

NORMISKA CORPORATION

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

THIS INFORMATION CIRCULAR (THE "CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF NORMISKA CORPORATION (THE "CORPORATION") OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION TO BE HELD ON TUESDAY MARCH 28, 2002, AT THE HOUR OF 3:30 O'CLOCK IN THE AFTERNOON, LOCAL TIME, AT THE CORPORATIONS OFFICES AT 6465 MILLCREEK DRIVE, MISSISSAUGA, ONTARIO, L5N 5R3 FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF MEETING. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by regular employees and Directors of the Corporation at a nominal cost. The cost of any such solicitation by management will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are Directors and Senior officers of the Corporation. A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM AT THE MEETING MAY DO SO BY INSERTING SUCH PERSON'S NAME, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND, IN EITHER CASE, DELIVERING THE COMPLETED PROXY TO THE SECRETARY OF THE CORPORATION AT AT 6465 MILLCREEK DRIVE, MISSISSAUGA, ONTARIO, L5N 5R3 OR TO EQUITY TRANSFER SERVICES INC., SUITE 420, 120 ADELAIDE STREET WEST, TORONTO, ONTARIO M5H 4C3, PRIOR TO THE MEETING IN ORDER FOR THE PROXY TO BE VOTED. A Proxy must be executed by a shareholder or his attorney authorized in writing or, if executed by a body corporate, by an Officer or Attorney thereof, duly authorized.

Any Shareholder giving a Proxy may, in addition to any other manner permitted by law, revoke the Proxy by depositing an instrument in writing executed by the Shareholder or by his Attorney authorized in writing, or if the Shareholder is a body corporate, by an Officer or Attorney thereof duly authorized, at the head office of the Corporation or Equity Transfer Services Inc., at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the Proxy is to be used or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly executed Proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder giving the Proxy on any ballot that may be called for, and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. IF NO CHOICE IS SPECIFIED, THE SHARES REPRESENTED BY SUCH PROXIES WILL BE VOTED IN FAVOUR OF THE MATTER IDENTIFIED IN THE NOTICE OF MEETING.

THE ENCLOSED FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. HOWEVER, IF OTHER MATTERS WHICH ARE NOT KNOWN TO THE MANAGEMENT OF THE CORPORATION SHOULD COME BEFORE THE MEETING, THE SHARES REPRESENTED BY ANY PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS NAMED THEREIN.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of unlimited common shares without nominal or par value of which the Corporation has outstanding 9,209,344 common shares as of the date hereof, each carrying the right to one vote per share.

The Board of Directors of the Corporation has fixed February 21, 2002 as the Record Date for the purpose of determining the shareholders entitled to receive notice of the Meeting. The Corporation will prepare a list of shareholders as at the Record Date. In accordance with the voting rights attaching to the common shares, each shareholder named in the list will be entitled to vote, on all resolutions put forth at the Meeting for which such shareholder is entitled to vote, the shares shown opposite his or her name on the said list, except to the extent that (i) the shareholder has transferred his or her shares after the Record Date; and (ii) the transferee of those shares produces properly endorsed share certificates or otherwise establishes that he or she owns the shares and demands, not later than 10 days before the Meeting, that his or her name be included in the list of shareholder before the meeting, in which case the transferee will be entitled to vote his or her shares at the Meeting. The failure of a shareholder to receive the Notice of Meeting does not deprive him or her of the right to vote at the Meeting.

To the knowledge of the Directors and Senior Officers of the Corporation, no person or company beneficially owns, directly or indirectly, or has control or direction over, directly or indirectly, greater than 10% of the outstanding voting shares of the Corporation as of the date hereof, except for Mr. David Graham who holds 941,188 common shares representing 10.3% of those outstanding, and Mr. John Arnold who holds 1,084,789 common shares, representing 11.8% of those outstanding.

ELECTION OF DIRECTORS

Management has nominated seven (7) persons as directors. The persons named in the enclosed form of Proxy intend to vote for the election of the nominees whose names are set forth below, all of whom are now members of the Board of Directors and have been since the dates indicated. Management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of Proxy reserve the right to vote for another nominee in their discretion. Each Director elected will hold office until the next Annual Meeting and until his successor is duly elected, unless his office is earlier vacated in accordance with the By-laws of the Corporation.

The following table and note thereto state the names of all the persons proposed to be nominated for election as Directors, their principal occupation or employment for the past five years, the year in which they became Directors of the Corporation, and the approximate number of shares of the Corporation beneficially owned, directly or indirectly, by each of them as of February 21, 2002. The Corporation does not have an executive committee of the board of directors and members of the audit committee are indicated by an asterisk.

NAME	NUMBER OF SHARES	CHIEF OCCUPATION
David Graham Toronto, Ontario President Director since 1997	951,188	President of the Corporation and Normiska Peat Inc. President of R. Bruce Graham and Associates Ltd. Geological Consultants.
John M. Arnold* Guelph, Ontario Chairman Director since 1983	1,173,789	Natural Resource Executive.
William E. Bateman * Toronto, Ontario Director since 1989	156,534	Barrister and Solicitor in private practice in Toronto
Hugh Harbinson* Toronto, Ontario Director since 1998	5,000	Mining Executive. Chairman of Queenston Mining Inc.
Neil McKeown Toronto, Ontario Vice President Director since 1998	500	Agribusiness Specialist Previously President of Pestell Agri-Products

Clare A. Brunetta Fort Frances, Ontario Director since 1999	11,000	Barrister and Solicitor in private practice in Fort Frances
James R. Barta Freemont, Nebraska, U.S.A. Director since 2001	2,857,142	President, SAV-RX Div. A&A Drug Company

Note: The information as to shares beneficially owned not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.

CONSULTANTS TO THE COMPANY

Mr. Bert Swanson, Ph. D., Horticultural Consultant

STATEMENT OF EXECUTIVE COMPENSATION

The information contained is provided as required under Form 40 contained in the Regulations under the Ontario Securities Act (the "Policy") for Small Business Issuers, as such term is defined in the Policy.

Summary Compensation Table

The following information is provided for David Graham, John Arnold and Neil McKeown, for the fiscal periods ended October 31, 1998, 1999 and 2000:

<u>Name and Principal Position</u>	<u>Year</u>	<u>Long Term Compensation</u>			<u>Shares Under Options</u>
		<u>Fees</u>	<u>Bonus</u>	<u>Compensation</u>	
David Graham President and Chief Executive Officer	1998	\$66,000	Nil	Nil	75,000
	1999	\$44,700	Nil	Nil	75,000
	2000	\$46,000	Nil	Nil	325,000*
	2001	\$72,000	Nil	Nil	Nil
John Arnold Chairman	1998	\$46,000	Nil	Nil	75,000
	1999	\$30,000	Nil	Nil	75,000
	2000	\$42,000	Nil	Nil	325,000*
	2001	\$72,000	Nil	Nil	Nil
Neil McKeown Vice President	1998	\$77,500	Nil	Nil	50,000
	1999	\$85,000	Nil	Nil	50,000
	2000	\$58,000	Nil	Nil	75,000
	2001	\$90,000	Nil	Nil	Nil

*See Specific Options,
page 5

Management Contracts

Mr. Arnold and Mr. Graham have management contracts with the Company dated December 14, 2000

Stock Option Plan

The Corporation has a stock option plan (the "Plan") relating to the common shares of the Corporation. Eligibility for participation in the Plan is restricted to directors, officers and other key employees of the Corporation and its subsidiaries and consultants. The number of common shares subject to options granted under the Plan (and under all other management options and employee stock purchase plans) is limited to 1,100,000 common shares in the aggregate, and 5% of the issued capital with respect to any one optionee, at the date of the grant. The price of the options is the market price of the common shares at the time the option is granted, subject to any reduction permitted under regulatory policies. Options issued under the Plan may be exercised during a period determined by the board of directors which cannot exceed five years and are subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be a director and/or officer of the Corporation, or upon the retirement, permanent disability or death of an optionee. The options are non-transferable.

Stock Options Granted During The Year Ended October 31, 2001

No stock options were granted during the year.

Specific Options Granted During The Year Ended October 31, 2001

Mr. Arnold and Mr. Graham were granted specific options on March 13, 2000 to acquire an aggregate of 500,000 common shares at \$0.95 expiring March 13, 2002 in respect of the pledge of these officers of personal assets for security required by the Laurentian Bank in connection with the repayment of a portion of the Laurentian Bank loan.

In addition Goepel McDermid was issued options to buy 66,316 common shares, exercisable at \$0.95, 58,421 expiring March 14, 2002 and 7,895 expiring July 10, 2002.

Stock Options Exercised as at October 31, 2001

There were no stock options exercised during the year.

The total number of common shares subject to options as of February 21, 2002 was 920,000. A summary of options to purchase common shares as of February 21, 2002 is set forth below.

<u>Number of Optionees</u>	<u>Common Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Directors and Officers	250,000	\$1.00	Jan 14, 2003
	25,000	\$0.70	Apr 22, 2004
	75,000	\$1.00	Mar 13, 2005
	120,000	\$0.90	Mar 13, 2005
	20,000	\$0.90	May 4, 2005
Others	250,000	\$1.15	Mar 13, 2005
	70,000	\$0.75	Sep 29, 2004
	100,000	\$0.95	Mar 13, 2005
	10,000	\$0.90	Mar 13, 2005

Compensation of Directors

No compensation is paid by the Corporation to directors of the Corporation or its subsidiaries for attending meetings of the Board or a committee of the Board.

The Corporation does not have a compensation committee. The duties of such a committee are carried out by the board of directors. The board of directors meets on compensation matters as and when required with respect to executive compensation. Compensation for Executive Officers is comprised of salary or professional consulting fees and long term incentive. In establishing compensation, the objective is to set levels which over time will be comparable with other employment opportunities for Executives. Individual salary or professional consulting fees and long term incentives (stock options), recognize performance and length of service.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Toronto Stock Exchange Committee on Corporate Governance Canada has issued its final report (the "TSE Report") containing a series of guidelines for effective corporate governance. These guidelines (which are not mandatory) deal with the independence from management and other matters relevant to the issue of corporate governance. "Corporate Governance" as used in the TSE Report means the process structure used to direct and manage the business and affairs of a corporation with the objective of disclosure be made by each listed company of its corporate governance system with reference to the guidelines set out in the TSE Report.

The Board of Directors of the Corporation has reviewed the recommendations contained in the TSE Report with a view to (i) assessing the current corporate governance practices of the Corporation's Board of Directors and management; and (ii) considering whether to adopt all or some of the guidelines contained in the TSE Report.

The Board of Directors has reviewed the corporate governance practices of the Corporation and has determined that they are adequate and appropriate for the Corporation given its size and the nature of its activities. Those functions which the TSE Report recommends be carried out by committees of the Board of Directors of the Corporation (other than the audit committee) are effectively carried out by the Board as a whole. Individual members of the Board are selected based on their specific expertise, following is a brief description of the Corporation's business and the market in which it operates. The Directors will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as they deem appropriate.

MANDATE OF THE BOARD

The directors of the Corporation manage and supervise the management and business affairs of the Corporation.

During the last completed financial year there were six meetings of the Board. The frequency of the meetings is contingent upon the current business operations being carried out by the Corporation. Numerous ad hoc consultations with various board members also occurred during the past year in order to apprise members of current events, seek advice and receive opinions. The Corporation's Board has been structured in such a fashion that each member is both able and expected to lend support relative to his business, technical or professional background.

COMPOSITION OF THE BOARD

During 2001 the Board was comprised of seven (7) members, four of whom qualify as unrelated directors. An unrelated director is defined as a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholdings.

The Board considers Mr. Hugh Harbinson, Mr. Clare Brunetta, Mr. James Barta and Mr. William Bateman to have been unrelated directors as they do not work for the Corporation, nor do they have an interest in any transactions with the Corporation. Messrs. Bateman and Brunetta act as legal counsel to the Corporation and are paid legal fees for their services.

INDEPENDENCE FROM MANAGEMENT

The Board believes that it fulfils its duties and responsibilities independently of management.

Three of the Board will be outside and unrelated directors and all directors are expected to exercise critical judgment. The Board establishes its own policies, procedures, practices and deliberations concerning the business and affairs of the Corporation.

The Corporation has not implemented a system which enables an individual director to engage an outside adviser at the expense of the Corporation and believes that such a system is not necessary given the size of the Corporation.

COMMITTEES

The only committee of the Board currently in place is an audit committee. The function of the audit committee is to review the Corporation's annual and interim financial statements and make recommendations to the Board with respect to such statements, and to oversee management's responsibilities for report on the internal controls. The audit committee met once during the financial year ended October 31, 2000.

The audit committee functions independently given that it is comprised of three directors, a majority of whom are outside and unrelated directors.

DECISIONS REQUIRING PRIOR BOARD APPROVAL

In addition to matters which must be approved by the Board, management of the Corporation must seek Board approval for those transactions that would materially affect the financial position of the Corporation.

DIRECTOR RECRUITMENT AND BOARD ENHANCEMENT MEASURES

The Board has not adopted any formal policy for the recruitment of directors or evaluation of the Board's effectiveness.

SHAREHOLDER COMMUNICATIONS

In addition to its required public filings, the Corporation regularly communicates with its shareholders and the investment community by use of its quarterly reports, annual reports and press releases. All communications from shareholders are referred to the appropriate corporate officer for response.

BOARD'S EXPECTATION OF MANAGEMENT

Management is expected to implement the policies of the Board and report to the board the result of the implementation of those policies. The Board does not participate in the day to day management of the Corporation. The Board looks to management to provide it with the information needed to carry out its mandate.

APPOINTMENT OF AUDITORS

Unless such authority is withheld, the persons named in the enclosed Instrument of Proxy intend to vote for the appointment of Messrs. Moore Stephens Cooper Molyneux LLP, Chartered Accountants, Toronto, Ontario as auditors of the Corporation to hold office until the next Annual Meeting of Shareholders and to authorize the directors to fix their remuneration.

APPROVAL OF FUTURE PLACEMENTS

The regulatory policies governing the Corporation require that shareholder approval be given to any private placement or combination of placements of securities which would have a cumulative effect of issuing greater than 25% of the issued and outstanding securities of a corporation over a six month period. Management wishes to have flexibility to negotiate for private placements during the forthcoming year, and for that reason is requesting that shareholders provide their consent for private placements in excess of the 25% level. As at the date of this Information Circular the total number of common shares outstanding is 9,209,344. The receipt of prior shareholder approval would remove a necessity to seek that approval on a separate basis. Management of the Corporation seeks the authorization of the shareholders to issue additional common shares by way of private placement upon the following terms:

1. The total number of shares to be issued by way of private placements pursuant to the authorization would not exceed 5,000,000 common shares;
2. The approval would extend only for a period of one year and would expire at the end of that time;
3. Placements would be made pursuant only to transactions which were substantially at arms' length;
4. No placement would be made which would materially affect control of the Corporation;
5. Placements would be made by way of private placement at a price not lower than that closing market price of the security quoted on the trading day prior to the date of notice of the placement (the "Market Price"), less any applicable discount which will not be greater than those allowed under the rules of The Toronto Stock Exchange; as follows:

MARKET PRICE	MAXIMUM DISCOUNT THEREFROM
\$0.50 or less	25%
\$0.51 to \$2.00	20%
above \$2.01	15%

Shareholders will be asked to pass a resolution authorizing the directors of your corporation to enter into agreements for such Private Placements substantially in the form of the draft resolution attached to this Information Circular as Schedule "A". The authorization with respect to private placements requires approval by greater than 50% of the shares represented at the Meeting in person or by proxy. The persons named in the accompanying instrument of proxy intend to vote for approval of the authorization for private placements unless instructions to the contrary are given.

AMENDMENT TO STOCK OPTION PLAN

The Incentive Stock Option Plan established for directors, officers and employees of the Corporation and its subsidiaries (the "Plan") provides for a maximum of 1,100,000 common shares to be reserved for issuance under the Plan, provided that no more than 10% of the number of outstanding shares could be reserved for options to insiders or to be issued to insiders within one year period and that no more than 5% of the number of outstanding shares could be issued to any one insider in any one year period. The price of options granted under the Plan is the value (eg. the prevailing market price) of the common shares at the time the option is granted. Options issued under the Plan may be exercised during a period determined by the board of directors which cannot exceed five years and are subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be a director and/or officer of the Corporation, or upon the retirement, permanent disability or death of an optionee. The options are non-transferable. There is no agreement whereunder financial assistance will be provided by the Corporation to facilitate the purchase of shares under the Plan. At no time will the aggregate number of shares reserved for issuance at any one party pursuant to the exercise of stock options be greater than 5% of the issued capital.

Management of the Corporation seeks the consent of the shareholders to an amendment to the Plan to allow an increase in the number of shares which may be issued pursuant to the terms of the Plan to 2,250,000. In the event that options to purchase 2,250,000 common shares were issued and exercised, the dilution effect would be 19.6% of the total number of shares outstanding. The Corporation has no intention of instituting a policy of providing financial assistance to optionees in order to allow them to exercise options granted. A copy of the Resolution to be presented to the shareholders is annexed hereto as Schedule "B". Approval of the Resolution to amend the Plan requires confirmation by a majority of the votes cast at the meeting. The persons named in the accompanying Instrument of Proxy intend to vote for approval of the amendment unless instructions to the contrary are given.

GENERAL

Information contained herein is given as of February 21, 2002. Management knows of no additional matters to come before the Meeting. Receipt at such Meeting of a report of the Directors and auditors and the Corporation's Financial Statements for its fiscal period ended October 31, 2001 will not constitute approval or disapproval of any matters referred to therein.

The contents and the sending of this Circular have been approved by the Board of Directors of the Corporation.

“DAVID B. GRAHAM”

DAVID B. GRAHAM, PRESIDENT

Toronto, Ontario, Canada
, 2002

SCHEDULE "A"

BE IT RESOLVED THAT the Directors of the Corporation be and they are hereby authorized to allot and issue up to 3,000,000 common shares for such consideration the Directors may in their discretion from time to time approve, provided that:

- (a) Such issue not exceed in total, the number of 3,000,000 common shares;
- (b) Such issue be undertaken during the period of one year from the passage of this resolution;
- (c) Such issues be undertaken only to persons who are substantially at arms' length;
- (d) No such issue would be undertaken which would materially affect control of the Corporation;
- (e) The maximum discounts allowed with respect to such issues shall be that allowed by the rules of the Toronto Stock Exchange which currently are as follows:

MARKET PRICE	MAXIMUM DISCOUNT THEREFROM
\$0.50 or less	25%
\$0.51 to \$2.00	20%
above \$2.01	15%

AND BE IT FURTHER RESOLVED THAT any Director of the Corporation be and they are each hereby authorized and directed to execute and deliver such documents and to do such acts and things for and on behalf of the Corporation in connection with such issues of common shares as may be necessary or desirable in order to carry out the purport of this resolution.

SCHEDULE "B"

BE IT RESOLVED THAT the Incentive Stock Option Plan of the Corporation be amended to:

1. Provide that the number of shares which may be issued thereunder be increased to 1,270,000 common shares;
2. Make such consequential amendments as may be necessary by virtue of the foregoing specific amendment.

The directors of the Corporation be and they are authorized and directed to execute and deliver such documents and do such acts and things as may be necessary or desirable to implement the approved changes in the Incentive Stock Option Plan.