income

A future income tax liability of $234,368 (2009 - $40,600) has been recorded as a result of the accumulated other comprehensive gain. The balance of accumulated other comprehensive income is entirely comprised of unrealized gains and losses on available for sale investments.

15. Joint Venture Operation

The Company entered into a Joint Venture Agreement ("JVA") with Prize Mining Ltd. ("Prize Mining") whereby the two parties formed a joint venture, Yellowjacket Joint Venture, to facilitate the production of gold and conduct further exploration and development of the Yellowjacket Zone on the Atlin Gold Property. Eagle Plains purchased a 40% interest in the project by providing $2,000,000 in working capital. A cash call was made in July which Prize Mining was unable to satisfy whereby Eagle Plains increased their interest in the joint venture from 40% to 52.244% by providing $1,350,000. A second cash call was made on December 15, 2009 which Prize Mining was again unable to satisfy whereby Eagle Plains increased their interest in the joint venture from 52.244% to 58% by providing the full $862,564. In light of Prize Mining's diluted interest and inability to satisfy the cash calls, the Company determined that it had acquired control of the joint venture. Accordingly, the Company consolidated the results of the joint venture with those of the Company.

On August 19th, 2010, Eagle Plains Resources Ltd. completed the purchase of Prize Mining Corp's remaining interest in the Yellowjacket Joint-Venture ("YJV") with an effective date of August 18th, 2010. Eagle Plains now holds a 100% interest in the project, subject to a 1.5% NSR. The YJV has been dissolved and Eagle Plains is the sole owner and operator of the project.

Under the terms of the original JVA, Eagle Plains earned an initial 40% interest in the Project from Prize by making a $2,000,000 cash payment. Since commencing activities, Eagle Plains has advanced the JV an additional amount of approximately $2,600,000. Prize Mining subsequently agreed to accept dilution of its interest in the project in accordance with a formula established in the YJV agreement. Prior to the purchase of the remaining Prize interest and dissolution of the YJV, Eagle Plains held a 59.62% interest. The total consideration for the purchase of Prize's remaining 40.38% interest was $400,000 cash plus 2,000,000 Eagle Plain common shares. These shares are subject to escrow restrictions over a two year period releasable as to 500,000 every six months commencing August 18, 2010. During the year ended December 31, 2010, 500,000 of the escrow shares were released and as at December 31, 2010, 1,500,000 shares remain in escrow.

The consolidated financial statements include the accounts of the Yellowjacket Venture Joint Venture as follows:

	Dec 31 2009
Assets	
Cash	$ 97,304
Accounts receivable	79,423
Property and equipment	1,222,194
Long term investment	150,000
Mineral exploration properties	2,636,475
	$ 4,185,396
Liabilities and equity	
Accounts payable	$ 184,323
Equity	7,262,564
Deficit	(3,261,491)
	$ 4,185,396

	Dec 31 2009
Revenue	$ 36,803
Expenses	(3,298,294)
Loss for the year	$ (3,261,491)

15. Joint Venture Operation - continued

The non-controlling interest is summarized as follows:

Balance, December 31, 2008	$ -
Non-controlling interest shareholder's contribution	3,050,000
Operation sharing for the year	(1,735,398)
Balance, December 31, 2009	$ 1,314,602
Operation sharing for the year	(91,613)
Reduction in mineral property costs	(1,046,657)
Cash paid by the Company	(400,000)
Shares issued by the Company	(240,000)
Balance, December 31, 2010	(463,668)

The reduction in minority interest of $1,046,657 was recorded as a reduction in mineral property costs (Note 5).

16. Capital management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2010. The Company is not subject to externally imposed capital requirements.

17. Subsequent Events

a) On February 1, 2011, Eagle Plains Resources Ltd. and Aben Resources Ltd. ("Aben") entered into an Acquisition Agreement whereby Aben will acquire a 100% interest in two non-contiguous mineral exploration properties known as the Hit and Justin (Sprogge) projects, covering approximately 2,130 hectares located in the eastern Yukon Territory (the "Yukon Claims"). Pursuant to the terms of the Acquisition Agreement, Aben has also acquired a proprietary database owned by Eagle Plains and the right to certain potential prospecting permits in the Mackenzie Mountain area of the Northwest Territories (the "Permits"). The Permits are subject to an approval process and, if approved, Aben will be granted the exclusive right to stake claims in the Permit areas for up to a period of three years. Upon receipt of acceptance of the Acquisition Agreement by the TSX Venture Exchange, Aben issued a total of 5,000,000 common shares to Eagle Plains. Aben will also make a cash payment of approximately $150,000 to reimburse Eagle Plains for the Northwest Territories permitting costs. The Yukon Claims and any property to be acquired by staking in the Permit areas shall be subject to a three percent (3%) net smelter return royalty ("NSR") in favour of Eagle Plains. Aben has been granted a right to purchase a 2% NSR at any time prior to commencement of commercial production for the consideration of $2,000,000 (the "Buy Down Option").

b) On February 17, 2011, the Company received 5,000,000 shares of Aben Resources Ltd. per the Acquisition Agreement on the Hit and Justin properties. The shares were recorded at a value of $1,205,000.

c) On February 17, 2011, Excelsior Mining Corp. terminated the option agreement on the Wildhorse property.

17. Subsequent Events - continued

d) On February 15, 2011, Eagle Plains Resources Ltd. and Aben entered into an Option Agreement whereby Aben may earn a 100% interest in the Rusty Springs Property, located north of Dawson City, Yukon. Under terms of the agreement, Aben has the option to earn a 100% interest in the 1,100 ha property by making $500,000 in cash payments and issuing 1,500,000 common shares to Eagle Plains over 5 years. The property shall be subject to a three percent (3%) net smelter return royalty ("NSR") in favour of Eagle Plains.

e) On February 23, 2011, Eagle Plains Resources Ltd. and Rosedale Resources Ltd. ("Rosedale") (a private B.C. company) entered into an agreement whereby Rosedale may earn an interest in the Rohan copper-gold property, located in northwestern British Columbia. Under terms of the agreement, Rosedale has the option to earn a 60% interest in the 3,000 ha property by completing $5,000,000 in exploration expenditures, making $500,000 in cash payments and issuing 1,000,000 common shares to Eagle Plains over 5 years. Eagle Plains will maintain a 4% Gross Metal Royalty on the claims, which may be reduced to 2% upon payment of $2,000,000.

f) Subsequent to the year end 457,787 warrants and 225,000 options have been exercised resulting in proceeds to the Company of $147,336 and $51,450.

18. Comparative figures

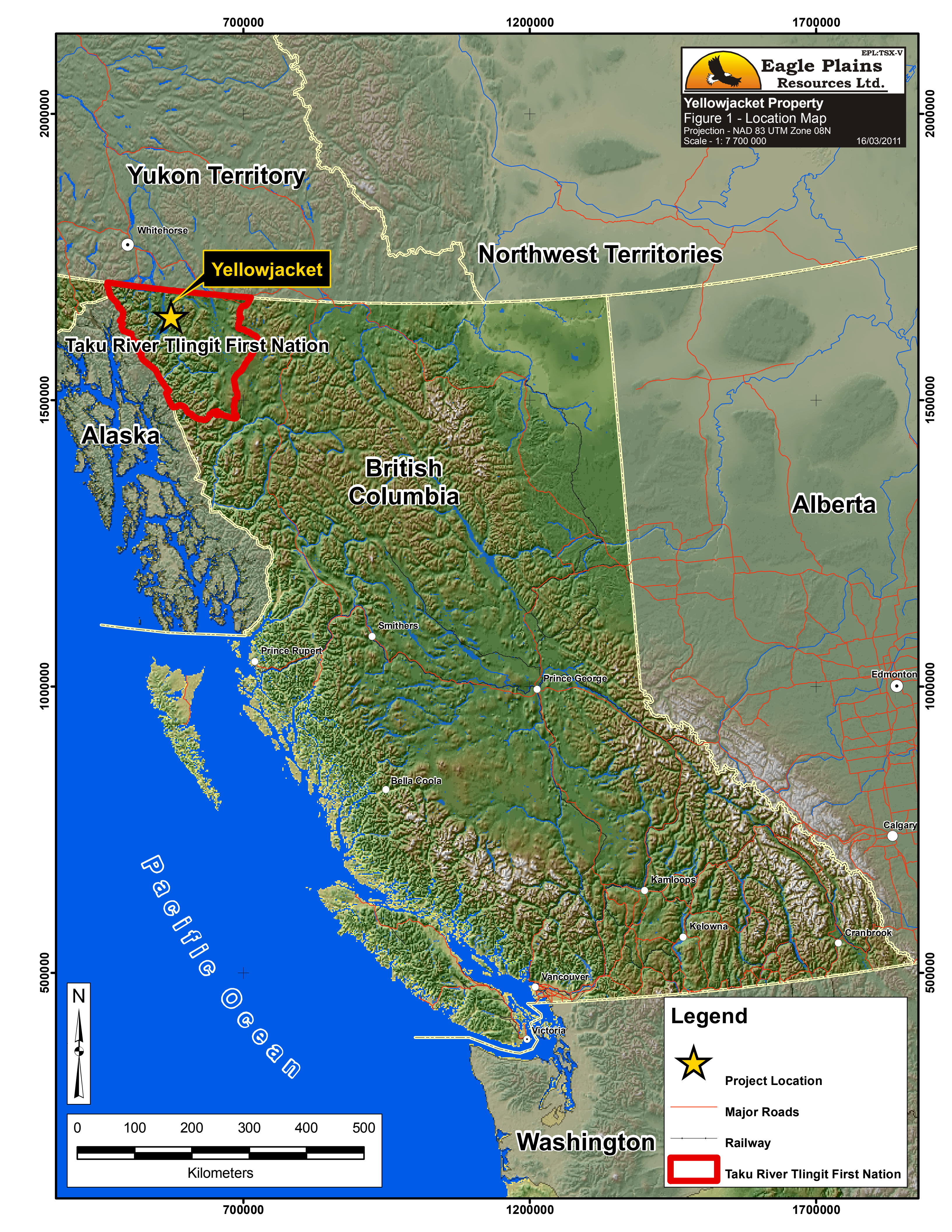
The comparative financial statements have been reclassified from statements previously presented to conform to the consolidated financial statement presentation adopted in the current year.

	Dec31 2009	Acquisition and Exploration	Grants, Option Payments & Mineral Tax Credits	Write down of mineral properties	Option Proceeds in excess of carrying value	**Dec 31 2010**
British Columbia	$ 2,831,842	$ 108,923	$ (761,090)	$ (5,790)	$ 205,925	**$ 2,379,810**
Atlin-Yellowjacket	2,636,475	697,980	-	(1, 046,657)	**-**	**2,287,798**
NW Territories	3	124,618	-	**-**	**-**	**124,621**
Yukon Territory	82,238	319,964	(109,520)	(41,553)	**-**	**251,129**
Saskatchewan	16,725	60,575	(917,396)	**-**	894,310	**54,214**
	$ 5,567,283	$ 1,312,060	$(1,788,006)	$(1,094,000)	$ 1,100,235	**$ 5,097,572**

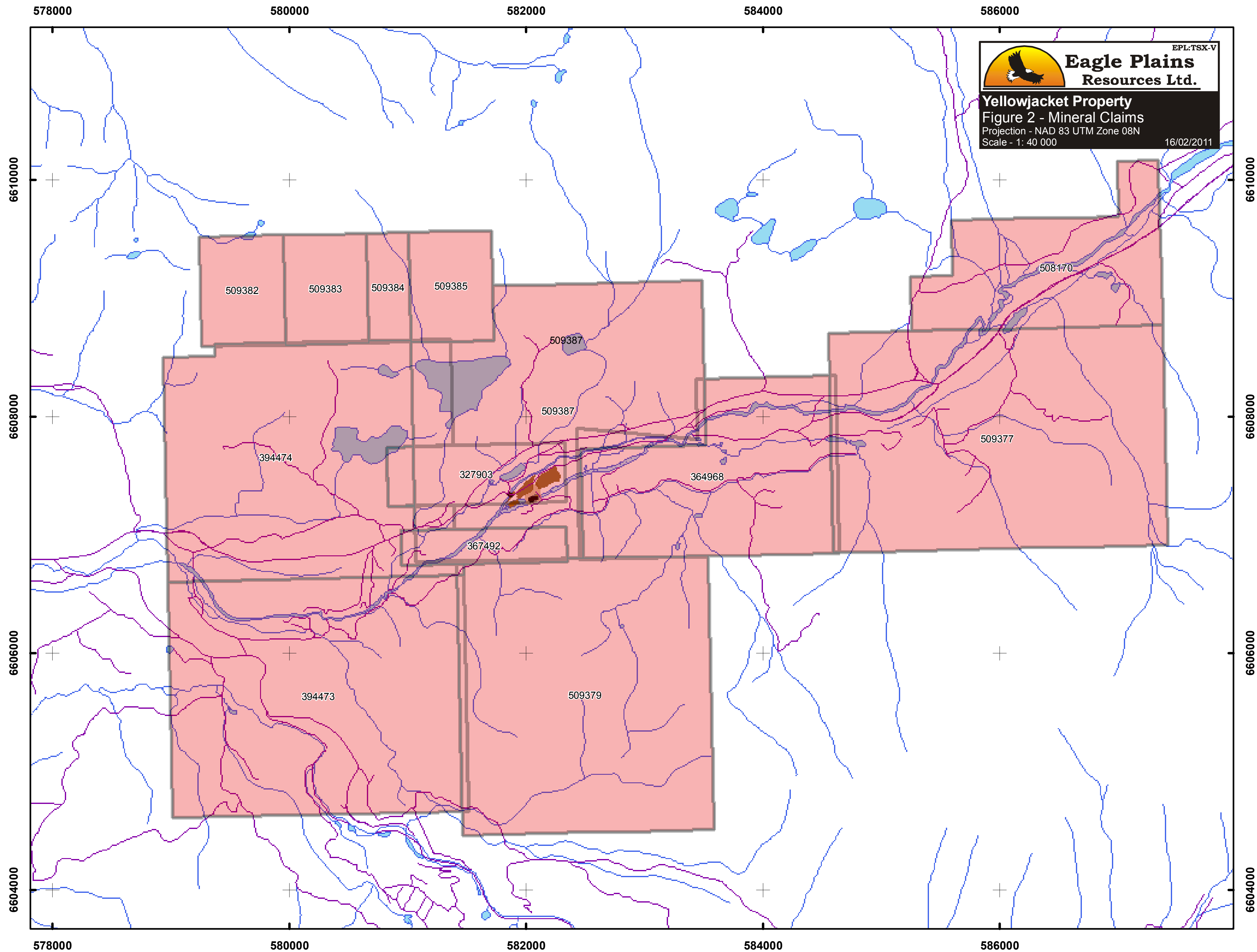
	Dec 31 2008	Acquisition and Exploration	Grants, Option Payments & Mineral Tax Credits	Write down of mineral properties	Option proceeds in excess of carrying value	Dec 31 2009
British Columbia	$ 3,385,706	$ 281,476	$ (333,218)	$ (513,905)	$ 11,783	$ 2,831,842
Atlin Mine (Yellowjacket)	-	2,636,475	-	-	-	2,636,475
NW Territories	3,972,178	2,732	(79,523)	(3,895,384)	-	3
Yukon Territory	9	139,689	(52,117)	(5,343)	-	82,238
Saskatchewan	64,540	20,136	(71,314)	(650)	4,013	16,725
	$ 7,422,433	$ 3,080,508	$ (536,172)	$(4,415,282)	$ 15,796	$ 5,567,283

SCHEDULE "J

YELLOWJACKET PROPERTY MAPS



EPL:TSX-V
Eagle Plains Resources Ltd.
Yellowjacket Property
Figure 1 - Location Map
Projection - NAD 83 UTM Zone 08N
Scale - 1: 7 700 000
16/03/2011
700000
1200000
1700000
2000000
1500000
1000000
500000
Yukon Territory
Whitehorse
Yellowjacket
Northwest Territories
Taku River Tlingit First Nation
Alaska
British Columbia
Alberta
Smithers
Prince Rupert
Prince George
Edmonton
Bella Coola
Calgary
Pacific Ocean
Kamloops
Kelowna
Cranbrook
Vancouver
Victoria
Washington
N
0
100
200
300
400
500
Kilometers
Legend
Project Location
Major Roads
Railway
Taku River Tlingit First Nation


EPL:TSX-V
Eagle Plains
Resources Ltd.
Yellowjacket Property
Figure 2 - Mineral Claims
Projection - NAD 83 UTM Zone 08N
Scale - 1: 40 000
16/02/2011
578000
580000
582000
584000
586000
6610000
6608000
6606000
6604000
509382
509383
509384
509385
509387
509387
394474
327903
364968
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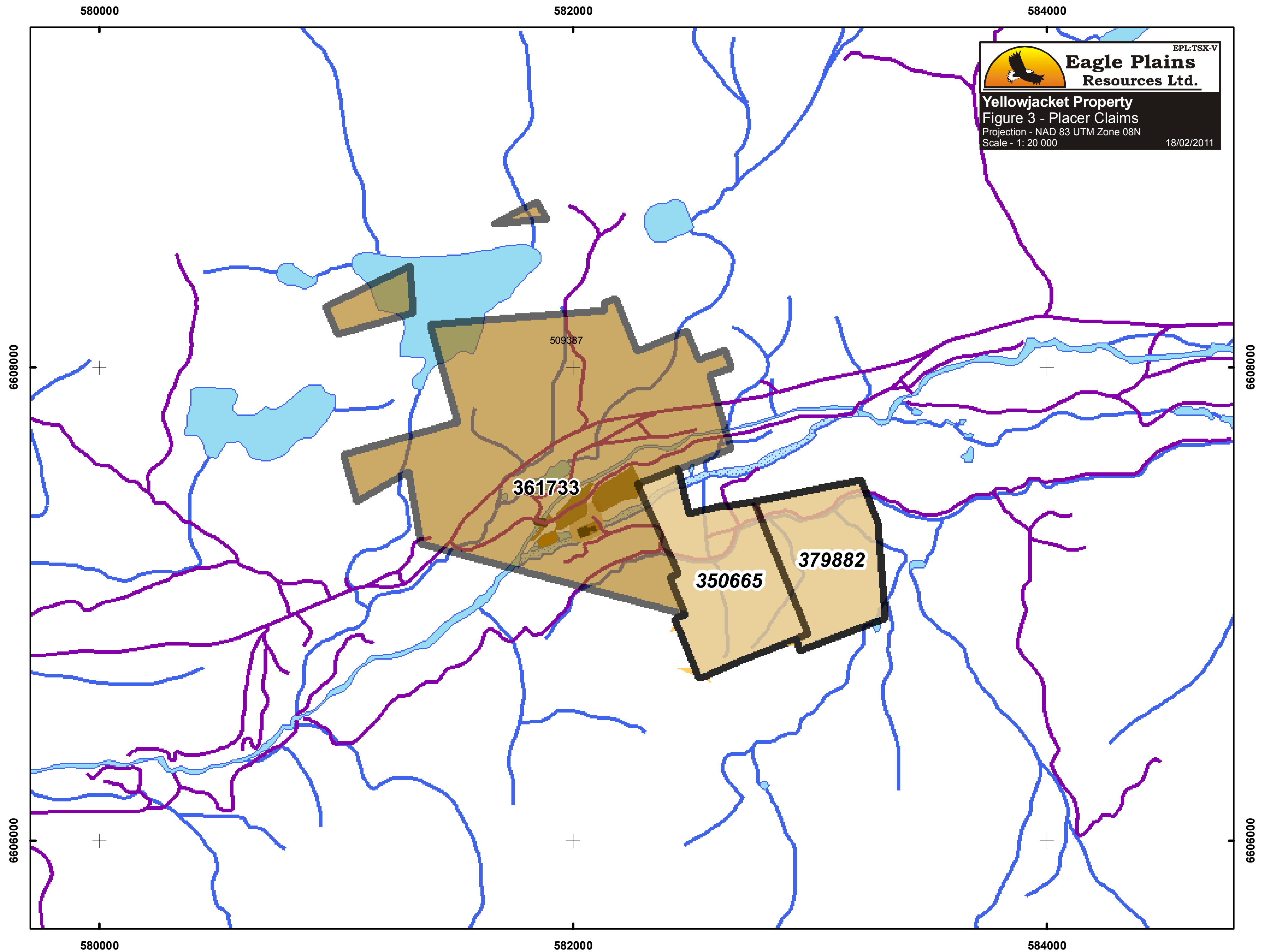
508170
509377
394473
509379



EPL:TSX-V
Eagle Plains
Resources Ltd.
Yellowjacket Property
Figure 3 - Placer Claims
Projection - NAD 83 UTM Zone 08N
Scale - 1: 20 000
18/02/2011
580000
582000
584000
6608000
6606000
509387
361733
350665
379882


582000
EPL:TSX-V
Eagle Plains Resources Ltd.
Yellow Jacket Gold Property
Site Plan
Figure 4
Projection - NAD 83 UTM Zone 08N
Scale: 1 : 2,000
04/05/2011
Future Tailings
Tailings Pond
Levelled Ground
Low Grade Ore
Tailings Overflow
Waste Rock
High Grade Ore
2009 Pit Outline
2010 RC Drilling
Levelled Ground
2008 Pit Outline
Old Tailings
6607500
0 25 50 100 150 200
Meters
Legend
2008 Pit Outline
2009 Pit Outline
Levelled Area
Tailings
Future Tailings
High Grade Ore
Low Grade Ore
Waste Rock
Contours (1m) - End Phase 1
RC Collar
COMPLETE