



(the "Corporation")

## MANAGEMENT PROXY SOLICITATION CIRCULAR

August 24, 2006

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### SOLICITATION OF PROXIES

This management proxy circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management of the Corporation for use at the Annual General Meeting of the shareholders of the Corporation (the "**Meeting**") to be held at the Hôtel Germain-des-Prés, 1200 Germain-des-Prés Avenue, Quebec City, Quebec, G1V 3M7, on October 18, 2006, at 2:30 p.m. (local time) and at any adjournment thereof. The costs of this solicitation will be borne by the Corporation. The solicitation of proxies is made by the management of the Corporation and will primarily be made by mail, but may be supplemented by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. Arrangements will also be made with brokerage houses and other custodian fiduciaries and nominees to forward proxy solicitation material to the beneficial owners of the Corporation's shares pursuant to the requirements of Regulation 54-101 and of National Instrument 54-101 on the communication with beneficial owners of securities of a reporting issuer. Unless indicated otherwise, the information contained in this Circular is given as of August 24, 2006.

If you cannot attend the Meeting in person, please complete and return the enclosed form of proxy to the Registrar and Transfer Agent of the Corporation, CIBC Mellon Trust Company, and 2001 University Street, Suite 1600, Montreal, Quebec, H3A 2A6 no later than 5:00 p.m. (local time) on October 16, 2006.

### ADVICE TO BENEFICIAL OWNERS

Security holders who do not hold their shares in their own name (referred to herein as "Beneficial Owners") are advised that only proxies from a registered holder can be recognized and voted upon at the Meeting. Beneficial Owners who complete and return a form of proxy must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which must be carefully followed. The form of proxy supplied to Beneficial Owners is substantially similar to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered holder how to vote on behalf of the Beneficial Owner.

All references to shareholders in the Circular and in the accompanying form of proxy and notice of meeting are to registered holders unless specifically stated otherwise.

### APPOINTMENT OF PROXYHOLDER

The persons named in the enclosed form of proxy are directors of the Corporation. **Any shareholder has the right to appoint a person, other than the person designated in the accompanying form of proxy, to represent him or her at the Meeting by striking out the names of the persons designated in the accompanying form of proxy and by inserting**

**such other person's name in the blank space provided.** A person so appointed as proxy does not need to be a shareholder of the Corporation.

#### **REVOCABILITY OF PROXY**

A shareholder who grants a proxy may revoke it by filing a notice in writing. Such notice shall be signed by the shareholder or by his proxy holder authorized in writing or, if the shareholder is a Corporation, such notice must be signed by an officer or by a duly authorized proxy holder and must be accompanied by a resolution authorizing the signature. The notice shall be deposited with either: (i) the secretary of the Corporation, or CIBC Mellon Trust Company, 2001 University, Suite 1600, Montreal, Quebec H3A 2A6, tel : (514) 285-3600, fax : (514) 285-3640, at any time up to 5:00 p.m. (local time) on October 16, 2006 or, if the Meeting is postponed to a later date, at any time up to 5:00 p.m. (local time) on the last working day preceding the date of the Meeting so adjourned, or, (ii) with the Chairman of the Meeting on the day of the Meeting or, in case of an adjournment, on the day of any subsequent meeting, prior to the beginning of such meeting.

#### **DISCRETIONARY AUTHORITY**

Shares represented by properly executed proxies in the accompanying form, if executed in favour of the designated person and properly deposited prior to the Meeting, will be voted or withheld from voting in accordance with the instructions of the shareholder, as the case may be, on any ballot that may be called for. If no instruction has been given by the shareholder, management will then vote in favour of each motion defined in the notice of Meeting.

The directors who solicit proxies commit themselves to respect the instructions given by the shareholders in the form of proxy. If no instruction is specified, the shares will be voted in favour of the resolutions mentioned in the notice of Meeting. With the exception of the election of the directors, the enclosed proxy confers discretionary authority with respect to any amendment to subject matters that may be mentioned in the notice of Meeting and to any other matter properly submitted at the Meeting. As of the date hereof, directors of the Corporation know of no such amendment, variation, or other matter to come before the Meeting.

#### **VOTING SECURITIES, AND PRINCIPAL HOLDERS THEREOF**

The authorized share capital of the Corporation consists of an unlimited number of common and preferred shares without par value.

As of August, 24, 2006, 34,031,525 common shares of the Corporation were issued and outstanding, each carrying the right to one vote at the Meeting.

The directors have fixed August 25, 2006 as the record date to determine the shareholders entitled to receive a notice of meeting. As the right to vote is not limited to the holders of securities registered at a determined date, any person becoming a shareholder of the Corporation between the date of the closing of the registers and the day of the Meeting shall have the right to vote by producing his common share certificate at the Meeting.

To the knowledge of the directors and of the officers of the Corporation, as of the date hereof, the shareholders that, directly or indirectly, hold more than 10 % of the issued and outstanding voting shares of the Corporation are:

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<b>Name of the holder</b>	<b>Number of shares</b>	<b>Percentage of common shares</b>
Denis BERTRAND	5,542,301	16.3%
Bruno DOYON	5,587,301 <sup>1</sup>	16.4%

### **QUORUM**

The by-laws of the Corporation provide that a quorum of shareholders is present at a meeting of shareholders of the Corporation if two shareholders are present in person.

### **INTEREST OF INFORMED PERSONS IN MATTERS TO BE ACTED UPON**

To the knowledge of the Corporation, with the exception of that which is specifically disclosed in this Circular, none of the directors, nor any of the executive officers of the Corporation, nor any of the proposed nominees for election as a director, nor any associate or affiliate of any of the above-mentioned persons has an interest in any matters to be acted upon at the Meeting.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors or executive officers of the Corporation are indebted to the Corporation.

### **DIRECTORS AND OFFICERS' LIABILITY INSURANCE**

The Corporation provides insurance for the benefit of its directors and officers and for the benefit of the directors and officers of its subsidiaries against liability that may be incurred by them in these capacities. The current policy limit is \$1,000,000.00 per event. Such insurance is subject to a deductible of \$25,000.00 per loss, as well as specific exclusions which are usually contained in policies of this nature. The Corporation pays a total annual premium of \$10,484.00, which premium has not been specifically allocated between the directors as a group and the officers as a group. The term of the insurance coverage is from November 3, 2005 to November 3, 2006.

### **AGENDA**

#### **1. PRESENTATION OF THE FINANCIAL STATEMENTS**

The annual consolidated financial statements of the Corporation as well as the auditors report for the year ended April 30, 2006 will be presented to the shareholders at the Meeting.

#### **2. ELECTION OF DIRECTORS**

The articles of the Corporation provide that the Board of Directors may be composed of a minimum of three (3) and of a maximum of ten (10) directors. The Board of Directors presently consists of six (6) directors. The seven (7) persons mentioned hereunder will be proposed for election as directors of the Corporation. Each director elected during the Meeting shall hold office for a period of one (1) year or until his successor is duly elected or appointed, unless he resigns or his office becomes vacant due to his death or of any other cause in accordance with the Corporation's by-laws.

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<sup>1</sup> Mr. Doyon is the main beneficiary of "Fiducie T2Green", which holds 948,436 common shares of the Corporation. Said shares are included in the number of shares hereabove stated.

The following table sets forth the name of the person proposed to be nominated by the executive officers for election as directors along with relevant information:

Name and position	Main occupation	Number of common shares held or controlled
<p><b>Denis BERTRAND</b><sup>(2)(3)</sup> Québec/Canada</p> <p>President and Chief Executive Officer</p> <p>Director since October 7, 2005</p>	<p>Since October 2005, Mr. Bertrand is the President and Chief Executive Officer of the Corporation and of its subsidiaries. Mr. Bertrand was the President and Chief Executive Officer of P.N.S. Cast Iron Ltd. until August 2004. He has been the General Manager of Société d'ingénierie de véhicules spécialisés (a division of Decoma International Inc.) from July 1995 to December 1999 and from January 2000 to July 2004, Mr. Bertrand was the Vice-President, Operations, of Groupe Bocenor Inc., a company whose shares are traded on the Toronto Stock Exchange. From 1998 to 2002, Mr. Bertrand has been a Director of Altitude Ventures Capital Corporation (today known as D-Box Technologies Inc.), a company whose shares are traded on the TSX Venture Exchange.</p>	5,542,301
<p><b>Gérald DÉSORDY</b><sup>(1)</sup> Québec/Canada</p> <p>Director since December 14, 2005</p>	<p>Since February 2003, Mr. Désourdy is the President and Chief Executive Officer of HLT Energies Inc., a manufacturer of solar thermal collectors, as well as, a solar thermal energy Producer and Distributor. Mr. Désourdy is also President of Nevé Inc. (since September 1996) and of Aramon Inc. (since April 2002).</p>	0
<p><b>Bruno DOYON</b><sup>(1)(3)</sup> Québec/Canada</p> <p>Secretary</p> <p>Director since October 7, 2005</p>	<p>Mr. Doyon is the Vice-President, Sales, Metal Division, and Director and Secretary of the Corporation. Mr. Doyon is an employee of P.N.S. Cast Iron Ltd. since June 1992.</p>	5,587,301 <sup>(4)</sup>
<p><b>Claude DUPUIS</b><sup>(2)(3)</sup> Québec/Canada</p> <p>Director since December 14, 2005</p>	<p>Since August 2003, Mr. Dupuis is the General Manager of the Sectorial committee of manpower in the industrial metal production (CSMOFMI). The mission of the CSMOFMI consists in supporting and consolidating the dialogue between the various actors of the manufacturing of metal products, manufacturing of machines and manufacturing of transportation of material industry in order to allow said actors to take charge of the competitiveness and labour of these industries. Since 1996, Mr. Dupuis is a member of the CSMOFMI's Board of Directors. From 1999 to November 2003, he was the Chairman of the Board of Directors. From February 2003 to June 2003, he assumed the leadership of Nado Inc. for a four-month interim period in the absence of its President. Before that, Mr. Dupuis had been Vice-President of operations of R&amp;M Métaltek Inc. from April 1989 to October 2002. He was also a member of the Board of Directors of that company from September 1994 until the sale of R&amp;M Métaltek Inc. in January 1999.</p>	75,000

Name and position	Main occupation	Number of common shares held or controlled
<p><b>Michel LESAGE<sup>(1)</sup></b> Québec/Canada</p> <p>Director since October 7, 2005</p>	<p>Since October 2002, Mr. Lesage is President of Blue Ship Investments Inc., a financial valuation and investment company. In January 1998, he joined Blue Ship Investments Inc. as a financial analyst. Before that, Mr. Lesage worked for CIBC Bank, HSBC Bank and for the accounting firm Samson Bélair Deloitte &amp; Touche. Mr. Lesage is a director of Ergoresearch Ltd. since June 2005, of Typhoon Exploration Inc. since December 2002, of D-Fense Capital Ltd. since February 2005 and of Vigil Locating Systems Corporation since 1998. Mr. Lesage has been on the Board of Directors and Secretary of Garda World Security Corporation from August 1999 to July 2003, a company whose shares are traded on the Toronto Stock Exchange and he has been on the Board of Directors of Techcana Inc. from January 2001 to October 2003, of Wild Grizzly Venture Capital Inc. between 1997 and 1999, of Corporation Cogivar between June 2004 and March 2005, of Alphinet Inc. between July 2004 and April 2005 and of Cagim Real Estate Corporation between September 2004 and January 2005.</p>	1,554,000 <sup>(5)</sup>
<p><b>Neeman MALEK<sup>(2)</sup></b> Québec/Canada</p> <p>Director since December 14, 2005</p>	<p>Since February 1991, Mr. Malek is Vice-President and General Manager of Soforth Ltd., a management consultant company, and of Société Industrielle Unique Ltée, a corporation working in the design and marketing of parts for the door and window industry. Mr. Malek is also Vice-President of Federal Weather Strips Inc. since 1991, a manufacturing company of components for the cold shaping of metals for the door and window industry.</p>	50,000
<p><b>Steve SAMSON</b> Québec/Canada</p> <p>Proposed director</p>	<p>Mr. Samson is the Sales Controller of Pagna Composites Inc., a manufacturing and repair of fibreglass parts company, since June 2004. Before that, he was the General Manager of Translab from September 2000 to June 2004.</p>	135,000 <sup>(6)</sup>

(1) Member of the Audit Committee.

(2) Member of the Human resources and Compensation Committee.

(3) Member of the Candidacy and Governance Committee.

(4) This number includes 948,436 shares held by "Fiducie T2Green", the main beneficiary of that trust being Mr. Doyon.

(5) The 1,554,000 shares are held by Blue Ship Investments Inc., a company controlled by Michel Lesage.

(6) The 135,000 shares are held by 9165-9474 Quebec Inc., in which Mr. Steve Samson holds 50% of the issued and outstanding shares.

Each nominee has personally supplied the information concerning the common shares over which he, directly or indirectly, has control.

None of the proposed directors has in the last 10 years: (i) been a director or officer of a company subject to a cease of trade or similar order issued by a securities or regulatory authority at any time, (ii) been a director or officer of a company declared bankrupt or insolvent within a year of ceasing to act as an officer or director, or (iii) been personally bankrupt or insolvent, to the

exception of Mr. Steve Samson who experienced a bankruptcy on November 17, 2000. He has been discharged of said bankruptcy on August 18, 2001.

Mr. Michel Lesage and Blue Ship Investments Inc are currently the object of statutory offence proceedings instituted by “L’Autorité des Marchés Financiers” before the Court of Quebec (Criminal and Penal Division, Judicial District of Montreal). Mr. Lesage is accused of having assisted Corporation Stratégique SPJ to distribute a form of investment without having a prospectus for which a receipt has been issued by “L’Autorité des Marchés Financiers”. Blue Ship Investments Inc. is accused of having acted as a securities dealer without being registered as such with “L’Autorité des Marchés Financiers”. However, Mr. Lesage and Blue Ship Investments Inc. have plead not guilty and are vigorously contesting these proceedings through their respective lawyers.

**The persons designated in the accompanying form of proxy will vote in favour of the election of DENIS BERTRAND, GÉRALD DESOURDY, BRUNO DOYON, CLAUDE DUPUIS, MICHEL LESAGE, NEEMAN MALEK AND STEVE SAMSON, as directors of the Corporation, unless the shareholder specifies in the form of proxy that he wishes to withhold authority to vote in favour of such nominees.**

### Executive Compensation

The following table sets forth the total compensation awarded or paid to the President and Chief Executive Officer as well as to the Vice-President, Finance:

Name and Position	ANNUAL COMPENSATION				LONG-TERM COMPENSATION			All Other Compensation (\$)
	Year	Salary (\$)	Bonus (\$)	Other Announcer Annual Compensation (\$)	Awards		LTIP Payouts (\$)	
					Under Options (SARS)	Restricted Shares (\$)		
<b>Denis BERTRAND</b> President and Chief Executive Officer	2006	130,000	--	2,732 <sup>(1)</sup>	250,000	--	--	--
<b>Bertrand CÔTÉ</b> Vice-President / Finances	2006	69,231 <sup>(2)</sup>	--	--	100,000	--	--	--

(1) Fringe benefits

(2) Mr. Côté has been hired by the Corporation on July 18, 2005.

The Corporation has signed, in October 2005, with the President and Chief Executive Officer and with the Vice-President, Finance, employment agreements for an unspecified duration which may be terminated by the Corporation without cause upon prior notice of eighteen (18) months or payment of a severance payment equal to eighteen (18) months of salary for Mr. Bertrand, and a prior notice of twelve (12) months or payment of a severance payment equal to twelve (12) months of salary for Mr. Côté. Each agreement provides a basic salary, incentive pay (pay for

performance) payable when specific annual performance results are reached, as well as a share purchase option. In some circumstances and within a specific delay, Mr. Bertrand and Mr. Côté may avail themselves of the payment of a severance payment equal to twelve (12) months of salary in case of a change of control of the Corporation or the sale of its assets.

### Grant of Stock Options in the last completed financial year

The following table sets forth information regarding grants of stock options made to executive officers during the last financial year ended April 30, 2006:

Name	Securities Under Granted Options (#)	% of the Total Security Under Options Granted to Employees	Exercise Base Price (\$ / security)	Market Value of Securities Under Options on the Date of Grant (\$ / security)	Expiry Date
Denis BERTRAND	250,000	32%	\$0.40	\$0.40	2010-10-06
Bertrand CÔTÉ	100,000	13%	\$0.40	\$0.40	2010-10-06

### Aggregate number of Stock Options exercised during the last completed financial year and Option Value at the end of such financial year

The following table sets forth information pertaining to securities acquired through the exercise of stock options by each executive officer during the last financial year ended on April 30<sup>th</sup>, 2006 including the number of shares under options, and the total value realized at the time of exercise:

Name	Securities Acquired at the Time of the Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at the End of Financial Year (#) Exercisable / Unexercisable	Value of Unexercised in-the-money Options at Financial Year End (\$) Exercisable / Unexercisable
Denis BERTRAND	--	N/A	83,334 / 166,666	\$43,333.68 / \$86,666.32
Bertrand CÔTÉ	--	N/A	33,334 / 66,666	\$17,333.68 / \$34,666.32

### Compensation for outside Directors

During the financial year ended April 30, 2006, the outside directors received no remuneration other than the granting of stock options at the closing of the qualifying transaction of the Corporation in October 2005 and as provided for in the table below:

Name	Number of Options Granted During the Last Fiscal Year	Exercise Base Price (\$ / Security)	Expiry Date	Unexercised in-the-money Options at Financial Year End (\$) Exercisable / Unexercisable
Gérald DÉSORDY	100,000	\$0.40	2010-10-06	\$17,333.68 / \$34,666.32
Bruno DOYON	250,000	\$0.40	2010-10-06	\$43,333.68 / \$86,666.32
Claude DUPUIS	100,000	\$0.40	2010-10-06	\$17,333.68 / \$34,666.32
Michel LESAGE	150,000	\$0.40	2010-10-06	\$26,000.00 / \$52,000.00
Neeman MALEK	100,000	\$0.40	2010-10-06	\$17,333.68 / \$34,666.32

### Securities authorized for issuance under Stock Option Plans

In accordance with the Corporation's compensation plans, only the Stock Options Plan granted to directors, officers, employees and consultant of the Corporation and adopted on October 7, 2005 (the "Plan") allows for the issuance of shares of the capital stock of the Corporation. The following table presents the information required in accordance with the applicable legislation:

Type of plan	Number of shares to be issued upon the exercise of the options or warrants or other outstanding rights (a)	Exercise Average Blended Price (\$ / options, warrants / outstanding rights) (b)	Number of outstanding shares to be issued in accordance with the Stock Option Plan (excluding the shares mentioned in columns (a) and (b))
Stock Option Plan approved by the shareholders	N/A	N/A	N/A
Stock Option Plan not approved by the shareholders	1,575,000	\$0.42	423,607
<b>Total :</b>	1,575,000	\$0.42	423,607

The Plan is available for consultation on the SEDAR Website ([www.sedar.com](http://www.sedar.com)) and a copy of said plan will be provided quickly, without cost, to the shareholders upon request.

### 3. APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION

The auditors of the Corporation are Demers Beaulne, LLP, chartered accountants, of Montreal, Province of Quebec.

The management proposes that PricewaterhouseCoopers LLP, chartered accountant of the City of Quebec, Province of Quebec, be appointed as the new auditors of the Corporation for the financial year ending April 30, 2007. The notice of change of auditors sent to the latter by the Corporation is attached to this Circular as Schedule A. If the proposal to change the auditors

is approved by the shareholders, Demers Beaulne's mandate will expire at the shareholders Meeting.

The approval of the shareholders will also authorize the Board of Directors to set the auditors' remuneration.

**The persons designated in the accompanying form of proxy will vote in favour of the appointment of PricewaterhouseCoopers LLP, as auditors of the Corporation and in favour that the Board of Directors be authorized to set the auditors' remuneration, unless authority to vote in respect thereof is withheld.**

#### **4. STOCK OPTION PLAN**

The Plan aims at the following group of persons: officers, directors, employees and consultants. All the options granted under the terms of the Plan may be exercised within a maximum of a five-year period starting on the date of the grant. The Board of Directors designates the optionees and determines the number of common shares involved in each of these options, date of purchase, exercise price, expiry date, vesting requirements and the restrictions to the exercise of said options. The stock acquisition price must not be less than the discounted market price on the day prior to the date of grant of these options. The options granted shall be held for at least four month from the date of grant when the exercise price is determined on the basis of the discounted market price.

The maximum number of common shares that can be issued under the Plan was established at 10% of the issued and outstanding shares of capital stock. It is a variable Stock Option Plan. For any 12-month period, the maximum number of stock options that may be granted to a Corporation officer, director or employee may not exceed 5% of all outstanding common shares. In the case of employees who provide investor relations activities, consultant as well as investor relation services providers; a maximum of 2% of the issued and outstanding shares of capital stock may be issued individually.

In accordance with the TSX Venture Exchange Policy 4.4, this plan is subject to approval by shareholders at each annual meeting, whether or not amended in the meantime. As of this date, considering the private placements that occurred since October 7, 2005, a maximum of 3,403,152 common shares could be issued under the Plan. Of that number, 1,575,000 stock options, on an actual possible number of 1,998,607 stock options, have been granted to directors, officers, employees and consultant of the Corporation, each option allowing the holder to subscribe to one common share of the capital stock of the Corporation.

Therefore, the management of the Corporation asks the shareholders to adopt the following resolution:

#### **BE IT RESOLVED:**

1. **TO APPROVE** the Stock Option Plan as adopted by the directors of the Corporation on October 7, 2005; and
2. **TO AUTHORIZE** the Corporation to increase to 3,403,152 the number of stock options which can be issued under the Plan, being 10% of the issued and outstanding shares of capital stock of the Corporation.

**The persons designated in the attached form of proxy will vote in favour of the approval of the Stock Option Plan and of the increase of the number of stock options which can be issued thereunder, unless otherwise instructed by the shareholder in form of proxy to either vote against or withhold his voting rights on such resolution.**

## OTHER BUSINESS

Management is not aware of any matters that may be brought before the Meeting other than those set forth in the notice of Meeting. However, if a new matter of which the Meeting has no knowledge is properly submitted to the Meeting, in that case, a motion may be made and the designated proxy in the attached form of proxy shall use his best judgment to vote on such motion.

## OFFICERS AND OTHER PERSONS HAVING AN INTEREST IN SIGNIFICANT OPERATIONS

On January 8, 2004, Blue Ship Investments Inc. signed an agreement with 6172407 Canada Inc., a wholly-owned subsidiary of the Corporation, by virtue of which Mr. Michel Lesage, director of the Corporation, shall assist the Corporation with its organization and financing strategies in order to eventually be listed on a stock exchange. For its services, Blue Ship Investments Inc. receives a compensation of \$100,000.00 payable in 24 equal consecutive monthly installments of \$4,167.00 plus taxes, starting January 2005.

This Agreement was terminated in December 2005 and payment of the fees has been spread out from January 2004 to December 2006.

## AUDIT COMMITTEE

### A) Rules of the Audit Committee

The Audit Committee is presently working on the elaboration of its rules and proceedings and is in compliance with the provisions of the regulation and National Instrument 52-110 Respecting Audit Committees (the "**Regulation 52-110**") as for its composition, its responsibilities and its powers.

### B) Composition of the Audit Committee

Mr. Gérald Désourdy, Mr. Michel Lesage and Mr. Bruno Doyon, are the members of the Audit Committee. Mr. Désourdy is an independent director of the Corporation. Mr. Doyon and Mr. Lesage are not independent directors since Mr. Doyon is Vice-President of Sales, Metal Divisions of the Corporation and Mr. Lesage is a consultant for the Corporation (see section "*Officers and Other Persons Having an Interest in Significant Operations*"). The Board of Directors of the Corporation is of the opinion that the members of the Audit Committee have the relevant financial experience by their academic training and their business experiences.

### C) Relevant Education and Experience

The relevant education and experience of each member of the Audit Committee are:

Since February 2003, Gérald Désourdy is President and Chief Executive Officer of HLT Energies Inc. Mr. Désourdy is also President of Névé Inc. since September 1996 and of Aramon Inc. since April 2002. Mr. Désourdy has obtained a Bachelor's degree in Commerce from University of Ottawa in 1969.

Since October 2005, Bruno Doyon is a director and the secretary of the Corporation and of its subsidiaries and he is also the Vice-President of Sales, Metal Divisions of the Corporation. In 1983, Mr. Doyon obtained a Bachelor's degree in Pedagogy and Education from Laval University.

Since October 2002, Mr. Lesage is President of Blue Ship Investments Inc. In January 1998, he joined Blue Ship Investments Inc. as a financial analyst. Before that, Mr. Lesage worked for CIBC Bank, HSBC Bank and for the accounting firm Samson Bélair Deloitte & Touche. Mr. Lesage is a director of Ergoresearch Ltd (since June 2005), Typhoon Exploration Inc. (since December 2002), D-Fense Capital Ltd (since February 2005) and of Vigil Locating Systems Corporation (since 1998). Mr. Lesage has been on the Board of Directors and secretary of Garda World Security Corporation from August 1999 to July 2003, a company whose shares are traded on the Toronto Stock Exchange and has been on the Board of Directors of Techcana Inc. from January 2001 to October 2003, of Wild Grizzly Venture Capital Inc. between 1997 and 1999, of Corporation Cogivar between June 2004 and March 2005, of Alphinet Inc. between July 2004 and April 2005 and of Corporation Cagim between September 2004 and January 2005. Mr. Lesage obtained a Bachelor's degree in Finances and Marketing from the Université du Québec à Montréal "UQAM" in 1991.

D) Use of exemptions

The Corporation avails itself of the exemption of the application of Part 3 (Composition of the Audit Committee) and of Part 5 (Reporting obligation) since it is a venture issuer, pursuant to section 6.1 of Regulation 52-110.

E) External auditors' fees

Year end	Auditing fees	Auditing services fees	Taxation services fees <sup>(1)</sup>	Other fees <sup>(2)</sup>
April 30th, 2006	\$148,254.00	n/a	\$3,800.00\$	\$25,116.00

(1) Taxation conformity services and taxation consultants' fees and disbursements.

(2) Taxation services fees and disbursements.

## CORPORATE GOVERNANCE

The Corporation is presently preparing its Corporate Governance Policy and related policies. For the purposes of this circular and the obligations contained in the Regulation and National Instrument 58-101 on Disclosure of Corporate Governance Practices, the management of the Corporation hereby includes information on its current corporate governance practices as venture issuer.

A) Board of Directors

The Board of Directors of the Corporation is composed of six (6) members of which three (3) are independent directors: Mr. Gérald Désourdy, Claude Dupuis, and Neeman Malek. Mr. Denis Bertrand and Mr. Bruno Doyon are not considered as independent directors since they are acting as Senior Managers of the Corporation. Mr. Bertrand is President and Chief Executive Officer of the Corporation, and Mr. Doyon is the Secretary and Vice-President of sales, metal divisions of the Corporation. Mr. Michel Lesage is related to the Corporation in the way indicated here before to the heading "Officers and Other Persons Having an Interest in Significant Operations".

B) Directorships

Mr. Gérald Désourdy is a director for HLT Energies 2006 Inc., a company listed on TSX Ventures Exchange (symbol : HES).

Mr. Michel Lesage is a director for the following companies:

- Vigil Locating Systems Corporation, a company listed on the TSX Ventures Exchange (symbol : VIG);
- D-Fense Capital Ltd., a company listed on the TSX Ventures Exchange (symbol: DFC.P);
- Ergoresearch Ltd., a company listed on the TSX Ventures Exchange (symbol : ERG);
- Typhoon Exploration Inc., Company listed on the TSX Ventures Exchange (symbol : TOO).

C) Orientation and Continuing Education

The Board of Directors constituted in June 2006 the Candidatures and Governance Committee of the Corporation having for mandate to prepare the corporate governance policy and its related policies related to orientation and continuing education of the Corporation's directors.

D) Ethical Business Conduct

The Corporation did not as of this day adopt a formal code of ethics. However it is in the intention of the directors to establish internal practices and policies aiming at the disclosure, the confidentiality and operations on its securities for its employees, including the employees of its subsidiary companies.

E) Nomination of directors

As mentioned at item C) "Orientation and Continuing Education", the Board of Directors created the Candidacy and Governance Committee which will assume, amongst other things, the recruitment of the directors of the Corporation.

F) Compensation

The Board of Directors constituted in June 2006 the Human Resources and Compensation Committee having, amongst other, for mandate to establish the directors and chief executive officer's compensation policy.

G) Evaluation

The Candidacy and Governance Committee has, amongst others, a mandate to establish a policy for the evaluation of the effectiveness and contribution of the Board of Directors, of all the Board of Directors committees and of each of the directors.

### **AVAILABLE DOCUMENTS**

The Corporation shall provide, free of charge, to any person or company, upon request to the Corporation at 1190, rue Principale, Saint-Agapit (Québec) G0S 1Z0, a copy of the following documents:

- the last annual report, including a comparative financial statements of the Corporation for its most recently completed financial year, the Auditors report as well as management discussion and analysis thereon; and
- the previous year's Management Proxy Circular.

The financial information of the Corporation is available in its comparative financial statements and in the last annual report. These documents as well as additional information about the Corporation are also available on SEDAR website at [www.sedar.com](http://www.sedar.com). All of our press releases are also available on the SEDAR website.

#### **APPROVAL OF THE CIRCULAR**

The Board of Directors of the Corporation has approved the content of this Circular and its expedition to the shareholders.

DATED at Quebec on August 24, 2006.

*(S) Denis Bertrand*

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**DENIS BERTRAND**  
President and Chief Executive Officer

**SCHEDULE "A"**

**NOTICE OF CHANGE OF AUDITORS**



Quebec, August 22, 2006

**Demers Beaulne, LLP**

1100, René-Lévesque Blvd, West, 20<sup>th</sup> Floor  
Montreal (Quebec) H3B 4N4

and

**PricewaterhouseCoopers, LLP**

Place de la Cité, Tour Cominar  
2640, Laurier Blvd, suite 1700  
Sainte-Foy (Quebec) G1V 5C2

SUBJECT : Change of Auditors Notice

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Dear Sir or Madam :

The present notice is hereby given by Sigma Ventures Inc. (the "**Company**") in compliance with Regulation 51-102 respecting Continuous Disclosure Obligations:

1. The Company does not consider recommending the reappointment of Demers Beaulne, LLP (the "**Former auditors**") as auditors, since their appointment fails due at the end of the last fiscal year on April 30, 2006 (the "**Last fiscal year**").
2. The Company considers recommending the appointment of PricewaterhouseCoopers, LLP as auditors at the annual shareholders meeting on October 18, 2006.
3. The Former auditors' report, for the Last fiscal year, did not contain any restriction.
4. The auditing committee and the Board of directors have approved the termination of Former auditor's appointment.
5. There was no disagreement, no consultation nor any unresolved issue between the Former auditor and the Company.
6. There has been no event to be declared in compliance with Regulation 51-102.

Please confirm to the Securities Commissions of Quebec, Alberta and British Columbia your agreement or non-agreement with the notice herein, in compliance with Regulation 51-102 and with National Instrument 51-102.

Yours truly.

**SIGMA VENTURES INC.**

*(S) Bruno Doyon*

By : \_\_\_\_\_  
Bruno DOYON, Secretary