MEGA URANIUM LTD.

ANNUAL INFORMATION FORM
FOR THE YEAR ENDED SEPTEMBER 30, 2011

DECEMBER 16, 2011

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GENERAL INFORMATION

References

References in this annual information form ("AIF") to "Mega", the "Company", "we", "us" and "our" refer to Mega Uranium Ltd., and its subsidiaries (as the context requires).

Date of Information

The information in this AIF is presented as at September 30, 2011 unless otherwise indicated.

NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this AIF constitutes "forward-looking information", which is information regarding possible events, conditions or results of operations that is based upon assumptions about future economic conditions and courses of action. All information other than matters of historical fact may be forward-looking information. In some cases, forward-looking information can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information in this AIF includes, but is not limited to: information about our exploration, development and production activities, including information regarding the potential mineralization and resources of our projects, statements about drill results and core intersection lengths, in that they constitute estimates, based on certain assumptions of mineralization that may be encountered if a deposit were to be mined, our exploration and development plans, including anticipated costs and timing thereof, and anticipated time to production, and expectations regarding plans for growth through future acquisitions, exploration activities, farm-ins or otherwise.

By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to differ materially from those expressed or implied by such forward-looking information. Some of the risks and other factors that could cause actual results to differ materially from those expressed in the forward-looking information contained in this AIF include, but are not limited to: risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with our expectations; risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development; the potential for delays in exploration or development activities or the completion of feasibility studies; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity price and foreign exchange rate fluctuations;

the uncertainty of profitability based upon the cyclical nature of the industry in which we operate; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities; risks related to environmental regulation and liability; political and regulatory risks associated with mining and exploration; risks related to the uncertain global economic environment; and other risks and uncertainties related our prospects, properties and business strategy.

A discussion of these and other factors that may affect our actual results, performance, achievements or financial position is contained in "Risk Factors" and elsewhere in this AIF and other documents incorporated in this AIF. Although we have attempted to identify important factors that could cause actual results or events to differ materially from those described in the forward-looking information, readers are cautioned that this list is not exhaustive and there may be other factors that we have not identified. Readers are cautioned not to place undue reliance on forward-looking information contained in this AIF. Forward-looking information is based upon our beliefs, estimates and opinions as at the date of this AIF, which we believe are reasonable, but no assurance can be given that these will prove to be correct. Furthermore, we undertake no obligation to update or revise forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

All forward-looking information contained in this AIF is expressly qualified by this cautionary note.

TECHNICAL INFORMATION AND DISCLOSURE FOR MINERAL PROJECTS

This AIF contains disclosure regarding our mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral resources may never be converted into reserves.

The disclosure in this AIF of scientific or technical information for our Lake Maitland, Ben Lomond and Georgetown (Maureen) projects is based on the technical reports described below under "Documents Incorporated By Reference", which were prepared in accordance with National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* of the Canadian Securities Administrators ("NI 43-101"), by or under the supervision of "qualified persons" under NI 43-101, or is otherwise based on information prepared by or under the supervision of Stewart Taylor, our President, who is also a "qualified person" under NI 43-101.

DOCUMENTS INCORPORATED BY REFERENCE

Information concerning certain of our mineral projects, which we are required to include in this AIF in the section entitled "Description of the Business – Mineral Projects", has been included by incorporating by reference the following documents in this AIF:

- The technical report dated September 8, 2009 and entitled "Lake Maitland – NI 43-101 Technical Report", prepared by SRK Consulting (Australasia) Pty Ltd, IMO Pty Ltd and Mega (the "Updated Lake Maitland Report").

- The technical report dated February 20, 2007 and entitled "First Time Disclosure: Mega Uranium Ltd. Mineral Resources for Lake Maitland Uranium Deposit", prepared by Hellman & Schofield Pty Ltd., but excluding all information in the report that has been updated and superseded by information contained in the Updated Lake Maitland Report (the Initial Lake Maitland Report").

- The technical report dated March 10, 2005 and entitled "Ben Lomond Uranium-Molybdenum Deposit, Queensland, Australia", prepared by Andrew Vigar and David G. Jones of Mining Associates Pty Ltd (the "Ben Lomond Report").

- The technical report dated June 25, 2008 and entitled "A Review and Resource Estimate for the Maureen Uranium-Molybdenum Deposit, North Queensland, Australia Held by Mega Uranium Ltd.", prepared by Mining Associates Pty Ltd (the "Georgetown Report").

The foregoing technical reports are available for viewing under our profile on SEDAR at www.sedar.com.

CORPORATE STRUCTURE

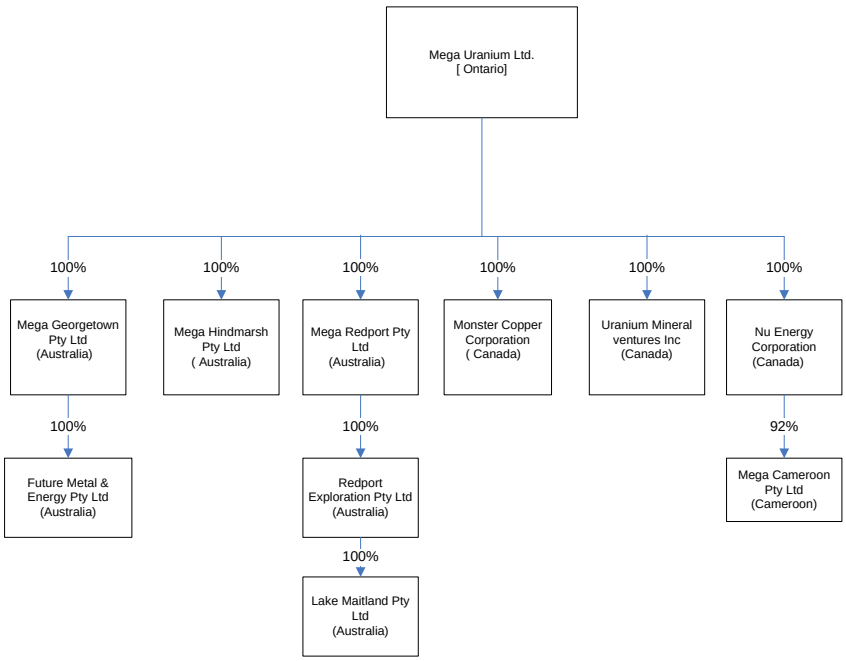
Name, Address and Incorporation

The Company was incorporated under the *Business Corporations Act* (Ontario) on January 24, 1990 under the name "Maple Minerals Corp.". By articles of amendment effective October 7, 2005, Mega changed its name to "Mega Uranium Ltd.". By articles of amendment effective August 24, 2006, Mega effected a two-for-one stock split of its common shares.

Our registered and head office is located at 130 King Street West, Suite 2500, Toronto, Ontario, Canada M5X 1A9.

Intercorporate Relationships

The following diagram highlights the current inter-corporate relationship between Mega and its principal subsidiaries and their respective jurisdictions of incorporation. Mega's ownership interests in Mega Hindmarsh Pty Ltd., Mega Redport Pty Ltd. and Nu Energy Corporation are held indirectly through wholly-owned subsidiaries of the Company.



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Details of the events that have influenced the general development of our business over our last three completed financial years are provided below. Additional information concerning our business is provided elsewhere in this AIF in the section entitled "Description of the Business".

Disposition Activity

In April 2010, we sold all of our South American assets (together with $4,000,000 in cash) to U3O8 Corp. The divestiture was part of a strategic initiative to unlock shareholder value on our non-core assets while we focus company resources primarily on the development of our Lake Maitland Project. Consideration received by Mega for the sale of the assets consisted of an aggregate of 30,564,858 common shares of U3O8 Corp., valued at $13,876,445 and representing approximately 57% of U3O8 Corp.'s then-outstanding common shares. In accordance with the terms of the sale, Mega distributed the U3O8 Shares to its shareholders by way of a dividend-in-kind paid on our common shares on April 26, 2010. Additionally, certain officers of Mega were appointed as directors of U3O8 Corp. and other individuals joined the company's management team to be involved in the strategic direction of U3O8 and continued management of the South American assets. Maple Minerals Exploration and Development Inc., Mega Uranium Argentina S.A. and Energentia Ltd., the subsidiaries of Mega which held the assets, were transferred to U3O8 Corp. under the sale, and Energentia Resources Inc. was wound up in connection with the transaction.

Financing Activity

In October 2009, we completed a public offering of units, which raised aggregate gross proceeds of $50,000,400 from the issuance and sale of 58,824,000 units at a price of $0.85 per unit. Each unit was comprised of one common share and one-half of one common share purchase warrant of Mega. Each whole warrant entitles the holder to purchase one common share of Mega at a price of $1.25, until October 26, 2014, subject to early expiry under certain circumstances. Following adjustments made to certain terms of the warrants as a result of the dividend-in-kind paid on our common shares in April 2010, each whole warrant currently outstanding entitles the holder to purchase 1.11 common shares at a price of $1.13 per common share until expiry on October 26, 2014.

In October 2010, we completed a private placement of "flow-through" units, which raised aggregate gross proceeds of $3,250,000 from the issuance and sale of 5,000,000 units at a price of $0.65 per unit. Each unit was comprised of one flow-through common share and one-half of one non-flow-through common share purchase warrant of Mega. Each whole warrant entitles the holder to purchase one common share of Mega at a price of $0.75 until expiry on April 8, 2012. As partial compensation to certain third parties who assisted us in selling the units, we also issued an aggregate of 400,000 compensation warrants, each of which is exercisable for one common share of Mega and one-half of one common share purchase warrant of Mega, at a price of $0.65, until expiry on April 8, 2012. Each whole

warrant forming part of the compensation warrants will, if and when issued, be exercisable for one common share of Mega at a price of $0.75, until expiry on April 8, 2012.

In March 2011, we completed a private placement of 6,000,000 flow-through units, which raised aggregate gross proceeds of $6,600,000 from the issuance and sale of 6,000,000 units at a price of $1.10 per unit. Each unit was comprised of one flow-through common share and one-half of one non-flow-through common share purchase warrant of Mega. Each whole warrant entitles the holder to purchase one common share of Mega at a price of $1.30 until expiry on March 14, 2013. As partial compensation to certain third parties who assisted us in selling the units, we also issued an aggregate of 360,000 compensation warrants, each of which is exercisable for one common share and one-half of one common share purchase warrant of Mega, at a price of $1.10, until expiry on March 14, 2013. Each whole warrant forming part of the compensation warrants will, if and when issued, be exercisable for one common share of Mega, at a price of $1.30 per share, until expiry on March 14, 2013.

Exploration and Development Activity

In June 2009, we received updated NI 43-101 compliant resource estimates for the Lake Maitland Project. The updated estimates reflect an increase in the contained uranium and an upgrade of the majority of the resource from inferred to indicated status. Details of the Lake Maitland project are provided elsewhere in this AIF under "Description of the Business – Mineral Projects - Lake Maitland Project".

In June 2009, the Corporation entered into joint venture and farm-in agreements with JAURD International Lake Maitland Project Pty Ltd. ("JAURD") and ITOCHU Minerals & Energy of Australia Pty Ltd. ("ITOCHU"), which are wholly-owned subsidiaries of the Japan Australia Uranium Resources Development Co. Ltd. and ITOCHU Corporation, respectively, pursuant to which JAURD and ITOCHU can farm-in and joint venture with the Corporation on its Lake Maitland Project.

Japan Australia Uranium Resources Development Co. Ltd. is a Japanese company mandated to acquire uranium resources in Australia on behalf of its shareholders, being three Japanese utilities -- The Kansai Electric Power Company, Incorporated (50%), Kyushu Electric Power Company, Incorporated (25%) and Shikoku Electric Power Company, Incorporation (15%) -- and ITOCHU Corporation (10%), one of the world's largest uranium trading houses.

Under the terms of the agreements, JAURD AND ITOCHU agreed to contribute up to an aggregate of US$49 million in three stages, in return for which JAURD AND ITOCHU will be entitled to earn a 30% and 5% interest, respectively, in the Lake Maitland Project. The first two payments were received and are being utilized to complete feasibility studies at the Lake Maitland Project. JAURD and ITOCHU may withdraw from the farm-in agreement, at their discretion at any time prior to the payment of the final installments. Upon payment of the final installments for the third stage, the parties will form a joint venture in respect of the Project.

We received notification from Foreign Investment Review Board of Australia that there were no objections to the JAURD/ITOCHU investment in the Lake Maitland Project.

In July 2009, we entered into an Indigenous contracting agreement with two 100% Indigenous-owned and operated companies, which provides for contracting, employment and training opportunities for the Indigenous people of the Eastern Goldfields area of Western Australia in connection with our Lake Maitland Project.

In October 2009, we were granted a mining lease by the Western Australian Department of Mines and Petroleum covering the majority of the currently identified uranium resource at our Lake Maitland Project. The lease will allow us to increase our development studies and testwork on site, including trenching, bulk sampling, water tests, and other design work relating to the installation of mining facilities.

The Definitive Feasibility Study for the Lake Maitland Project (the DFS), which encompasses a variety of tests and studies, commenced in October 2009. In November 2009, we lodged with the Australian and Western Australian Governments referral documents for the environmental assessment of our Lake Maitland Project. Also in November 2009, we finalized the purchase of the Barwidgee Station, the pastoral station under which the Lake Maitland Project lies. In April 2010, we received notice that the Lake Maitland Project will undergo environmental assessment under the Environmental Review and Management Programme (the "ERMP") under the Western Australian government's management, and we announced the lodging of our Environmental Scoping Document (the "ESD").

In October 2010, the Environmental Protection Authority of Western Australia approved the ESD for our Lake Maitland Project. The ESD identifies the key potential environmental impacts in connection with the Project and defines the scope of the environmental investigations and studies that will be carried out to complete the ERMP, which is the next stage in the assessment and approval process.

During the first half of calendar 2011, we continued the DFS of Lake Maitland and undertook a program of exploration drilling to test for additional uranium resources to the south and southwest of the delineated resource. We also conducted a test pit program and a disequilibrium study at Lake Maitland during the period, following the results of which a decision was made to defer the completion of the DFS pending receipt and review of a diamond drill program which commenced in the fourth quarter of calendar 2011.

Additional information concerning our exploration and development activities conducted at Lake Maitland and our other principal Australian properties is provided elsewhere in this AIF under the heading "Description of the Business – Mineral Projects".

DESCRIPTION OF THE BUSINESS

General

We are a mineral exploration and development company headquartered in Toronto, Ontario, Canada, focused on the acquisition and exploration of uranium prospective properties, with a view to eventually developing the properties, if warranted.We have acquired, and currently hold, through staking, acquisition from public or private holders, joint ventures and other option agreements, uranium resources in Australia and interests in uranium prospective projects in Australia, Canada and Cameroon, which are at various stages of maturity from grassroots to resource definition. We also have interests in base and precious metals exploration properties in Canada.

Our principal properties are located in Australia, where we have uranium resource projects and interests in exploration properties covering approximately 5,800 square kilometers of ground in Queensland, Southern Australia, the Northern Territory and Western Australia. Our uranium resources are located at our Lake Maitland, Ben Lomond and Georgetown (Maureen) Projects, all of which are owned entirely by us (subject to the rights of JAURD and ITOCHU to acquire an aggregate 35% interest in the Lake Maitland Project, as discussed earlier in this AIF under "General Development of the Business-Three-Year History-Exploration and Development Activity") and are discussed below under "Mineral Projects". Our Lake Maitland Project is our most advanced project and is at the feasibility stage.

Competitive Conditions

The mineral exploration and mining business is competitive in all phases of exploration, development and production. We compete with a number of other entities in the search for and acquisition of productive mineral properties. As a result of this competition, the majority of which may often be with companies with greater financial resources than ours, we may be unable to acquire attractive properties in the future on terms we consider acceptable. We also compete for financing with other resource companies, many of whom have greater financial resources and/or more advanced properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to us.

Our ability to acquire properties depends on our success in exploring and developing our present properties and our ability to select, acquire and bring to production suitable properties or prospects for mineral exploration and development. Factors beyond our control may affect the marketability of minerals mined or discovered by us. See "Risk Factors" in this AIF for information regarding the impact that competitive conditions may have on our business.

Environmental Protection

Our current and future operations, including development activities on our properties or areas in which we have an interest, are subject to laws and regulations governing exploration, development, tenure, productions, taxes, labour standards, occupational health, waste disposal, protection and remediation of the environment, mine safety, toxic substances and other matters.

Environmental protection requirements did not have a material effect on the capital expenditures, earnings or competitive position of Mega during our 2011 financial year and are not expected to have a material effect during our 2012 financial year.

Employees

As at September 30, 2011, we employed 22 employees and 15 consultants.

Foreign Operations

The majority of our exploration and development activities are currently conducted outside of Canada - in Australia and Cameroon. As such, we are exposed to various levels of political, economic and other risks and uncertainties, which vary from country to country. Changes in regulations or shifts in political attitudes or policies in these jurisdictions are beyond our control and may adversely affect our business. For example, changes in government policies regarding export controls, income taxes, expropriation of property, repatriation of profits, land use or environmental protection matters could negatively affect our future operations. See "Risk Factors" in this AIF for additional information regarding the risks associated with our foreign operations.

Social or Environmental Policies

As part of the proposed development of the Lake Maitland Uranium Project, Mega received approval from the Environmental Protection Authority of Western Australia ("EPA") for the Environmental Scoping Document ("ESD") for the Project. The ESD identifies the key potential environmental impacts in connection with the Project and defines the scope of the environmental investigations and studies that will be carried out to complete the Environmental Review and Management Program ("ERMP"), which is the next stage in the assessment and approval process. The ERMP is the highest level of assessment in Western Australia with a public review period of 14 weeks, during which individuals, organizations and government agencies will be able to make submissions to the EPA on the Project. Mega is targeting the release of the ERMP for public review following completion of its diamond drilling program (discussed below).

We are in the process of developing an Environmental Management System (EMS) for Mega's current exploration activities in Western Australia. The EMS will support the company's Environmental Policy and the Lake Maitland Project ERMP.

We have also developed a Communications and Social Responsibility Strategy, to ensure that we achieve positive relationships with all of our stakeholders through our commitment to considering and implementing mechanisms, which address the triple bottom line of social, economic and environmental impacts in all of our project planning.

As a result of this strategy, we have developed a Stakeholder Engagement Program for the Lake Maitland Project, which is giving consideration to all stakeholder issues at each stage of the project and is instrumental to achieving the overall success and sustainability of the project.

Our Indigenous Steering Committee continues to discuss, guide and advise us on indigenous issues related to the project, ensuring we work towards achieving long term cultural, social and economic benefits through our Indigenous Framework Agreement.

Mineral Projects

Our material mineral projects are the Ben Lomond Project, the Georgetown Project and the Lake Maitland Project, all of which are located in Australia. Information concerning these projects is discussed further below. In addition, the Company has several other non-material exploration projects in Australia, Cameroon and Canada at various stages of maturity from grassroots to resource definitions.

Ben Lomond Project

Our Ben Lomond Project is described in the Ben Lomond Report. The summary of the Ben Lomond Report provided below is taken from the Ben Lomond Report. The full text of the Ben Lomond Report is available on SEDAR at www.sedar.com under the Company's profile and is incorporated by reference in this AIF.

Ben Lomond Recent Exploration Activity

Since the completion of the Ben Lomond Report summarized below, mining lease ("ML") 1419 has been renewed for a further 10 years commencing December 1, 2004. In addition, both mining leases (ML 1419 and ML 1399) have been transferred from Afmeco Mining and Exploration Pty. Ltd. ("Afmeco") to UMVI, a wholly-owned subsidiary of Mega. No exploration work has been conducted on the property since the acquisition by the Company. In March, 2007, the Company commenced pre-feasibility study of the Ben Lomond Project, retaining Golders Associates Ltd., to determine project economics, preferred mining and processing options and key steps to mine development. An Environmental Authority has been received from the Queensland Environmental Protection Agency to allow all the proposed pre-feasibility work to proceed on the property. This includes drilling of the deposit to establish an NI43-101 compliant molybdenum resource. During fiscal 2008, the Company commenced pre-feasibility work on the Ben Lomond Project. Those studies are ongoing.

Ben Lomond Report Summary

The Ben Lomond Report is a description of the Ben Lomond uranium deposit, located in the State of Queensland, Australia. The Ben Lomond uranium-molybdenum deposit is covered by two MLs granted to Afmeco with details as follows:

Lease	Name	Granted	Expiry	Area (ha)	Owner
ML 1419	Saint Barbara	15 Nov 1982	30 Nov 2014	1982.9	UMVI (100%)
ML 1399	Ben Lomond East One	27 Mar 1980	30 Nov 2014	128.0	UMVI (100%)

ML 1399 is located approximately 60km WSW of the port of Townsville, north Queensland (see Frontispiece), and centred on latitude 19^{o}23'24"S longitude146^{o}18'50"E. ML 1399 is surrounded on three sides by the contiguous ML1419. The mineralization discovered to date, the present underground workings and the associated waste dump lie within ML 1399. ML 1399 is located on the northern face of the east-west trending Ben Lomond Ridge, part of the rugged Hervey Range.

Uranium-molybdenum mineralization was discovered by Pechiney (Australia) Exploration Pty Ltd in 1975 through ground follow-up of a radiometric anomaly detected in a fixed wing airborne radiometrics survey. In 1976-1982 the deposit and its surrounds were explored by Minatome Australia Pty Ltd (Minatome) later known as TOTAL Mining Australia Pty Ltd (TOTAL) a wholly-owned subsidiary of the French company Compagnie Francaise des Petroles (CFP). Exploration/evaluation of the deposit comprised various ground geophysical/geochemical surveys, surface drilling, underground development, underground drilling, ore resource estimation and metallurgical testing.

In 1982 Minatome completed a Feasibility Study on the deposit. A draft Environmental Impact Statement was issued by TOTAL the following year. In 1984 TOTAL submitted the Final Environmental Impact Statement to the relevant bodies. The latter document was approved by both the Queensland State and Australian Federal authorities, but in 1985 the proposed development of the project was halted by the imposition of the "Three Uranium Mines Policy" by the Federal Labour Government which had been elected in 1983. Under this new policy, no new uranium mines were permitted.

In 1994 TOTAL's worldwide uranium assets were acquired by the French company COGEMA (now a subsidiary of the AREVA Group). The Australian assets were then assigned to Afmeco, a wholly-owned subsidiary of COGEMA Australia Pty Ltd.

In 1996 the newly elected Federal Coalition Government abolished the "Three Mines Policy" and announced that new uranium mines would be allowed. A year later, in July 1997, Anaconda Uranium Corporation entered into an agreement to buy the Ben Lomond Project from Afmeco, but in December 1998 withdrew due to the depressed uranium market and political opposition to uranium mining from the newly elected Queensland State Labour

Government. Since then the project has been under care and maintenance by Afmeco, operating under an Environmental Management Overview Strategy (dated August 1996), which was approved by the Queensland Department of Natural Resources Mines and Energy, and a Plan of Operations, which was approved by the Queensland Environmental Protection Agency in 2003.

The Queensland State Government has a stated policy which does not permit the mining or processing of uranium in the State. This policy is not enacted by any legislation and may change as political circumstances change.

The Ben Lomond Project is located in the Burdekin Basin, an intracratonic extensional basin overlying the Neoproterozoic basement in the NE part of the Charters Towers Region. Early Devonian to Early Carboniferous predominantly marine or continental clastic sediments have been deposited in a series of fault-bounded sub-grabens, which developed during a period of major continental crustal extension. The sequence has been sub-divided into the basal Fanning River Group (Givetian), overlain by the Dotswood Group (Frasnian to Famennian) and the Keelbottom Group (Famennian to Tournaisian), with the Glenrock Group (Visean to Early Namurian) at the top. The Glenrock Group was also deposited in northwest-trending grabens, but consists largely of volcanic rocks.

In the middle or late Carboniferous the Burdekin Basin was subjected to major NE-SW compression resulting in the development of large scale, slightly asymmetrical, open, plunging synclines and reactivation of pre-existing faults. This tectonism was accompanied and succeeded by the intrusion of calc-alkaline, I-type subduction-related granodiorite and associated dacite in the late Carboniferous to Early Permian.

Deep normal faults developed on the flanks of the grabens have tapped a magma source which was large and remained active for a long period. Several cycles of uranium concentration and volatile saturation occurred during continued differentiation of the magma.

The resulting surface rock association in the Glenrock Group is a characteristically bi-modal basalt rhyolite suite with a high initial volatile component (water and fluorine), enriched in uranium ("U") and molybdenum ("Mo"). Economic grades of mineralization are closely related to penecontemporaneous fracturing in the silicic ignimbrite components of the volcanic pile, whereby U is leached from the rocks by meteoric water and transported as $UO_2(CO_3)_2$ and $UO_2(CO_3)_3$. Mantle-derived CO_2 was indispensable for U solubility into the CO_2-poor meteoric water. Very fine-grained pitchblende and jordisite-molybdenite are the common ore minerals.

The mineral resource estimates at Ben Lomond, based on documents supplied for the Ben Lomond Report, have been calculated on 4 separate occasions over the years 1979 to 1982. The range of resource estimates varies from a low of 4,000 tonnes contained uranium to a high of 5,400 tonnes. An independent resource calculation was conducted by the Australian Atomic Energy Commission ("AAEC") in 1982. A summary of the AAEC estimate, using a cut-off grade of 500 parts per million uranium and converted to % uranium oxide ("U_3O_8"), is tabulated below:

Category	Tonnes	%U_3O_8	Tonnes	Million lbs U_3O_8
Indicated	1,328,466	0.27	3587	7.9
Inferred	602,585	0.21	1265	2.8

The AAEC resource categories were chosen based on the Australian Joint Ore Reserves Committee ("JORC") code guidelines of the time. In the opinion of Andrew Vigar, who is a qualified person under the current JORC Code and NI 43-101, the AAEC estimate is relevant, is within the range of reliability expected for this style of deposit, uses the resource category definitions in their current context and has not been superseded by any more recent estimates. It is Messrs. Vigar and Jones' opinion that the resource estimate is compliant with the definitions under section 1.3 and 1.4 of the current NI 43-101.

In addition, the Ben Lomond Report refers to the presence of molybdenum associated with the uranium resource at Ben Lomond. The molybdenum has a similar origin, spatial distribution and grade to the uranium. The molybdenum contained within the uranium resource was estimated by Minatome in 1981 using a regression comparison with the uranium values as being 4,392 tonnes (9.8 million lbs.) at an average grade of 0.2% Mo. The reliability of these estimates is lower than for the uranium and they were not reported in the AAEC estimate noted above so Messrs. Vigar and Jones include no NI 43-101 statement of tonnage or grade in the Ben Lomond Report. Nevertheless, Messrs. Vigar and Jones are of the opinion that molybdenum credits do exist at Ben Lomond, are relevant and will be quantified by future work.

There are no landowner, Native Title or environmental issues that would inhibit advancement of the project. The Australian Federal Government has no objection to the development of new uranium mines in Australia provided they meet the stipulated environmental guidelines and the regulations regarding sale and export of product. There is, however, a major current impediment to the development of the project in the policy of the Queensland State Labour Government which does not permit the mining or processing of uranium in the State.

Because more than 20 years have elapsed since the last detailed work was done on the Ben Lomond deposit, Messrs. Vigar and Jones are not able to verify the sampling, analytical and test data underlying the resource estimate but considered them to be reliable. Messrs. Vigar and Jones conducted a detailed review of the documents underlying AAEC's estimate, which used a cut-off grade of 500 parts per million U. Messrs. Vigar and Jones reviewed the grade and volumes of mineralization and undertook a geological interpretation of the data. The opinion of Messrs. Vigar and Jones that the resource estimate is currently valid is based in large part on the high quality of the previous work done by AAEC and its thorough documentation and further based on the overall good large-scale continuity of ore and presence of significant surface outcrop and underground development. Messrs. Vigar and Jones concluded that AAEC gives a fair estimate of the available uranium resource that should be used for current project evaluation.

The current policy of the Queensland State Government does not permit the mining or processing of uranium in the State. In view of this impediment and as the findings of the 1982 Feasibility Study are no longer current and as there is potential for the discovery of additional economically mineable uranium-molybdenum mineralization along strike to the east which could have a significant impact on the project, Messrs. Vigar and Jones regard the Ben Lomond Project as being at the advanced exploration stage rather than the development stage and have reported estimates of mineral resources rather than mineral reserves as defined in the current NI 43-101. Messrs. Vigar and Jones note that, as defined in NI 43-101 clause 3.4 (e), "mineral resources which are not mineral reserves do not have demonstrated economic viability" even though the restrictions on development at the Ben Lomond Project are largely political rather than economic. Notwithstanding the present political considerations, Messrs. Vigar and Jones believe that the Ben Lomond deposit has reasonable prospects for economic extraction. No more recent estimates or data are available at this time.

Georgetown Project

Our Georgetown Project is described in the Georgetown Report. The summary of the Georgetown Report provided below under "Georgetown Report Summary" is taken from the Georgetown Report. The full text of the report is available on SEDAR at www.sedar.com under Mega's profile and is incorporated by reference in this AIF.

Georgetown Recent Exploration Activity

During the Corporation's 2008 fiscal year, the Company completed infill and resource drilling on the Maureen deposit which led to the establishment of the NI 43-101 compliant ore resource estimate for the Maureen Deposit described in the Georgetown Report. Drilling activity during late 2008 included four diamond core holes (total 504 meters) drilled in the Central 50 prospect area of the east-west trending Lineament Fault Zone, which is located some 25 kilometers south-southwest of the Maureen Deposit. Due to the geological complexity of the deposit further work is necessary to assess its economic potential and to determine if further drilling is warranted.

Additionally, four diamond core holes (total 620 meters) were drilled in late 2008 to investigate the Two Gee Prospect, which is located on the north-trending Apollo Fault structure some 30 kilometers southeast of the Maureen Deposit. The four holes intersected only low grade uranium mineralisation within rhyolite, brecciated rhyolite and volcaniclastic sandstone. In addition, two RC holes (total 198 meters), drilled to test a radiometric anomaly east of the Apollo Fault Structure, failed to intersect anything of economic significance.

In order to meet statutory relinquishment requirements, we reduced the area of ground in the Georgetown Project in which we hold the uranium rights to 150km^2. No significant work is presently planned for calendar 2012.

Georgetown Report Summary

The Georgetown Report is an update of the NI43-101 report "Technical report on the Maureen uranium-molybdenum deposit, North Queensland, Australia, held by Mega Uranium Corp" by David Jones, (27 April, 2006) which is a description of the mineral tenements held by Mega Uranium Ltd ("Mega") under a joint agreement (through its wholly-owned Australian subsidiary Mega Georgetown Pty Ltd "Mega Georgetown") with Georgetown Mining Limited ("GML") and O'Rourke Geological Contractors Pty Ltd ("O'Rourke"). Mining Associates Pty. Ltd. ("MA") of Brisbane, Australia has completed a resource estimation of mineralisation intersected to date at the Maureen prospect. Resource modelling was carried out on a database comprising 94,810 metres of combined drilling.

GML has 2 granted Mining Leases ("MLs"), 10 Mining Lease Applications ("MLAs") and 15 Exploration Permits for Minerals ("EPMs") located in the Georgetown district of the State of Queensland, Australia. At the request of Mr. Stewart Taylor, President of Mega, MA was commissioned in September 2007 to prepare a Technical Report and Resource estimation on Mega's Georgetown mineral properties.

GML's Georgetown EPMs are contiguous. The group is centred about 270 km SW of Cairns, and 370 km northwest of Townsville, both of which are major cities in northwest Queensland. The MLs and MLAs are scattered within the EPMs. For the sake of simplicity the tenements will be collectively referred to in this summary as the "Georgetown project".
The Georgetown project is located in a region known as the Gulf Savannah region, which includes the southern shores of the Gulf of Carpentaria and the country around the many rivers that flow into the Gulf west of the Great Dividing Range. It is the largest tropical savannah region in Australia, with an area of 425,000 km2.

Mining in the Gulf Savannah Region commenced with gold in the 1870's with discoveries at Cumberland (Georgetown) in 1872. The Croydon Gold Field was established in 1885 and until the first batteries were erected in 1886 the ore had to be carted to Georgetown for crushing. Croydon and Georgetown flourished with populations increasing daily as people came to make their fortunes. Croydon's population of 7,000 in 1890 made it the second largest inland town in Queensland. Town buildings went up literally overnight and business boomed. The decline in production became evident by 1900 and most people left the fields. In recent times using modern technology, some commercial mining has commenced. The area around Forsayth / Georgetown is very popular with gold fossickers using metal detectors and many nuggets have been unearthed.

Central Coast Exploration (CCE) began reconnaissance exploration for base metal and uranium deposits in the Georgetown area in 1969. By 1971 CCE had narrowed the area of interest to an area of about 1,000 km2 and applied for 4 Authorities to Prospect ("APs" - now known as EPMs) in the Georgetown area. Airborne radiometric and magnetic surveys began in July 1971.

Numerous radiometric anomalies were located in the survey. Ground follow-up of the first of two strong anomalies located traces of uranium ochres on 9th September 1971. Sixteen

mineral lease applications were lodged over this area by the discoverer, Peter O'Rourke, and held in trust for CCE. The APs were relinquished soon after the MLAs were lodged.

The Georgetown tenements lie within the Georgetown Region of Bain & Draper (1997), which occupies about 50, 000 km2 of the Cairns-Townsville hinterland and is a roughly rectangular area, bounded by the Carpentaria Lowlands Region to the west and the Cairns and Clarke River Regions to the east. It consists of a diverse range of rocks, including Proterozoic and early Palaeozoic metamorphic rocks and granites and late Palaeozoic volcanic rocks and related granites. In the western and central part of the region, these are overlain by scattered remnants of Mesozoic sedimentary rocks, and in the east by Cainozoic basalt.

The Mesoproterozoic Lane Creek Formation of the Robertson River Sub-group forms the basement to the Maureen deposit. The unit is characterized by an abundance of laminated, highly carbonaceous mudstone and siltstone. A basal conglomerate of the Late Devonian to Early Carboniferous Gilberton Formation unconformably overlies the Einasleigh Metamorphics, dipping gently to the west. Miller and Mortimer (1974) noted that 98% of the uranium at Maureen occurred within the basal units of the Gilberton Formation, with 2% in the underlying Lane Creek Formation. Widespread mesas of Mesozoic sedimentary rocks overlie the older rocks of the Georgetown Region. These are outliers of rocks that occur in the surrounding Carpentaria and Eromanga Basins. In the Georgetown tenement block they are represented by the Gilbert River Formation.

CCE commenced drilling the Maureen prospect in April 1972. By the end of that year, 54 diamond core holes and 142 percussion drill holes had been completed. The company then sought a joint venture partner, and in 1974 signed an agreement with Getty Mining Pty Ltd ("Getty"). Getty managed the exploration programme from that time and funded the exploration costs over the next five years.

By the end of 1978, Getty concluded that the economics of the project using conventional milling was marginal, and that a further 1,000 tonnes of U3O8 within 100 m of surface was required to make the project viable. The 1979 drilling programme was unable to achieve this goal and Getty withdrew from the joint venture. At that time nearly 87,000 m of drilling had been completed in 1,018 drill holes.

Maureen has some features in common with both sandstone-hosted and volcanogenic types, as well as unconformity-related deposits. Maureen may well be a hybrid of the three types. All of these styles are associated with redox boundaries near the contact of different lithologies in various geological settings.

Maureen occurs above the unconformity, within the Gilberton Formation sediments, but these inter-digitate with rhyolites related to the lower part of the Maureen Volcanic Group. The overlying mafic units of the upper Maureen Volcanic Group are unmineralized. About 98% of the uranium mineralization is confined to the Gilberton Formation sediments. The remainder is contained within the underlying metamorphic basement.

The mineralization is strongly controlled by sedimentary features. Complex uranium and molybdenum minerals occur as groundmass replacement, selective replacement of clasts, fracture filling and occasionally as complete replacement of clays. From surface down to about 75 m depth, dispersion of the U-F-Mo minerals is extensive, strongly controlled by the permeability in the coarser sediments, and by the chemical composition of the finer sediments. At depth the mineralised zones narrow, and appear to be confined to zones of deformation, accompanied by strong hydrothermal alteration. Radiography suggests a correlation in the primary zone between uraninite and carbonaceous material. The dominant mineral is uraninite.

The drilling indicates that the best uranium values occur in ellipsoidal pipe-like bodies associated with abundant fluorite and lesser molybdenum. The bodies dip at about 20° and are elongated down the bedding planes. They are enclosed within generally tabular zones of weaker U-F-Mo mineralization (O'Rourke, 1975). The pipes together with the enclosing tabular zones together contain sufficient coherent uranium mineralization to be of economic interest.

Resource modelling was carried out on a database comprising 94,810 metres of combined drilling. Using a variety of estimation techniques, a 5x5x5 metre block model was constructed. This defined the shallow westward-dipping mineralisation mantos which contain the higher grade zones.

The current block model for the Maureen prospect is estimated to contain the following NI 43-101 compliant resources:

Category	Tonnes	U3O8	Mo	U3O8 Lbs.	Mo Lbs.
Indicated	3,124,000	0.09%	0.06%	5,949,000	3,875,000
Inferred	154,000	0.11%	0.10%	382,000	347,000

MA regards the Maureen project as being at the advanced exploration stage rather than the development stage, since it is the current policy of the Queensland State Labor Government not to permit mining or processing of uranium in the State the findings of the 1979 Pre-Feasibility Study carried out by Getty are no longer current; and there is potential for the discovery of additional uranium-molybdenum mineralization, down dip to the west.

Lake Maitland Project

Our Lake Maitland Project is the subject of the Updated Lake Maitland Report and the Initial Lake Maitland Report (to the extent the Initial Lake Maitland Report has not been updated and superseded by the Updated Lake Maitland Report). The Updated Lake Maitland Report and the Initial Lake Maitland Report are referred to collectively in this AIF as the "Lake Maitland Reports". A summary of certain information regarding our Lake Maitland Project is provided below and derived from information contained in the Lake Maitland Reports. Readers should refer to the Lake Maitland Reports for additional information regarding the Lake Maitland Project. The Lake Maitland Reports are available at www.sedar.com under

our profile and are incorporated by reference in this AIF (see "Documents Incorporated By Reference" elsewhere in this AIF).

Lake Maitland Recent Exploration Activity

Toward the end of fiscal 2008, the Company completed a resource infill and extension drilling program, and commenced metallurgical testwork, environmental and radiological stiduies, evaluations of development and processing options and assessment of infrastructure requirements. Results of the drilling program were incorporated in the Updated Lake Maitland Report.

In February 2011, the Company announced the results of its costean and test pit program, noting the successful completion and collection of information needed to complete the ERMP and DFS. The Company also completed a disequilibrium study, which indicated that previous radiometric logging understates the mineralization thickness, the mineralization volume and the U_30_8 grade. As a result of the disequilibrium study, Mega commenced a diamond drilling program in October 2011, with plans for 200 holes and 1,200 metres of drilling. The aim of the diamond drilling program is to increase the resource tonnes, grade and contained U_30_8. Results of the program will be included in the feasibility study to be finalized in 2012. Information regarding additional exploration activity on our Lake Maitland Project is provided earlier in this AIF under "General Development of the Business – Three Year History".

Due to the conversion of ground tenure to different titles and some relinquishment of ground, the Lake Maitland Project area currently comprises 9 exploration licenses, 13 prospecting licenses and 5 mining leases covering a total area of 728 km^2

Lake Maitland Reports Summary

Mega owns 100% of the Lake Maitland Project (subject to certain royalty agreements) and operates the project through Mega Redport Pty Ltd and its wholly owned subsidiary, Redport Exploration Pty Ltd. Mega acquired the project through its acquisition of Redport Ltd in 2006 (see "General Development of the Business – Three Year History").

The Lake Maitland Project is located in central Western Australia at latitude 27 10' 9'' S, longitude 121 05' 46'' E, approximately 740 km northeast of Perth, the capital city of Western Australia. The project area comprises 13 exploration licences, 20 prospecting licences and 4 granted mining leases covering a total area of approximately 933 km^2. (See "Lake Maitland Recent Exploration Activity" above for current information regarding the project area.)

The Lake Maitland deposit was first identified in a regional aeromagnetic survey in 1967. Between discovery and the early 1980s five companies were active in evaluating the project. After this time all work ceased until Acclaim Uranium took up the project in the late 1990s. Redport began drilling in 2005 and Mega has continued to evaluate the project since 2006.

The Lake Maitland deposit lies within the Yandal Greenstone Belt of the Archean Yilgarn Craton. The deposit comprises a series of sediment and evaporite layers formed within a playa lake. Typical stratigraphy grades from basal red-brown silts and sands into calcrete

which is overlain by further clays, silts and sands and topped by a gypsiferous unit. Locally the sedimentary facies are variable and average total thickness is in the order of 10 m. Uranium mineralisation, in the form of carnotite, is associated with calcrete, clay and sandy clay units. The local region of Western Australia appears well endowed with calcrete hosted uranium systems as it has favourable source lithologies and a suitable climate.

Uranium mineralisation at the Lake Maitland Project is flat-lying and thin, averaging around 1.7 m in thickness, beneath around 1.5-2.0 m of sand, silt and other evaporites. The mineralisation has a large areal extent, approximately 5 km long (N-S) and around 2 km wide (E-W). The deposit is essentially crescent-shaped with 3 arms extending towards the west – the north-western, mid-western and south-western arms. The uranium mineralisation occurs as the mineral carnotite ($K_2(UO_2)_2(VO_4)_2.1\text{-}3H_2O$). The carnotite generally occurs within voids in the calcrete and as disseminations within the sands, silts and clays.

A revised resource estimate has been undertaken subsequent to extensive resource evaluation drill programs being completed by Mega in late 2007 and 2008. The updated resource relies solely on drilling data of Mega and Redport. The current resource drillhole database comprises 1,441 holes for a total of 17,451 m, the majority of which are aircore. Drillhole coverage at 100 mN by 100 mE spacing and 200 mN x 100mE spacing has been achieved for the majority of the resource area. All holes have been geophysically logged using calibrated total gamma probes and the results converted to equivalent U_3O_8 (eU_3O_8) grades. Although only eU_3O_8 data were used in the estimate, over 2,715 chemical assays have been completed. Analysis of the assay results shows a slight negative bias of the gamma results and hence the grade estimate (eU_3O_8) is considered slightly conservative. Disequilibrium studies completed to date support the use of the total gamma technique as the main determinate of the U_3O_8 grades.

In support of the updated resource, some sighter metallurgical work followed by scoping level work has been performed. In December 2008, 27 samples from aircore drilling were submitted for sighter work aiming to assess suitability of carbonate leaching for treatment of the resource. Results proved insightful and allowed for further scoping level tests. These tests were performed in April 2009. Using a two tonne bulk sample the tests were targeting a base case process flowsheet which can be used to design future testing and in performing an economic analysis of the project.

The main difference from previous resource models is the application of a 3D geological model to constrain the eU_3O_8 estimate. By using an inverse distance algorithm, the different lithofacies within the deposit were effectively modelled in 3D. The geological domains were then used to domain the eU_3O_8 for estimation and were assigned appropriate densities. The principal reason for the improved resource classification is higher confidence in density derived from additional test work, better modelling of the rock types and elimination of historical data.

Grade estimation of the resource was performed separately for each geological domain using Ordinary Kriging of the downhole radiometric eU_3O_8 data. The new resource is tabulated in the two tables that follow below.

When the cut-off grade is lifted from 100ppm eU_3O_8 to 200ppm eU_3O_8, a significant decrease in the Indicated Resource tonnage of 9.85 Mt (34%) and a significant increase in the

Indicated Resource grade from 376 ppm eU_3O_8 to 497 ppm eU_3O_8 (32%) corresponds with a much smaller decrease in contained metal of 3.1 Mlb (13%).

Indicated Resource[(1)]

Cut-off grade (ppm eU_3O_8)	Ore Tonnage (kt)	Average grade (ppm eU_3O_8)	Contained eU_3O_8 (metal tonnes)	Contained eU_3O_8 (lbs metal x 10^6)
100	28,751	376	10,810	23.83
150	23,445	426	9,987	22.01
200	18,901	497	9,394	20.71
250	14,976	569	8,521	18.78
500	6,077	882	5,360	11.81

(1) Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral resources may never be converted into reserves.

Inferred Resource[(1)]

Cut-off grade (ppm U_3O_8)	Ore Tonnage (kt)	Average grade (ppm eU_3O_8)	Contained U_3O_8 (metal tonnes)	Contained U_3O_8 (lbs metal x 10^6)
100	3,574	274	979	2.16
150	2,807	312	876	1.93
200	1,922	374	719	1.58
250	1,397	433	605	1.33
500	337	759	256	0.61

(1) Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral resources may never be converted into reserves.

Given the significant upgrade in resource classification from Inferred to Indicated category the authors of the Updated Lake Maitland Report recommend that the Lake Maitland Project proceed to Feasibility Study at the earliest opportunity.

RISK FACTORS

An investment in our securities is subject to certain risks, including those set out below and under the heading "Note Regarding Forward-Looking Information" elsewhere in this AIF, and should be carefully considered by an investor before making any investment decision. Additional risks not currently known to us, or that we currently believe to be immaterial, may also affect our business and negatively impact upon an investment in our securities.

Exploration and Development Risks

The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Furthermore, resources and reserves are estimates based upon drilling results, past experience with mining properties, experience of the person making the resource/reserve estimates and many other factors. Resource/reserve estimation is an interpretative process based upon available data. The actual quality and characteristics of ore deposits and metallurgical recovery rates cannot be known until mining takes place, and will almost certainly differ from the assumptions used to develop reserves. Further, reserves are valued based on current costs and current prices and consequently may be reduced with declines in, or sustained low, metal prices.

Financing Risks

The Company has limited financial resources, has no operating cash flow and has no assurance that sufficient funding will be available to it for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company 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 delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require additional financing if ongoing exploration of its properties is warranted.

Fluctuations in Investments

The Company acquires securities of public companies from time to time, which are primarily junior or small-cap mining exploration companies. The market values of these securities can experience significant fluctuations in the short and long term due to factors beyond Mega's control. Market value can be reflective of the actual or anticipated operating results of the companies and/or the general market conditions that affect the mining sector as a whole, such as fluctuations in commodity prices and global political and economic conditions. The Company's investments are carried at fair value, and unrealized gains/losses on the securities Mega holds and realized losses on the securities Mega sells could have a material adverse impact on the Company's operating results. The recent decline in the stock prices of the types of companies in which Mega invests has been very significant and such prices could take a prolonged period of time to recover, and may not return to their prior levels, including the levels at which they were acquired by Mega, resulting in realized losses upon disposition.

Currency Risks

The Company is exposed to currency fluctuations as it presently holds funds in Canadian dollars and a significant amount of its costs will be incurred in Australian and other currencies. The Company has not entered into any foreign currency contracts.

Mineral Interests

Mineral interests represent the capitalized expenditures related to the exploration and development of mineral properties. Upon commencement of commercial production, all related capital expenditures for any given mining interest are amortized over the estimated economic life of the property. If the value of a property is impaired or abandoned the related project balances would be written off.

Environmental matters

All phases of the Company's operations are subject to environmental regulations in the jurisdiction in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests which are presently unknown to the Company and which have been caused by previous or existing owners or operators of the properties or by illegal mining activities.

Governmental Matters

Government approvals and permits are sometimes required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of mineral properties. 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 the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

The Company is also currently involved in exploration activities in Cameroon. Although the government of Cameroon has been stable recently, there is no assurance that political and economic conditions will remain stable. Political and economic instability may impede the Company's ability to continue its exploration activities in the manner currently contemplated.

Australian Governmental Risks

In late November 2007, the Labor Party was elected as the Commonwealth (Federal) Government of Australia. Its policy is to allow uranium to be mined and processed in Australia. However, there are restrictions on the export of uranium from Australia. The Commonwealth government's nuclear safeguards policy has been developed to implement Australia's obligations under the Nuclear Non Proliferation Treaty of 1970 (the "**NNPT**") which was ratified by Australia in 1973. Parties to the NNPT agree to accept technical safeguards applied by the International Atomic Energy Agency. This safeguard system tracks uranium within the nuclear fuel cycle from production, through to use and storage and ultimately disposal, to ensure that Australian uranium is sold strictly for electrical power generation and cannot benefit the development of nuclear weapons or other military programs. The Commonwealth government only allows the sale of Australian uranium to countries that are signatories to the NNPT and have a bilateral nuclear safeguards agreement with Australia.

There are, however, political impediments to uranium mining and processing in Australia, as the State Labor Government of Queensland prohibits uranium mining, despite the federal government's policy to allow uranium mining. The Ben Lomond Project and the Georgetown (Maureen) Project are located in Queensland and are therefore impacted by this

State prohibition on uranium mining. In order for mining of uranium to be allowed to proceed in Queensland, the State policy on uranium mining would have to be reversed. At present, there are indications that the policy will be changed in the near term, based on comments of leading members of the Federal Labor Government and increasing pressure for change from the Federal Government and industry groups. However, there is no certainty that these matters will be resolved favourably for Mega.

Risks Relating to Foreign Operations

The Company is exposed to risks of political instability and changes in government policies, laws and regulations in every country in which the Company operates. The Company holds mineral interests in Australia and Cameroon that may be affected in varying degrees by political stability, government regulations relating to the mining industry and foreign investment therein, and the policies of other nations in respect of these countries. Any changes in regulations or shifts in political conditions are beyond the Company's control and may adversely affect the Company's business. The Company's operations may be affected in varying degrees by government regulations, including those with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, employment, land use, water use, environmental legislation and mine safety. There is no assurance that permits can be obtained, or that delays will not occur in obtaining all necessary permits or renewals of such permits for existing properties or additional permits required in connection with future exploration and development programs.

In the event of a dispute arising at the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company may also be hindered or prevented from enforcing its rights with respect to a government entity or instrumentality because of the doctrine of sovereign immunity.

Limited Operating History and Losses

The Company to date has limited experience in mining or processing of metals. The Company has experienced, on a consolidated basis, losses in all years of its operations. All activities have been of an exploration and development nature. There can be no assurance that the Company will generate profits in the future.

No History of Mineral Production

The Company has never had an interest in a mineral producing property. There is no assurance that commercial quantities of minerals will be discovered at any of the properties of the Company or any future properties, nor is there any assurance that the exploration programs of the Company thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where mineral resources (as defined in NI 43-101) can profitably be produced thereon. Factors which may limit the ability of the Company to produce mineral resources from its properties include, but are not limited to, the price of the mineral resources which are currently being explored for, availability of additional capital and financing and the nature of any mineral deposits.

Insurance and Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the operations, financial condition and results of operations of the Company.

Land Title

Although the nature and extent of the interests of the Company in the properties in which it holds an interest has been reviewed by or on behalf of the Company and title opinions have been obtained by the Company with regard to certain of such properties, there may still be undetected title defects affecting such properties. Title insurance generally is not available, and the ability of the Company to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, in certain cases, the Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the properties in which the Company holds an interest may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Costs of Land Reclamation

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which the Company holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of the Company.

Competition

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the revenues, operations and financial condition of the Company could be materially adversely affected.

Fluctuations in Commodity Prices

The price of our common shares, and the consolidated financial results and exploration, development and mining activities of the Company may in the future be significantly and adversely affected by declines in the price of uranium or other minerals. The price of uranium or other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions and production costs of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of uranium or other minerals could cause continued development of and commercial production from the properties in which the Company holds an interest to be impracticable. Depending on the price of uranium and other minerals, cash flow from mining operations may not be sufficient and the Company could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mining properties is dependent upon the prices of uranium and other minerals being adequate to make these properties economic.

In addition to adversely affecting the resource estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Market Price of Common Shares

Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of our common shares is also likely to be significantly affected by short-term changes in uranium prices, other base metal prices or other mineral prices, the Australian dollar, the U.S. dollar, the Canadian dollar, the political environment in Australia and other foreign jurisdictions in which the Company holds property interests, or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the performance of the Company that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the business of the Company may be limited if investment banks with research capabilities do not follow Mega's securities; lessening in trading volume and general market interest in Mega's securities may affect an investor's ability to trade significant numbers of common shares; and the size of the Mega's public float may limit the ability of some institutions to invest in Mega's securities, further reducing market liquidity. If an active market for the common shares cannot be sustained, the liquidity of an investor's investment may be limited and investors may lose their entire investment in common shares.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the long-term value of the Company. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Key Executives

Mega is dependent upon the services of key executives, including the directors of Mega and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of Mega, the loss of these persons or the inability of Mega to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

Conflicts of Interest

Certain of the directors and officers of Mega also serve as directors and/or officers of other companies involved in natural resource exploration and development and, consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Mega should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Mega and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *Business Corporations Act* (Ontario) and other applicable laws. See "Conflicts of Interest".

DIVIDENDS

We have not paid any cash dividends since incorporation. Payment of cash dividends in the future is dependent upon our earnings and financial condition and other factors which the directors may deem appropriate at the time. However, there are no restrictions on our ability to pay cash dividends on our common shares.

In April 2010, we declared and paid a dividend-in-kind on our common shares consisting of the *pro rata* distribution of the 30,546,858 common shares of U3O8 Corp. received by Mega (subject to rounding due to fractional interests) as consideration for the sale of our South American assets (described earlier in this AIF under the heading "General Development of the Business – Three Year History"). Based on the number of common shares outstanding on the record date of April 16, 2010, approximately 0.124 common shares of U3O8 were paid per common share under the dividend-in-kind.

DESCRIPTION OF CAPITAL STRUCTURE

Mega is authorized to issue an unlimited number of common shares, of which at September 30, 2011, 257,180,313 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of Mega and each common share confers the right to one vote in person or by proxy at all meetings of the shareholders of Mega. The holders of common shares are entitled to receive such dividends in any financial year as the board of directors of Mega may by resolution determine. In the event of the liquidation, dissolution or winding-up of Mega, whether voluntary or involuntary, the holders of our common shares are entitled to receive the remaining property and assets of Mega.

In April 2006, Mega approved the adoption of a shareholder rights plan (the "Rights Plan") designed to encourage the fair and equal treatment of shareholders in connection with any takeover bid for the outstanding securities of Mega. In accordance with its terms, the Plan was re-approved and confirmed at the Company's annual and special meeting of shareholders held in 2009. Under the terms of the Rights Plan, one right is attached to each common share currently outstanding (and will attach to each common share issued subsequently). Each right will entitle the holder, upon the occurrence of certain specified events and subject to certain limitations, to purchase one common share at an exercise price equal to five times the market price (the "Exercise Price"), subject to adjustment under certain circumstances. If certain events occur (including when a person or group becomes the beneficial owner of 20% or more of any class of voting shares of the Company without complying with the "permitted bid" provisions of the Rights Plan or without the approval of the Company's board of directors), exercise of the rights would entitle the holders (other than the acquiring person or group) to acquire that number of common shares having an aggregate market price on the date of the event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price. Accordingly, exercise of the rights may cause substantial dilution to a person who attempts to acquire control of Mega.

MARKET FOR SECURITIES

Trading Price and Volume

Our common shares are listed for trading on the TSX under the symbol "MGA". Three series of our common share purchase warrants are also listed for trading on the TSX under the symbols "MGA.WT", "MGA.WT.A" and "MGA.WT.B". The following tables set out the monthly market price range and trading volume of the common shares and warrants on the TSX during our financial year ended September 30, 2011.

Common shares: "MGA"

	Volume	**High ($)**	**Low ($)**
2010			
October	22,620,064	0.820	0.570
November	50,709,235	1.210	0.700
December	37,878,679	1.300	0.950
2011			
January	25,513,007	1.090	0.920
February	19,452,050	1.100	0.930
March	44,793,161	0.960	0.435
April	13,950,877	0.630	0.495
May	10,769,630	0.570	0.440
June	12,243,004	0.495	0.340
July	9,846,650	0.430	0.350
August	10,989,277	0.395	0.290
September	10,942,926	0.350	0.220

Warrants: "MGA.WT"

	Volume	**High ($)**	**Low ($)**
2010			
October	25,001	0.090	0.050
November	429,600	0.165	0.075
December	319,554	0.250	0.160
2011			
January	161,067	0.230	0.135
February	253,553	0.225	0.130
March	304,350	0.170	0.055
April	184,033	0.080	0.045
May	37,066	0.040	0.035
June	13,000	0.030	0.015
July	42,150	0.020	0.015
August	47,000	0.035	0.005
September	41,566	0.015	0.005

Warrants: “MGA.WT.A”

	Volume	High ($)	Low ($)
2010			
October	252,032	0.080	0.040
November	285,640	0.090	0.050
December	353,294	0.170	0.080
2011			
January	132,333	0.130	0.015
February	47,758	0.100	0.050
March	65,001	0.090	0.050
April	67,083	0.045	0.040
May	42,858	0.050	0.035
June	2,916	0.030	0.015
July	2,000	0.020	0.020
August	--	--	--
September	--	--	--

Warrants: “MGA.WT.B”

	Volume	High ($)	Low ($)
2010			
October	677,700	0.310	0.190
November	5,975,536	0.510	0.260
December	2,438,668	0.560	0.370
2011			
January	995,225	0.430	0.360
February	2,059,275	0.410	0.340
March	1,960,050	0.365	0.155
April	842,624	0.230	0.170
May	213,650	0.230	0.160
June	639,490	0.180	0.140
July	340,000	0.175	0.140
August	181,940	0.170	0.135
September	668,500	0.145	0.090

Prior Sales

Mega did not issue and sell any securities that were not listed or quoted on a marketplace during the financial year ended September 30, 2011, other than the common share purchase warrants which formed part of the units sold by Mega under its two flow-through private placements completed in October 2010 and March 2011, which are discussed earlier in this AIF under “General Development of the Business – Three Year History”.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth, for each of the directors and executive officers of Mega as at September 30 2011, the person's name, province or state, and country of residence, position with Mega, principal occupation during the last five years and, if a director, the date on which the person became a director.

Name and Residence	Position	Principal Occupation[1]	Director Since[2]
Sheldon Inwentash Ontario, Canada	Director, Chairman and Chief Executive Officer	Chairman, Chief Executive Officer and director of Pinetree Capital Ltd., an investment, financial advisory and merchant banking company	1996
Anthony Grey Sydney, Australia	Director	Chairman of International Ferro Metals Limited, a ferrochrome and mining company	2005
Arni Johannson[3] British Columbia, Canada	Director	Founding Partner and President, Canadian Nexus Ventures Ltd., a venture capital firm focused on Canadian public and private equity	2005
Douglas Reeson[3] Ontario, Canada	Director	Chairman and Chief Executive Officer of Gossan Resources Limited, a mineral exploration company	2002
Michael Sweatman[3] British Columbia, Canada	Director	Chartered Accountant; Principal of MDS Management Ltd., a Vancouver based management consulting company	2000
Stewart Taylor Brisbane, Australia	President and Director	Principal, Stewart Taylor & Associates, a geological consulting company, since June 2010; prior to that, Principal, Taylor Wall & Associates, a geological consulting company, since 1998	2006
Gerry Feldman Ontario, Canada	Chief Financial Officer	Chief Financial Officer of Brownstone Ventures Inc., an oil & gas company, since 2009; Chief Financial Officer and Vice President, Corporate Development of Pinetree Capital Ltd., since August 2010; Partner, Schwartz Levitsky Feldman LLP, Chartered Accountants, from 2007 to 2009, Managing Partner, Feldman & Associates, LLP, Chartered Accountants, from 1990 to 2007	N/A
Richard Patricio Ontario, Canada	Executive Vice-President, Corporate Affairs	Executive Vice-President, Corporate Affairs, Mega Uranium Ltd. (previously Vice President, Corporate and Legal Affairs, from 2005 to May 2009)	N/A

Name and Residence	Position	Principal Occupation[1]	Director Since[2]
Richard Homsany Perth, Australia	Executive Vice-President, Australia	Executive Vice-President, Australia, Mega Uranium Ltd. since May 2010; Partner, DLA Phillips Fox, a law firm, from 2006 to 2010	N/A
Michael Downes Ontario, Canada	Vice-President, North America	Vice-President, North America, Mega Uranium Ltd. since June 2007; previously President and Chief Executive Officer of Monster Copper Corporation since May 2003	N/A

[1] Unless otherwise indicated, each director and officer has held his principal occupation for at least the preceding five years.
[2] Each director will hold his office as director until the next annual meeting or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company.
[3] Member of the Audit Committee and the Nominating and Compensation Committee.

As at December 1, 2011, the directors and executive officers of Mega as a group, beneficially owned, controlled or directed, directly or indirectly, an aggregate of 7,266,185 common shares of Mega, representing approximately 2.8% per cent of the then outstanding common shares. The information as to common shares beneficially owned or over which the directors and officers exercise control or direction, not being within the knowledge of the Company. has been furnished by the respective directors and officers individually.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Company is, or within the 10 years prior to the date of this AIF, either:

(I) has been a director, chief executive officer or chief financial officer of any company that:

(a) while the director or executive officer was acting in that capacity as director, chief executive officer or chief financial officer, was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (any of such orders, an "Order"); or

(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 the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(II) has been a director or executive officer of any company that while acting in that capacity as director or executive officer, 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

(III) has individually 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 his assets,

with the exception of the following:

(A) In October 2002, trading in the shares of Treat Systems Inc. ("Treat") was halted by the TSX Venture Exchange for failure to meet the exchange's tier maintenance requirements under Policy 2.5 *Tier Maintenance Requirements and Inter-Tier Movement* and for having been designated as an inactive issuer for a period in excess of 18 months. In August 2003, Treat's shares were listed for trading on the NEX board of the TSX Venture Exchange. In January 2008, Treat completed a "change of business" pursuant to the policies of the TSX Venture Exchange. The company's name was changed to Mega Silver Inc. (now known as Mega Precious Metals Inc.) and its shares commenced trading on the TSX Venture Exchange on January 31, 2008. Mr. Sweatman has been a director of the company since July 1998. Mr. Inwentash was a director of the company from October 2001 until his resignation in January 2008 concurrently with the completion of the company's change of business.

(B) Trading in the securities of Glenthorne Enterprises Inc. was halted on April 15 2009 by the TSX Venture Exchange pending clarification of the company's financial affairs. The securities resumed trading on May 28, 2009. Mr. Sweatman was at the time a director of the company.

No director or executive officer of Mega, or a shareholder holding a sufficient number of securities of Mega to affect materially the control of the Company, has been subject to:

(I) 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

(II) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

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

To the best of the Company directors' knowledge, except as described herein, there are no known existing or potential conflicts of interest among the Company, its directors, officers or other members of management of the Company as a result of their outside business interests, except that certain of the directors, officers, and other members of management serve as

directors, officers, promoters 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, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers in accordance with the *Business Corporations Act* (Ontario) will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

AUDIT COMMITTEE DISCLOSURE

Multilateral Instrument 52-110 – Audit Committees ("MI 52-110") requires us to disclose annually in our AIF certain information concerning the constitution of our Audit Committee and its relationship with our independent auditor. This information is provided below.

Composition of the Audit Committee

Our Audit Committee is comprised of three directors - Arni Johannson, Douglas Reeson and Michael Sweatman. The directors of the Company have determined that each member of the Audit Committee is "independent" from the Company and "financially literate" for the purposes of MI 52-110. Financial literacy includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues similar to those expected to arise in the context of Mega.

Relevant Education and Experience

The education and experience of each member of our Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is summarized below:

Michael Sweatman

Mr. Sweatman is a qualified Chartered Accountant who has served (and does serve) as a director and Chief Financial Officer for several public resource-based companies.

Douglas Reeson

Mr. Reeson is an officer and/or a director of several public companies, most of which are engaged in mineral exploration.

Arni Johannson

Mr. Johannson is an independent businessman with extensive experience in the management and reporting of junior mining and junior venture reporting issuers.

Audit Committee Charter

The text of our Audit Committee charter is attached as Schedule A to this AIF.

Audit Committee Oversight

At no time since the commencement of the most recently completed financial year of the Company was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the directors of the Company.

External Auditor Service Fees

The aggregate fees billed by the external auditor of the Company in each of our last two financial years are as follows:

Type of Work	Fiscal Year ended September 30, 2011[(1)]	Fiscal Year ended September 30, 2010
Audit Fees	$269,500	$286,739
Audit-related fees	--	$21,552[(2)]
Tax advisory fees	$18,000[(3)]	$123,103[(4)]
All other Fees	--	$90,000[(5)]
Total	**$287,500**	**$521,394**

[(1)]Fees for the fiscal 2011 year include fees for services rendered during the period but not yet billed.
[(2)] Fees associated with the review of accounting system changes, disposal of South American assets and impairment analysis.
[(3)] Fees associated with tax filings.
[(4)] Fees associated with tax filings, advice in respect of Australian stamp duty taxes among other matters, and related research.
[(5)]Fees associated with IFRS diagnostics and public offering.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

We are not a party to any material legal proceedings and are not aware of any such proceedings that are contemplated. During our financial year ended September 30, 2011: (i) no penalties or sanctions were imposed against us by a court relating to securities legislation or by a securities regulatory authority; (ii) no other penalties or sanctions were imposed by a court or regulatory body against us that would likely be considered important to a reasonable investor in making an investment decision; and (iii) we did not enter into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the following persons:

(a) a director or executive officer of the Company;

(b) a person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class or series of the Company's voting securities; or

(c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above,

has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years of the Company or during the current financial year of the Company that has materially affected or will materially affect the Company.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for our common shares is Equity Transfer & Trust Company ("Equity"), 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1. Equity also acts as registrar and transfer agent in respect of our Series 2007–I, Series 2007–II, Series 2007-III and Series 2009–I common share purchase warrants.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course, the following material contracts were entered into by Mega within our most recently completed fiscal year or prior thereto but which are still in effect:

1. Amended and Restated Shareholder Rights Plan Agreement dated April 25, 2006, between Mega and Equity, as rights agent, in respect of our Rights Plan, as described elsewhere in this AIF under "Description of Share Capital".

2. Warrant Indenture dated February 7, 2007, between Mega and Equity, as warrant agent, providing for the issuance of up to 3,392,687 Series 2007-I common share purchase warrants in connection with our acquisition of Twenty-Seven Capital Corp. Following adjustments made to certain terms of the warrants as a result of the dividend-in-kind paid on our common shares in April 2010, each warrant currently outstanding entitles the holder to purchase 1.10 common shares at a price of $5.45 per common share until expiry on February 12, 2012.

3. Warrant Indenture dated February 22, 2007, between Mega and Equity, as warrant agent, providing for the issuance of 1,900,000 Series 2007-II common share purchase warrants sold in a private placement of 3,800,000 units completed by us in February 2007. Following adjustments made to certain terms of the warrants as a result of the dividend-in-kind paid on our common shares in April 2010, each

warrant currently outstanding entitles the holder to purchase 1.10 common shares at a price of $7.17 per common share until expiry on February 22, 2012.

4. Warrant Indenture dated May 30, 2007, between Mega and Equity, as warrant agent, providing for the issuance of up to 3,931,317 Series 2007-III common share purchase warrants in connection with our acquisition of Monster Copper Corporation. Following adjustments made to certain terms of the warrants as a result of the dividend-in-kind paid on our common shares in April 2010, each warrant currently outstanding entitles the holder to purchase 1.10 common shares at a price of $6.35 per common share until expiry on June 6, 2012.

5. Warrant Indenture dated October 26, 2009, between Mega and Equity, as warrant agent, providing for the issuance of 29,412,000 Series 2009-I common share purchase warrants sold in a public offering of units completed by us in October 2009. Following adjustments made to certain terms of the warrants as a result of the dividend-in-kind paid on our common shares in April 2010, each warrant currently outstanding entitles the holder to purchase 1.11 common shares at a price of $1.13 per common share until expiry on October 26, 2014.

INTEREST OF EXPERTS

Names of Experts

Set forth below are the persons and companies who prepared or certified a statement, report, valuation or opinion described, included or referred to in a filing that we made under National Instrument 51-102 during or relating to our most recently completed financial year.

Ernst & Young LLP were appointed as auditors for the Company on February 14, 2007. Ernst & Young LLP prepared the auditor's report on our annual consolidated financial statements for the financial years ended September 30, 2011 and 2010. Ernst & Young LLP is independent in accordance with the auditor's rules of professional conduct in Ontario.

Stewart Taylor, the President and a director of Mega and a "qualified person" under NI 43-101, prepared or supervised the preparation of certain scientific or technical information about the Company's mineral projects during its most recently completed financial year.

Andrew J. Vigar and David G. Jones of Mining Associates, Brisbane, Australia, each a "qualified person" under NI 43-101, prepared the Ben Lomond Report and the Georgetown Report.

Arnold van der Heyden of Hellman & Schofield Pty Ltd, Eastwood, Australia, a "qualified person" under NI 43-101, prepared the Initial Lake Maitland Report.

Daniel Guibal and Peter Gleeson of SRK (Australasia) Pty Ltd, Daryl Evans of IMO Pty Ltd, and Matthew Wheeler, the Manager Geology (Lake Maitland Uranium Project) of Mega, each a "qualified person" under NI-43-101, prepared the Updated Lake Maitland Report.

Interests of Experts

None of the experts named under "Names of Experts" has received or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of any of the Company's associates or affiliates in connection with the preparation or certification of any statement, report or valuation prepared by such person. During the financial year ended September 30, 2011, Mr. Taylor received stock options of Mega for services rendered by him generally to the Company in his capacity as a director and officer of the Company. To the knowledge of Mega, none of the experts so named (or any of the designated professionals thereof) held securities of Mega representing more than 1% of all issued and outstanding securities of that class as at the date of the statement, report or valuation in question.

ADDITIONAL INFORMATION

Additional information relating to Mega may be found on SEDAR at www.sedar.com. The information available at www.sedar.com includes copies of the full text of any and all of the technical reports prepared for Mega in respect of our properties described herein. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Mega's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in our management information circular for our annual meeting of shareholders held on April 5, 2011 and will be contained in our management information circular for our annual meeting of shareholders to be held in 2012.

Additional financial information is provided in our consolidated financial statements and related management's discussion and analysis for our financial year ended September 30, 2011.

SCHEDULE A

AUDIT COMMITTEE CHARTER

I PURPOSE

1. The Audit Committee (the "**Committee**") is appointed by the Board of Directors (the "**Board**") of Mega Uranium Ltd. (the "**Corporation**") to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee's primary duties and responsibilities are to:

- review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- select and monitor the independence and performance of the Corporation's external auditors, including attending at private meetings with the external auditors and reviewing and approving all renewals or dismissals of the external auditors and their remuneration;
- reviews and approves all non-audit related engagements of the Corporation's auditors;
- conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures; and
- review related party transactions entered into by the Corporation and report thereon to the Board with respect to same.

II AUTHORITY OF THE AUDIT COMMITTEE

1. The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors as well as any officer or employee of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

2. The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

3. In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part IV of this Charter.

4. The Committee shall have the authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for advisors employed by the Committee; and

(c) communicate directly with the internal and external auditors.

III COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission ("**OSC**"), the TSX, the *Business Corporations Act* (Ontario) and all applicable securities regulatory authorities.

2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.

3. A majority of the members of the Committee shall be "independent" and shall be "financially literate" (as each such term is defined in Multilateral Instrument 52-110).

4. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.

5. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.

6. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.

7. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.

8. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

9. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.

10. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

11. The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.

IV RESPONSIBILITIES

A Financial Accounting and Reporting Process and Internal Controls

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable generally accepted accounting principles ("**GAAP**") and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors and have meetings with the Corporation's auditors without management present, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.

2. The Committee shall review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.

3. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, management's discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.

4. The Committee shall review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws, before the Corporation publicly discloses this information.

5. The Committee shall meet no less frequently than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Corporation in charge of financial matters, deem appropriate.

6. The Committee shall inquire of management and the external auditors about significant financial risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.

7. The Committee shall review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.

8. The Committee shall establish procedures for:

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

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

9. The Committee shall provide oversight to related party transactions entered into by the Corporation.

B Independent Auditors

1. The Committee shall recommend to the Board the external auditors to be nominated, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.

2. The Committee shall 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.

3. The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.

4. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors.

5. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.

6. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.

7. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within GAAP that were discussed with management, their ramifications, and the external auditors' preferred treatment.

8. All material written communications between the Corporation and the external auditors should be sent to the Committee.

9. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.

10. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.

C Other Responsibilities

1. The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.