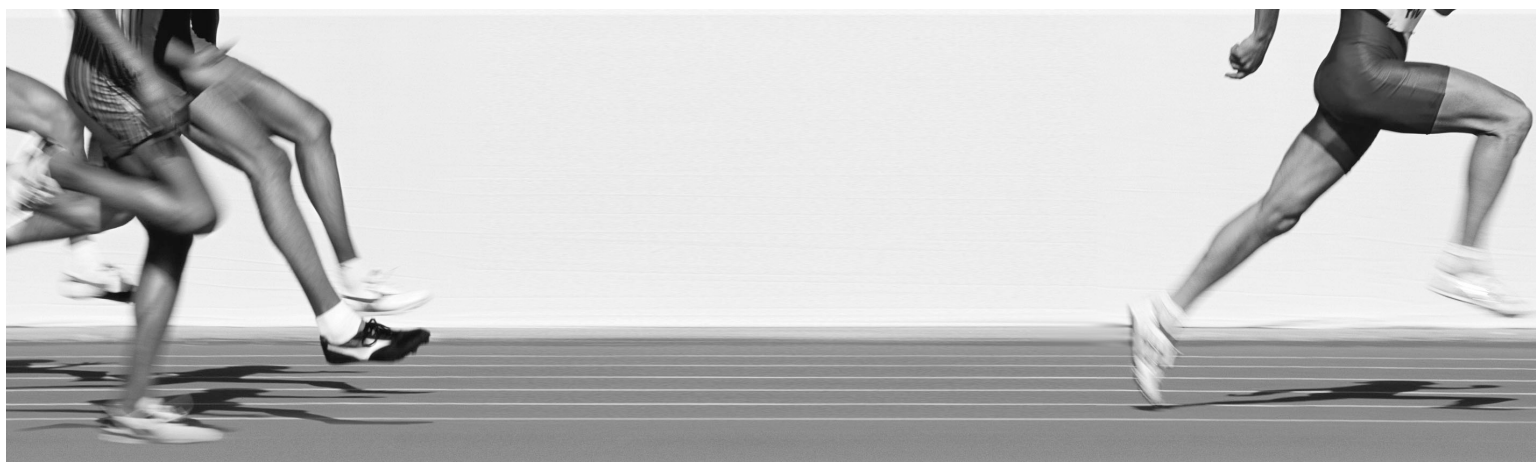


Notice of an annual meeting of shareholders



NOTICE IS HEREBY GIVEN THAT an Annual Meeting of Shareholders of BOOMERANG TRACKING INC. (the "Corporation") will be held at the Hotel Omni Mont Royal, 1050 Sherbrooke Street West, Montreal, Quebec H3A 2R6, in the Salon Été, on Thursday, September 25, 2003 at 10:30 A.M. (Montreal time), for the following purposes:

- (a) receiving and considering the financial statements of the Corporation for the financial year ended April 30, 2003 and the auditors' report thereon;
- (b) electing directors for the ensuing year;
- (c) appointing the auditors for the ensuing year and authorizing the directors to fix their remuneration; and
- (d) transacting such other business as may properly be brought before the meeting or any adjournment thereof.

A copy of the Management Proxy Circular and a Form of Proxy for the meeting accompanies this notice.

BY ORDER OF THE BOARD OF DIRECTORS,



Geneviève Foster
Director, Legal and Corporate Affairs,
and Corporate Secretary

Montreal, Quebec, August 15, 2003

IF YOU CANNOT ATTEND THE MEETING IN PERSON, PLEASE SIGN, DATE AND RETURN THE ENCLOSED FORM OF PROXY IN THE ENVELOPE PROVIDED FOR THAT PURPOSE TO THE TRANSFER AGENT OF THE CORPORATION, COMPUTERSHARE TRUST COMPANY OF CANADA, 1500 UNIVERSITY STREET, SUITE 700, MONTREAL, QUEBEC H3A 3S8 NO LATER THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME FOR HOLDING THE MEETING OR ANY ADJOURNMENT THEREOF.

1. Solicitation of Proxies

This Management Proxy Circular is furnished in connection with the solicitation by the management of BOOMERANG TRACKING INC. (the "Corporation") of proxies to be used at the Annual Meeting of Shareholders of the Corporation to be held at the time and place and for the purposes set forth in the enclosed Notice of Meeting and at any adjournment thereof. The solicitation will be primarily by mail but proxies may also be solicited personally or by telephone, by electronic mail or by facsimile by directors, officers or regular employees of the Corporation. The cost of solicitation by management will be borne by the Corporation.

2. Appointment and Revocation of Proxies

The persons named in the accompanying Form of Proxy are officers of the Corporation. **A shareholder desiring to appoint some other person (who need not be a shareholder) to represent him at the meeting may do so either by striking out the names designated in the accompanying Form of Proxy and inserting such other person's name in the space provided or by completing another appropriate form of proxy** and, in either case, by delivering the completed proxy or proxies to the Secretary of the Corporation or its transfer agent, Computershare Trust Company of Canada, 1500 University Street, Suite 700, Montreal, Quebec H3A 3S8, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the meeting or any adjournment thereof.

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it by instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or representative duly authorized in writing, and deposited with the Secretary of the Corporation or its transfer agent, Computershare Trust Company of Canada, at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the meeting prior to the commencement of the meeting or any adjournment thereof.

3. Voting of Proxies

The shares in respect of which the persons named in the enclosed Form of Proxy are appointed proxy will be voted or withheld from voting, on any ballot, in accordance with the instructions received and, where a choice is specified, will be voted accordingly. **In the absence of such instructions, such shares will be voted FOR each of the matters to be presented at the meeting to the shareholders of the Corporation for consideration as set forth in the enclosed Notice of Meeting.**

The enclosed Form of Proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and other matters which may properly be brought before the meeting. At the date of this Management Proxy Circular, management is not aware of any such amendment, variation or other matter to be presented for action at the meeting. **If such amendments, variations or other business are properly presented for action at the meeting, or any adjournment thereof, the shares represented in the Form of Proxy will be voted at the proxyholder's discretion.**

4. Voting Rights, Voting Shares and Principal Holders Thereof

As at July 31, 2003, 21,712,400 Class A shares of the Corporation ("Common Shares") were outstanding.

Each holder of Common Shares is entitled to one vote at the meeting or any adjournment thereof for each Common Share registered in the holder's name on August 25, 2003. A list of shareholders entitled to vote at the meeting will be available for inspection on and after September 2, 2003 during usual business hours at the offices of the Corporation's transfer agent, Computershare Trust Company of Canada, 1500 University Street, Suite 700, Montreal, Quebec H3A 3S8, and will also be available for inspection at the meeting.

As at July 31, 2003, to the knowledge of the directors and officers of the Corporation, the following are the only persons who beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to the outstanding shares of the Corporation:

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Peter Lashchuk	4,031,220 ⁽¹⁾	18.57%
Robert Nelson	3,968,920 ⁽¹⁾	18.28%
André Boulay	3,667,080	16.89%

(1) Automobility Distribution Inc., which is jointly owned by Messrs. Peter Lashchuk and Robert Nelson, owns 265,840 of these Common Shares.

Unless otherwise specified herein, all matters to be presented to shareholders for approval at the meeting require the affirmative vote of the majority of the votes cast at the meeting on such matter.

5. Election of Directors

Seven directors will be elected at the meeting to hold office until the next annual meeting of shareholders or until their successors are duly elected or appointed. **Except where authority to vote on the election of directors is withheld, the persons named in the enclosed Form of Proxy intend to vote FOR the election of the nominees whose names follow.** In the event that, prior to the meeting, any vacancies occur in the slate of nominees submitted herein, it is intended that the discretionary power granted by the Form of Proxy shall be used by the persons named in the enclosed Form of Proxy to vote at their discretion for any other person or persons as directors. Management is not aware that any of such nominees would be unwilling or unable to serve as director if elected.

BOOMERANG TRACKING INC. – MANAGEMENT PROXY CIRCULAR

The following table sets forth the names of all the persons proposed to be nominated for election as directors, their positions with the Corporation, their present principal occupations, the year in which they became directors of the Corporation and the number of Common Shares which they beneficially own or over which they exercise control as at July 31, 2003:

Name	Position with the Corporation	Principal Occupation	Director Since	Common Shares Beneficially Owned or Over Which Control is Exercised
PETER LASHCHUK Town of Mount Royal, Quebec	President, Chief Executive Officer and Chairman of the Board	President, Chief Executive Officer and Chairman of the Board of the Corporation	April 29, 1999	4,031,220 ⁽¹⁾
ROBERT NELSON Hampstead, Quebec	Vice-President, Distribution and Director	Vice-President, Distribution and Director of the Corporation	April 29, 1999	3,968,920 ⁽¹⁾
ANDRÉ BOULAY Kirkland, Quebec	Vice-President, Technology and Director	Vice-President, Technology and Director of the Corporation	April 29, 1999	3,667,080
MICHEL BRÔLÉ ^{(3) (4)} St. Bruno, Quebec	Director	President, M&M Investments Inc. (a venture capital firm)	September 25, 2002	-
PIERRE LAURIN ^{(2) (4)} Verdun, Quebec	Director	Executive in residence of the University of Montreal's École des Hautes Études Commerciales	January 26, 2000	-
LAWRENCE NADLER Westmount, Quebec	Director	President, Lawrence Nadler Holdings Limited (an investment holding company)	Nominee	164,600
CLAUDE ROUSSEAU ^{(2) (3) (4)} Longueuil, Quebec	Director	Vice-President, Business Market and Sales, Bell Mobility Inc. (a telecommunications company) ⁽⁵⁾	September 25, 2002	-

(1) Automobility Distribution Inc., which is jointly owned by Messrs. Peter Lashchuk and Robert Nelson, owns 265,840 of these Common Shares.

(2) Member of the Corporate Governance Committee.

(3) Member of the Compensation Committee.

(4) Member of the Audit Committee.

(5) The Corporation has an agreement with Bell Mobility Inc. for the provision of tracking and related services in the provinces of Ontario and Quebec.

The information as to the number of Common Shares beneficially owned or over which control is exercised, not being within the knowledge of the Corporation, has been provided by each nominee.

During the last five years, all of the directors have been engaged in their present principal occupations or in other executive capacities with the companies indicated opposite their names or with related or affiliated companies, except for Mr. Michel Brûlé who, prior to 2000, was also the co-founder and President of OvalSys International Inc., an electronic surveillance company, and the co-founder and Executive Vice-President of InnoMediaLogic Inc., a telecommunications development company, both of which companies were sold to third parties; Mr. Lawrence Nadler who, besides being engaged in his present principal occupation, is also the Chairman of Equirex Leasing Corporation, an equipment leasing company; and Mr. Claude Rousseau who, prior to 2001, was Vice-President, Small and Medium Business Sales and Telemarketing (Quebec) of Bell Canada Inc., and Vice-President, Customer Service (Consumer and Business Markets, Quebec) of Bell Quebec Inc.

6. Appointment of Auditors

Richter Usher & Vineberg, Chartered Accountants, have acted as the Corporation's auditors since 1999.

Unless otherwise advised, the shares represented in the Form of Proxy will be exercised FOR the appointment of Richter Usher & Vineberg as auditors of the Corporation at the meeting and to authorize the directors to fix their remuneration.

7. Directors' Compensation

During the financial year ended April 30, 2003, each director of the Corporation who was not an employee of the Corporation or any of its subsidiaries, other than Mr. René Branchaud and Mr. Claude Rousseau, was paid an annual fee of \$5,000 and a fee of \$1,000 for each meeting of the Board of Directors and \$500 for each meeting of any committee thereof attended, and was reimbursed all expenses incurred in connection with such attendance. An aggregate of \$24,500 was paid by the Corporation as directors' fees and expenses in such financial year. In addition, directors are eligible to participate in the Corporation's stock option plan. An aggregate of 30,000 options were granted to directors during the financial year ended April 30, 2003.

8. Executive Compensation

Cash Remuneration

The aggregate cash remuneration paid or to be paid by the Corporation to the five senior executives who rendered services to the Corporation during various portions of the financial year ended April 30, 2003 was \$720,192.

BOOMERANG TRACKING INC. – MANAGEMENT PROXY CIRCULAR

The table below details compensation information for the financial year ended April 30, 2003 and, where applicable, the two previous financial years for the Chief Executive Officer of the Corporation and the four other most highly compensated executive officers of the Corporation (as defined under applicable securities legislation) (collectively, the "named executive officers"), measured by base salary and incentive bonuses during such period.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Annual Compensation				Long-Term Compensation Awards	All Other Compensation (\$)
	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Securities Under Options/SARs ⁽¹⁾ Granted (#)	
PETER LASHCHUK President, Chief Executive Officer and Chairman of the Board	2002/2003	93,333	36,000	-	-	-
	2001/2002	-	80,000	-	-	-
	2000/2001	-	30,000	-	-	-
SERGE LAPORTE ⁽²⁾ Vice-President, Sales and International Business Development	2002/2003	150,000	30,000	-	-	-
	2001/2002	115,385	33,750	-	100,000	-
SYLVAIN DUNN Vice-President, Finance and Operations	2002/2003	116,667	25,000	-	5,000	-
	2001/2002	92,500	35,000	-	15,000	-
	2000/2001	26,250	3,942	-	15,000	-
ANDRÉ BOULAY Vice-President, Technology	2002/2003	106,250	25,000	-	-	-
	2001/2002	71,154	80,000	-	-	-
	2000/2001	40,000	45,000	-	-	-
LINDA FARHA ⁽³⁾ Vice-President, Marketing and Communications	2002/2003	93,750	-	-	-	44,192 ⁽⁴⁾
	2001/2002	106,043	21,250	-	20,000	-
	2000/2001	71,923	7,500	-	15,000	-

(1) Stock appreciation rights. The Corporation does not grant any stock appreciation rights.

(2) Mr. Serge Laporte's employment with the Corporation commenced on July 30, 2001.

(3) Ms. Linda Farha's employment with the Corporation terminated on January 31, 2003.

(4) This amount represents payments made to Ms. Linda Farha in connection with the termination of her employment with the Corporation.

Share Option Plan

The Corporation has in place a Share Option Plan for the benefit of certain directors, officers, employees and service providers of the Corporation or any of its subsidiaries as designated from time to time by the Board of Directors of the Corporation or any appropriate committee thereof, so as to encourage them to promote the business and affairs of the Corporation to the best of their ability. Under the Share Option Plan, beneficiaries are granted, by means of share options, the right to purchase Common Shares for cash.

The Share Option Plan provides that the total number of Common Shares which may be issued thereunder may not exceed 3,347,250 shares. No beneficiary of options under the Share Option Plan may hold options in respect of more than 5% of the total number of Common Shares outstanding at any time. The exercise price of the options granted under the Share Option Plan cannot be less than the market price of the Common Shares at the close of business on the day prior to the date of grant of the options; provided, however, that if such closing price is more than 10 percent below the weighted average trading price of the Common Shares during the five-day period ending immediately prior to the date of grant of the options, then such five day weighted average price is to be used in calculating the exercise price. The term of any options granted under the Share Option Plan may not exceed five years and the options may not be assigned by the optionees, except to some limited extent after death or termination of employment.

An aggregate of 62,500 options were granted by the Corporation pursuant to the Share Option Plan during the financial year ended April 30, 2003, with exercise prices ranging from \$1.66 to \$1.80 (average - \$1.71), of which 2,500 options were subsequently cancelled.

During the financial year ended April 30, 2003, no options were exercised to purchase Common Shares, and no options lapsed.

Options to purchase an aggregate of 710,000 Common Shares at exercise prices ranging from \$0.30 to \$4.35 per share are outstanding pursuant to the Share Option Plan as at July 31, 2003.

The table below sets forth information regarding grants of share options under the Corporation's Share Option Plan to the named executive officers during the financial year ended April 30, 2003.

OPTION/SAR GRANTS DURING THE MOST RECENTLY COMPLETED FINANCIAL YEAR

Name	Securities Under Options/SARs Granted (#)	% of Total Options/SARs Granted to Employees in Financial Year (%)	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options/SARs on the Date of Grant (\$/Security)	Expiration Date
Sylvain Dunn	5,000	15.38	1.69	1.69	October 7, 2007

The table below sets forth information regarding exercises of share options by the named executive officers during the financial year ended April 30, 2003 and the financial year-end value of unexercised share options held by them.

**AGGREGATED OPTION/SAR EXERCISES DURING THE MOST
RECENTLY COMPLETED FINANCIAL YEAR AND
FINANCIAL YEAR-END OPTION/SAR VALUES**

<u>Name</u>	<u>Securities Acquired On Exercise (#)</u>	<u>Aggregate Value Realized (\$)</u>	<u>Unexercised Options/SARs at April 30, 2003 (#) Exercisable/ Unexercisable</u>	<u>Value of Unexercised in-the-Money Options/SARs at April 30, 2003⁽¹⁾ (\$) Exercisable/ Unexercisable</u>
Peter Lashchuk	-	-	100,000/-	105,000/-
Serge Laporte	-	-	33,333/66,667	-/-
Sylvain Dunn	-	-	15,000/20,000	-/-
André Boulay	-	-	100,000/-	105,000/-
Linda Farha	-	-	-	-/-

(1) Based on the closing price of the Common Shares on the Toronto Stock Exchange on April 30, 2003 of \$1.35.

Serge Laporte, the Vice-President, Sales and International Business Development of the Corporation, is party to an employment contract with the Corporation which provides that in the event the Corporation terminates his employment without cause or he terminates his employment with the Corporation for good reason (as such terms are defined in the employment contract), he shall be entitled to receive a cash indemnity equivalent to his then current annual salary and bonus.

9. Indebtedness of Directors, Executive Officers and Senior Officers

No director or officer of the Corporation was indebted to the Corporation at any time during its last completed financial year.

10. Interest of Insiders in Material Transactions

The Corporation leases its office facilities from Peter Lashchuk Holdings Inc., a company whose sole shareholder is Mr. Peter Lashchuk, a director, officer and principal shareholder of the Corporation. The rent payable by the Corporation pursuant to this lease is at or below market rates as determined by an independent appraisal obtained prior to the entering into of such lease.

The Corporation also leases an installation facility from 3739546 Canada Inc., a company whose sole shareholder is also Mr. Peter Lashchuk. The rent payable by the Corporation pursuant to this lease is believed to be at or below market rates.

Up until September 20, 2002, the Corporation purchased certain manufacturing components from Cellular One Inc. ("**Cellular One**"), a company whose sole shareholder is Mr. Peter Lashchuk. Cellular One provided these components to the Corporation at cost. Most of the assets of Cellular One were sold to a third party on September 20, 2002 and, as of that date, Cellular One ceased selling any components to the Corporation.

From its inception, the Corporation retained the services of Automobility Distribution Inc. ("**Automobility**") in order to distribute its products to Canadian retailers. Automobility is a company which is jointly owned by Messrs. Peter Lashchuk and Robert Nelson, both of whom are directors, officers and principal shareholders of the Corporation. The Corporation originally retained the services of Automobility because of the latter's established network of over 900 installation store fronts across Canada.

The Corporation has since revised its distribution strategy and commencing in its financial year ended April 30, 2003, has begun to establish direct relations with its Canadian retail customer base previously serviced by Automobility. The Corporation expects to complete the transition of this customer base by September 1, 2003. In the interim, as a means of providing for an orderly transfer of responsibilities, Automobility has agreed to provide various distribution support services in exchange for a fee to be paid to it by the Corporation.

In the normal course of its business, the Corporation sells products to Automobility. Following the termination of the role of Automobility as a distributor of its products, the Corporation will sell its products to Automobility for installation and resale to car dealerships on similar terms and conditions as those provided to other similar vendors. During its financial year ended April 30, 2003, sales of this nature made by the Corporation through Automobility represented less than 2% of the Corporation's total sales.

11. Report on Executive Compensation

As part of its mandate, the Compensation Committee advises the Board of Directors and management of the Corporation on the compensation of the executives of the Corporation. During the Corporation's financial year ended April 30, 2003, this Committee was comprised of three directors, Messrs. René Branchaud, Michel Brûlé and Claude Rousseau, all of whom were independent from the management of the Corporation, and met twice.

The Committee establishes management compensation policies and oversees their general implementation. In addition, the Committee monitors management succession planning and conducts periodic reviews of the overall condition and quality of the Corporation's human resources.

The guiding philosophy of the Committee in the determination of executive compensation is (i) pay-for-performance, (ii) the need to provide a total compensation package that will, within the context of the market, attract and retain qualified, experienced top-performing executives and (iii) fostering identification with shareholder interests.

The Committee recognizes that the nature of the Corporation's business is highly competitive and the ability to attract and retain dedicated and talented individuals with highly specialized skills and qualifications is critical to the Corporation's success. Salary levels are designed so that the senior executives receive a minimum level of appropriate compensation while stock option grants are designed to provide senior executives with substantially enhanced returns when the Corporation is successful.

In its effort to maintain the Corporation's competitiveness, the Committee continually monitors available peer group information to ensure that the salaries of the employees of all levels of the Corporation reflect industry practices. The Committee is of the view that the Corporation's general compensation practices are comparable to those in the industry.

Submitted to the Board of Directors:

René Branchaud (Chairman)
 Michel Brûlé
 Claude Rousseau

12. Report on Corporate Governance

The Toronto Stock Exchange (the "TSX") provides a series of guidelines (the "Guidelines") for effective corporate governance as a requirement for all listed companies incorporated in Canada. The Guidelines require disclosure in this Management Proxy Circular of the Corporation's system of corporate governance with reference to the Guidelines. The following statement of the Corporation's governance practices responds to the Guidelines.

The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. Although there is no requirement that the Corporation comply with the Guidelines, the Corporation considers the Guidelines to be helpful in monitoring the effectiveness and the evolution of its corporate governance. The Corporation's current corporate governance practices are designed to reflect fairly the interests of its shareholders and its current stage of development.

TSX CORPORATE GOVERNANCE GUIDELINES	COMMENTS
<p>1. <i>Board should explicitly assume responsibility for stewardship of the Corporation and specifically for:</i></p>	<p>The Board is responsible for the policy direction of the Corporation through consultation with management and generally oversees the business affairs of the Corporation. The Board meets at least four times during the year to review regular ongoing business of the Corporation. The Board also convenes at times when matters requiring its approval are raised and the timing is such that it is not prudent or possible to wait for a regularly scheduled Board meeting.</p>

**TSX
CORPORATE GOVERNANCE
GUIDELINES**

COMMENTS

- | | |
|---|--|
| <p>a. <i>adoption of a strategic planning process</i></p> | <p>Annually, the Board discusses with senior management of the Corporation the strategic direction of the Corporation, its goals and objectives and the best use of corporate capital and resources.</p> |
| <p>b. <i>identification of principal risks, and implementation of risk management systems</i></p> | <p>The principal risks to the Corporation of various strategic decisions are identified and addressed by the Board through updates at regular Board meetings.</p> |
| <p>c. <i>succession planning and monitoring of senior management</i></p> | <p>The Board is involved in monitoring and assessing senior management through its regular contact with the management team, most of whom participate in presentations to the Board at regular scheduled meetings.</p> |
| <p>d. <i>communications policy</i></p> | <p>Shareholder communications are handled by the Vice-President, Finance and the Director, Legal and Corporate Affairs, and Corporate Secretary.</p> |
| <p>e. <i>integrity of internal control and management information systems</i></p> | <p>Management is responsible for the maintenance of internal controls and management information systems. The Corporation's internal controls are monitored on a regular basis by the Audit Committee. The Audit Committee is comprised of Messrs. Michel Brûlé, Pierre Laurin and Claude Rousseau.</p> |
| <p>2. <i>Majority of directors should be "unrelated" (independent from management and free from conflicting interest)</i></p> | <p>The Board is comprised of seven members, four of whom are unrelated directors.</p> |
| <p>3. <i>Disclose for each director whether he or she is related, and how that conclusion was reached</i></p> | <p>Messrs. Peter Lashchuk, Robert Nelson and André Boulay are related directors due to their respective positions as President and Chief Executive Officer, Vice-President, Distribution and Vice-President, Technology of the Corporation and the fact that they are major shareholders of the Corporation. The remaining directors and nominee directors of the Corporation are unrelated directors who do not hold office with the Corporation and are not subject to any influence by the Corporation.</p> |

**TSX
CORPORATE GOVERNANCE
GUIDELINES**

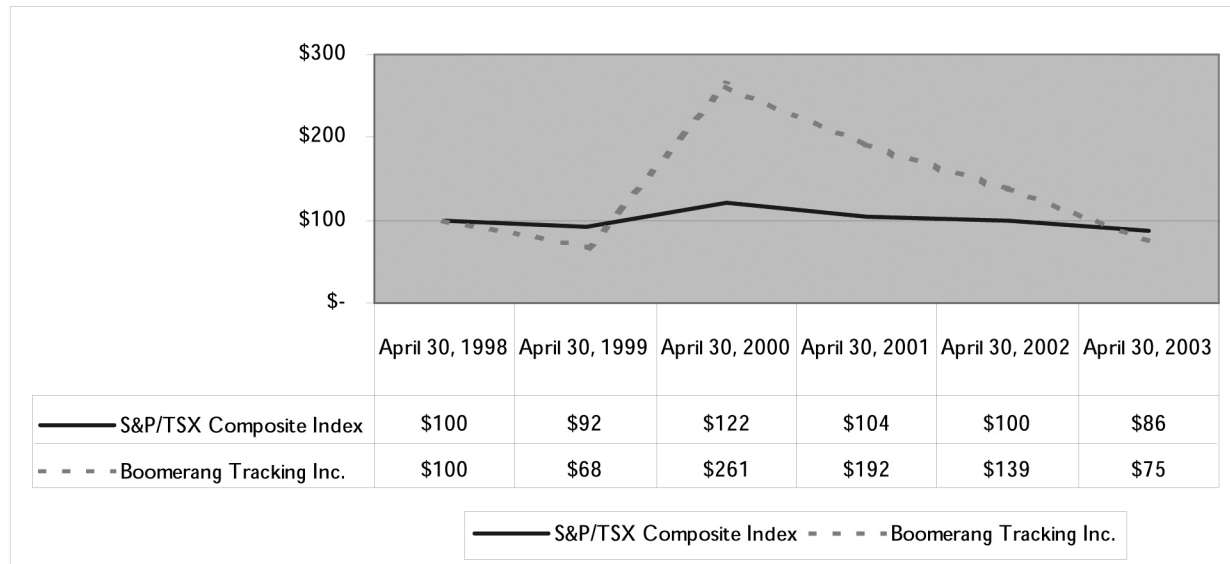
COMMENTS

- | | | |
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| 4. | <i>Appoint a committee responsible for appointment / assessment of directors composed exclusively of non-management directors, the majority of whom are unrelated</i> | The Chairman of the Board and other directors have been involved in identifying and screening Board candidates. |
| 5. | <i>Implement a process for assessing the effectiveness of the Board, its committees and individual directors</i> | The Corporate Governance Committee reviews the effectiveness of the Board with a view to improving communication with management, increasing Board involvement with the Corporation and establishing committees necessary to better monitor activities within the Corporation. |
| 6. | <i>Provide orientation and education programs for new directors</i> | The Chairman of the Board and senior management provide orientation and education for new Board members, through interviews and tours. |
| 7. | <i>Consider reducing size of Board, with a view to improving effectiveness</i> | It is the Corporation's policy to keep the size of its Board relatively small in order to maintain its efficiency and effectiveness. The Board is comprised of seven directors. |
| 8. | <i>Review compensation of directors in light of risks and responsibilities</i> | The Compensation Committee reviews and approves the compensation of the executive officers, the senior management and the directors of the Corporation. The Corporation utilizes the information obtained in industry compensation surveys as a guide in establishing compensation for the executive officers as well as directors' compensation. |
| 9. | <i>Committees should generally be composed of non-management directors, a majority of whom should be unrelated</i> | Each of the Audit Committee, the Compensation Committee and the Corporate Governance Committee is composed exclusively of non-management and unrelated directors, as described elsewhere in this report. |
| 10. | <i>Appoint a Committee responsible for approach to corporate governance issues</i> | Corporate governance issues are the responsibility of the Corporate Governance Committee. |
| 11. | a. <i>define limits to management's responsibilities by developing mandates for:</i> | |

<p>TSX CORPORATE GOVERNANCE GUIDELINES</p> <hr/>	<p><u>COMMENTS</u></p>
<p>(i) <i>the Board</i></p>	<p>There is no specific mandate for the Board, since the Board has the statutory obligation to manage the business and affairs of the Corporation. Any responsibility which is not delegated to senior management or a Board committee remains with the full Board.</p>
<p>(ii) <i>the President and Chief Executive Officer</i></p>	<p>The Board reviews management's goals and objectives as presented annually to the Board. Included in this process is the Board's approval of the annual budget and plan which forms the parameters within which management will operate during the year.</p>
<p>b. <i>Board should approve the President and Chief Executive Officer's corporate objectives</i></p>	<p>An assessment of the performance of the President and Chief Executive Officer and of the Corporation is to be conducted annually.</p>
<p>12. <i>Establish procedures to enable the Board to function independently of management</i></p>	<p>While the Chairman of the Board is a member of the management of the Corporation, each of the committees of the Board is composed exclusively of non-management and unrelated directors.</p>
<p>13. a. <i>establish an Audit Committee with a specifically defined mandate</i></p>	<p>The Audit Committee monitors audit functions and the preparation of financial statements and meets with Corporation's outside auditors. The Audit Committee meets following each quarter to review the interim financial reports of the Corporation and following each financial year to review and recommend the Corporation's annual financial statements to the Board for its approval. In addition, the members of the Audit Committee regularly meet privately with the auditors of the Corporation to discuss the cooperation management provides the auditors in executing their mandates.</p>
<p>b. <i>all members should be non-management directors</i></p>	<p>All members of the Audit Committee are non-management directors.</p>
<p>14. <i>Implement a system to enable individual directors to engage outside advisors, at the Corporation's expense</i></p>	<p>Individual directors can engage outside advisors with the authorization of the Chairman of the Board. On occasion, the non-management directors have engaged outside counsel to provide them with an opinion on matters relating to the Corporation.</p>

13. Performance Graph

The following graph compares the cumulative total shareholder return for a \$100 investment in Common Shares of the Corporation made on April 30, 1998 (assuming the reinvestment in Common Shares of all dividends received) and the cumulative total return of the S&P/TSX Composite Index for the period from April 30, 1998 to April 30, 2003.



14. Directors' and Officers' Liability Insurance

The Corporation maintains insurance for the liability of its directors and officers arising out of the performance of their duties. The total amount of such insurance maintained is \$5,000,000 at a cost of \$13,531 per annum. Under this insurance policy, the Corporation's maximum possible liability beyond the payment of premiums is \$25,000 for any particular claim.

15. Normal Course Issuer Bid

On May 2, 2003, the Corporation filed with the TSX, and the TSX accepted, a notice of intention to make a normal course issuer bid to purchase for cancellation up to a maximum of 1,093,155 Common Shares, representing approximately 5% of the issued and outstanding Common Shares at the time. Shareholders may obtain a copy of such notice of intention to make a normal course issuer bid, without charge, by contacting the Corporation. Purchases of Common Shares under such normal course issuer bid were permitted to commence on May 6, 2003 and will terminate no later than May 5, 2004. As of July 31, 2003, a total of 150,700 Common Shares have been purchased for cancellation by the Corporation pursuant to such normal course issuer bid.

The Corporation purchased 466,900 of the 1,116,500 Common Shares it was permitted to purchase for cancellation pursuant to its previous normal course issuer bid which began on May 1, 2002 and expired on April 30, 2003.

16. Shareholder Proposals

Pursuant to the *Canada Business Corporations Act*, shareholders wishing to submit to the Corporation a proposal for consideration at the Corporation's next annual meeting must do so by no later than June 6, 2004.

17. General

Except as otherwise indicated, information contained herein is given as at July 31, 2003. Management knows of no matters to come before the meeting other than the matters referred to in the Notice of Meeting. **If any amendments or variations to matters identified in the Notice of Meeting or other matters are brought before the meeting, the persons named in the accompanying Form of Proxy will vote on such amendments, variations or other matters in accordance with their best judgment.**

18. Directors' Approval

The Board of Directors of the Corporation has approved the contents of this Management Proxy Circular and the sending of it to each shareholder entitled to receive the Notice of the Meeting, to each director and to the auditors of the Corporation.

A handwritten signature in black ink, appearing to read "Geneviève F.", written in a cursive style.

Geneviève Foster
Director, Legal and Corporate Affairs,
and Corporate Secretary

Montreal, Quebec, August 15, 2003