



NOTICE

OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual and Special Meeting of shareholders of Groupe Bikini Village inc. (the “Company”) will be held at the Hotel Holiday Inn, 900 St-Charles East, Longueuil, Quebec, Canada on Friday June 11, 2010 at 10:00 a.m., local time, for the following purposes:

To receive the Management Discussion and Analysis and the financial statements of the Company for the fiscal year ending January 30, 2010, together with the auditors’ report relating thereto;

To elect the Directors;

To appoint auditors and authorize the Directors to fix their remuneration;

To consider and, if thought advisable, to pass, with or without variation, special resolution 2010-1 (the text of which appears in the accompanying information circular) to authorize the Directors to consolidate the Company’s common shares;

To transact any other business as may properly be brought before the Meeting.

Sainte-Julie, Quebec, April 29, 2010

BY ORDER OF THE BOARD OF DIRECTORS

Chair of the Audit Committee

(S) Joe Marsilii

Joe Marsilii

Note: Shareholders eligible to vote but unable to be present in person at the Meeting are requested to complete, sign and return the enclosed proxy form in the envelope provided for that purpose. Proxies must be received by the Proxy Department of Computershare Trust Company of Canada, 100 University Street, 9th Floor, Toronto, Ontario, M5J 2Y1 no later than the last business day preceding the date of the Meeting or any adjournment thereof.

Notice to Non-Registered Beneficial Owners

There are two ways in which non-registered shareholders may cast the votes attaching to shares held by their nominees. Securities regulations and legislation, specifically *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer*, require that the nominee of a non-registered shareholder obtain the shareholder’s voting instructions prior to the Meeting. Non-registered shareholders will receive (or will have received) a request for voting instructions or a proxy form from their nominee prior to the Meeting in consideration of the number of shares they hold. The voting instructions or proxy forms provided by their nominees will provide instructions on how to sign and submit these documents; non-registered shareholders must read and follow these instructions carefully to make sure that the voting rights attaching to their shares are properly cast at the Meeting.

Non-registered shareholders who wish to have the votes attaching to their shares cast on their behalf must follow the voting instructions provided by their nominee.

Non-registered shareholders who wish to cast the votes attaching to their shares in person at the Meeting must enter their own name in the space provided to that end on the voting instruction request or proxy form, whichever the case may be, to appoint themselves as proxy, and then follow the instructions on how to sign and submit the document provided by their nominee. Non-registered shareholders who appoint themselves as proxy must report to the representative of the Company’s transfer agent, Computershare Trust Company of Canada, at the Meeting. Non-registered shareholders should leave the other sections of the form sent to them by their nominee blank, as their votes will be cast and counted at the Meeting.

Voting Shares and Principal Holders Thereof

The Company is authorized to issue an unlimited number of common shares (“Shares”) without nominal or par value, each comprising a right to vote. As of the date of this Proxy Circular, there were 167,678,115 Shares issued and outstanding. The Company has fixed the close of business on May 7, 2010 as the reference date for the purpose of determining those shareholders entitled to vote at the Meeting or any adjournment thereof.

As at this date, to the Company Directors’ and officers’ knowledge, no person or company holds more than 10% of the outstanding Shares of the Company except:

Name of shareholder	Number of common shares	Percentage of common shares
National Bank Financial ⁽¹⁾	21,209,264	12.6%

⁽¹⁾ Held directly and/or where control is exercised

MATTERS ON THE AGENDA

Management Discussion & Analysis and Financial Statements

The Management Discussion & Analysis (“MD&A”), as well as the financial statements and auditors’ report pertaining thereto, for the year ended January 30, 2010, which are included in the Company’s 2009 annual report, will be placed before the shareholders at the Meeting; a vote is neither required nor planned in this respect.

Election of Directors

Under the Articles of the Company, the Board must consist of a minimum of three and a maximum of eleven Directors. Although at the date of the present, the Board is composed of three directors, the Board’s mandate provides that this number is fixed at a minimum of five. In addition to the four nominees proposed, the Board has initiated a search to provide for another Board member. **Unless otherwise specified, the persons appointed in the enclosed form of proxy intend to vote FOR the election of the nominees whose names appear hereafter.** Management has no reason to believe that any of the nominees will be unable to serve as a Director but, if such should be the case for any reason whatsoever prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

The mandate of the following Directors will end at the Meeting: Mr. Scott Leckie, Mr. Joe Marsilii and Mr. Paul Delage Roberge.

Following their election, each Director will remain in office until the next annual Meeting of the Shareholders of the Company, or until their successor is elected or appointed, whichever is earlier.

The following table and notes provide:

- the name of each person proposed for election as a Director,
- their place of residence,
- the position each holds in relation to the Company,
- each nominee’s current principal occupation and the name of the organization for which they carry out this occupation,
- their number of years of service as a Director of the Company, as well as
- the number of voting shares of the Company held directly or indirectly by each person as a beneficial owner, or which he or she controls or directs.

			Number of Shares Controlled or Directed	
Candidate's Name	Principal Occupation	Director Since	Common Shares	% of Common Shares
SCOTT LECKIE, CFA ^{A,B} Director Ontario, Canada	Vice-President, Investor Advisor and Portfolio Manager National Bank Financial ⁽¹⁾	June 14, 2007	474,976	0.3%
<ul style="list-style-type: none"> - Independent Director - Mr. Scott Leckie is Vice-President, Investment Advisor and Portfolio Manager of National Bank Financial. Following the acquisition of the Brokerage and Portfolio Management activities of Aquilon Capital Corp. by National Bank Financial on March 1, 2008, Mr. Leckie was Investment Adviser at Midland Doherty from 1985 to 1990. 				
JOE MARSILII, CA ^{A,B} Director Quebec, Canada	Vice-President, Investments and Finance Jolina Capital inc. (holding company)	March 1, 2007	150,000 ⁽²⁾	0.1%
<ul style="list-style-type: none"> - Independent Director - Mr. Joe Marsilii joined Jolina Capital in 2001 as Chief of Financial Services and later became Vice-President, Investments and Finance. Between 1993 and 2001, he occupied various positions with companies within Groupe Québecor. Since 1991, Mr. Marsilii is a Chartered Accountant and has worked at KPMG, a Chartered Accountancy firm. 				
PAUL DELAGE ROBERGE ^A Director Quebec, Canada	President and Chief Executive Officer Le Département Square DIX30	1978	4,890,925 ⁽³⁾	2.9%
<ul style="list-style-type: none"> - Non independent Director - Mr. Paul Delage Roberge, founder of the Company, was President and Chief Executive Officer of the Company until 2002 and he was President and Chief Executive Officer of REZOpr Québec inc. until 2009 and he is currently President and Chief Executive Officer of Le Département Square DIX30. 				
NATHALIE CARRIER Quebec, Canada	President NC Collections	-	-	-
<ul style="list-style-type: none"> - Independent - Mrs Nathalie Carrier is President of NC Collections since April 2010. Mrs Carrier has been more than 20 years working for Christina Amérique. Upon her departure in April 2010, she was Vice-President, Sales 				

(1) Mr. Scott Leckie represents National Bank Financial, a shareholder holding directly or controlling 12.6% of the Company's shares.

(2) Of this number, 100,000 shares are held by members of Mr. Marsilii's family.

(3) Of this number, 4,718,351 shares are held by 114114 Canada Inc., an investment company controlled by Mr. Paul Delage Roberge.

(A) Member of the Audit Committee.

(B) Member of the Corporate Governance Committee and Human Resources Committee.

All of the Directors carried out the principal occupation(s) listed beside their names over the last five years except: Mr. Paul Delage Roberge was President and Chief Executive Officer of REZOpr Québec inc. until 2009. As of March 1, 2008, Mr. Scott Leckie was Senior Vice-President of Aquilon Capital Corp. On March 1st, 2008, Aquilon Capital Corp. was acquired by National Bank Financial. Mrs. Nathalie Carrier, was Vice-President, Sales of Christina Amérique until April 2010.

To the Company's knowledge, no Director or officer of the Company or shareholder holds a sufficient number of securities of the Company to materially affect the control of the Company.

Cease Trade Orders, Bankruptcies, Fines and Sanctions

Other than as indicated below, to the Company's knowledge, no Director whose candidacy to the position of Director is proposed:

(a) is, as at the date of this circular, or has been, within 10 years before the date of the circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,

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

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

(b) is, as at the date of the circular, or has been within 10 years before the date of the circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the 10 years before the date of the circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Paul Delage Roberge assumed his current role as Director of the Company when, in 2003, it restructured under the *Companies' Creditors Arrangement Act*.

On June 30, 2005, Scott Leckie concluded a settlement with Market Regulation Services Inc. ("RS") under which he agreed to pay RS a fine and costs totalling \$120,000. The settlement was reached following a review by RS of seven trades Mr. Leckie made in shares of Air Canada in June 2003, on behalf of a client. RS accepted that Mr. Leckie's trading activities were intended for the benefit of his client and acknowledged that Mr. Leckie had no intention to manipulate the price of shares or deceive the market.

Attendance Record for Board Meetings

The following table sets forth the number of meetings held by the Board during the fiscal year ending January 30, 2010 and the attendance of each Director at those meetings.

Number of Meetings Each Board Member Attended

Director	Board	Audit Committee	Corporate Governance and Human Resources Committee
Total meetings held within the year	5	4	2
Mardiros Ounanian	5 of 5	-	2 of 2
Scott Leckie	5 of 5	4 of 4	2 of 2
Melinda Lee	2 of 5 ⁽¹⁾	1 of 4	0 of 2 ⁽¹⁾
Joe Marsilii	5 of 5	4 of 4	-
Paul Delage Roberge	4 of 5	-	-

- (1) Mrs. Melinda Lee resigned in May 2009 from her position as Director and member of audit and corporate governance and human resources committees.

Appointment of Auditors

Unless otherwise specified, the persons whose names appear on the form of proxy intend to vote FOR the appointment of Samson Bélair/Deloitte & Touche s.e.n.c.r.l. as auditors of the Company and the establishment of their remuneration by the Board. The auditors will hold office until the next Annual Meeting of shareholders of the Company or until their successors are appointed. In order to be passed, a motion respecting the appointment of auditors must be carried by a majority of the votes of the shareholders entitled to vote who are present or represented by proxy at the Meeting.

Samson Bélair/Deloitte & Touche s.e.n.c.r.l., Chartered Accountants, have been the auditors of the Company since 1985.

The Share Consolidation

General

The Company has a large number of shareholders holding small numbers of Shares. As of April 19, 2010, 3,122 shareholders (the “Small Shareholders”) held a total of 34,668,443 Shares, representing approximately 20.7% of all outstanding Shares. The Company spends a significant amount of money each year printing and mailing materials required by applicable securities laws, such as annual reports and information circulars, to the Small Shareholders and servicing their accounts through the Company’s registrar and transfer agent. In the Board’s opinion, the expenditure required in connection with the holdings of Small Shareholders is disproportionate in relation to the amount of their investment. In addition, the number of outstanding Shares is disproportionate to the Company’s size and may lead certain investors to perceive the Company as a penny-stock issuer.

Accordingly, by resolution approved on April 29, 2010, the Board has elected to submit to the Company’s shareholders the consolidation of the Company’s outstanding Shares within a range of one new Share for every 100 currently outstanding Shares to one new Share for every 150 currently outstanding Shares (the “Consolidation”). No fractions of shares will be issued as a result of the Consolidation, with all such fractions being rounded down. For each pre-Consolidation Share that does not form part of a post-Consolidation Share, the shareholders will receive a cash payment of the greater of (i) \$0.05 and (ii) the market price (as defined in the Toronto Stock Exchange’s rules) on the date that the Consolidation takes effect (the “Market Price”). For example, assuming that the Market Price is \$0.05 or less, a shareholder who holds 75 Shares will receive no post-Consolidation Shares and a payment of \$3.75 (being the proceeds of 75 Shares at \$0.05 each). Conversely, a shareholder who holds 175 Shares will receive one post-Consolidation Share, plus a payment of between \$1.25 and \$3.75 (being the proceeds of the balance of either 25 or 75 Shares at \$0.05 each). The Company believes that most Small Shareholders will welcome the opportunity to liquidate their Shares without being required to pay a brokerage fee and in light of the fact that holdings of small numbers of shares can be difficult to sell through the facilities of the TSX (thereby making their holdings relatively illiquid as compared to the Shares generally).

Special resolution 2010-1 (the “Share Consolidation Resolution”), the text of which appears at schedule C, authorizes the Board to proceed with the Consolidation, if and when it deems appropriate.

Principal Effects of the Share Consolidation

If approved and implemented, the Consolidation will occur simultaneously for all Shares and the consolidation ratio will be the same for all of those shares. The Consolidation will affect all shareholders uniformly and will not affect any shareholder’s percentage ownership interest in the Company, except to the

extent that the consolidation would otherwise result in any shareholder owning a fractional share. As described below under “Effect on Fractional Shareholders”, any fraction resulting from the consolidation of a shareholder’s shares will be rounded down. Each Share outstanding after the Consolidation will be entitled to one vote and will be fully paid and non-assessable.

The principal effects of the Consolidation will be that:

- the number of Shares of the Company issued and outstanding will be reduced from 167,678,115 Shares to between approximately 1,117,854 and 1,676,781 Shares;
- the exercise price and/or the number of Shares issuable under any of the Company’s outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted upon the Consolidation; and
- the number of Shares reserved for issuance under the Company’s stock option plan will be reduced proportionately upon the Consolidation.

Effect on Fractional Shareholders

No fractional share will be issued if, as a result of the Consolidation, a registered shareholder would otherwise become entitled to a fractional share. Consequently, any fraction resulting from the consolidation of a shareholder’s shares will be rounded down.

Effect on Convertible Securities, Stock Options and Other Arrangements

The number of Shares issuable under any of the Company’s outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted upon the consolidation in accordance with the terms of such securities based on the consolidation ratio approved by the shareholders.

Effect on Share Certificates

If the proposed consolidation is approved by shareholders and implemented by the Board, registered shareholders will be required to exchange their share certificates representing their pre-consolidation Shares for new share certificates representing post-consolidation Shares.

Concurrently with this circular, the Company is mailing to registered shareholders (each, a “Registered Shareholder”) a transmittal letter addressed to the Company and its transfer agent, which each Registered Shareholder will need to complete following the Company’s announcement of the effective date of the consolidation. The transmittal letter contains instructions on how to surrender your certificate or certificates representing your pre-consolidation Shares. The Company’s transfer agent will send each Registered Shareholder who has sent the required documents a new share certificate representing the number of post-consolidation Shares to which the Registered Shareholder is entitled. Until surrendered to the Company’s transfer agent, each share certificate representing pre-consolidation Shares will be deemed for all purposes to represent the number of whole post-consolidation Shares to which the Registered Shareholder is entitled as a result of the consolidation. The Company’s transfer agent will make all arrangements necessary so that all shareholders (Registered and non-Registered) to whom a cash payment is due under the Consolidation will receive the payments due to them.

SHAREHOLDERS SHOULD NEITHER DESTROY NOR SUBMIT ANY SHARE CERTIFICATE UNTIL REQUESTED TO DO SO.

Procedure for Implementing the Share Consolidation

If special resolution 2010-1 is approved by shareholders and the Board decides to implement the consolidation, the Company will promptly file articles of amendment in the form prescribed to amend the Company's articles of incorporation. The Consolidation will become effective on the date appearing in the certificate of amendment.

No Dissent Right

Shareholders have no dissent or appraisal rights with respect to the Consolidation.

Approval of the Share Consolidation

To pass, the Share Consolidation Resolution must be approved by more than two-thirds of the votes cast by the Company's shareholders, present in person or represented by proxy and entitled to vote at the Meeting.

Unless otherwise specified, the persons appointed in the enclosed form of proxy intend to vote FOR the Share Consolidation Resolution.

Notwithstanding the foregoing, the Share Consolidation Resolution authorizes the Board, without further notice to or approval of the Company's shareholders, to decline to proceed with the Consolidation and to revoke the Share Consolidation Resolution at any time prior to its becoming effective.

Canadian Federal Income Tax Considerations

The following is a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the "**Tax Act**"), as of the date of this circular, generally applicable to a shareholder in respect of the Consolidation. This summary is generally applicable to shareholders who, for purposes of the Tax Act, hold their Shares as capital property and who deal at arm's length and are not affiliated with the Company. The Shares will generally constitute capital property of their holder, unless they are held in the course of carrying on a business or have been acquired in a transaction or transactions considered to be an adventure in the nature of trade. In certain circumstances, shareholders whose Shares might not otherwise qualify as capital property may be entitled to qualify them as such by making the election permitted by subsection 39(4) of the Tax Act.

This summary is not applicable to a shareholder: (i) that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules); (ii) that is a "specified financial institution" (as defined in the Tax Act); (iii) an interest in which is a "tax shelter investment" (as defined in the Tax Act); or (iv) who makes or has made a functional currency reporting election under section 261 of the Tax Act. Such shareholders should consult their own tax advisors regarding their particular circumstances.

This summary is based on the current provisions of the Tax Act and the current published administrative and assessing policies and practices of the Canada Revenue Agency ("**CRA**") and takes into account all proposed amendments (the "**Tax Proposals**") to amend the Tax Act and the regulations thereto publicly announced by the Minister of Finance (Canada) prior to the date of this circular. There is, however, no certainty that the Tax Proposals will be enacted in the form proposed, if at all. This summary does not otherwise take into account or anticipate any changes in law or in the CRA's practices, whether by judicial, governmental or legislative decisions or action, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction. The provisions of provincial income tax legislation vary from province to province in Canada and in some cases differ from federal income tax legislation.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder and no representations with respect to the income tax

consequences to any particular shareholder are made. Accordingly, shareholders should consult their own tax advisors for advice with respect to the tax consequences to them of the Consolidation in their particular circumstances, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

Residents of Canada

The following summary is only applicable to shareholders who are resident or are deemed to be resident in Canada for purposes of the Tax Act (each, a “**Resident Holder**”).

Where a Resident Holder exchanges Shares for one or more post-Consolidation Shares under the Consolidation, that exchange will not generally be deemed to be a disposition of the Shares.

The Company has determined that the paid-up capital (as defined in the Tax Act) in respect of each Share is greater than the consideration per Share paid under the Consolidation. Accordingly, a Resident Holder will not be deemed to have received a dividend upon the receipt of cash in lieu of fractional post-Consolidation Shares under the Consolidation.

Resident Holders will generally realize a capital gain (or capital loss) upon the receipt of cash in lieu of fractional post-Consolidation Shares under the Consolidation.

Generally, in computing its income for a taxation year a Resident Holder must include 50% of any capital gain (a “**taxable capital gain**”) it realized in that year. A Resident Holder will generally be entitled to deduct 50% of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in those years, to the extent and under the circumstances specified in the Tax Act.

If a Resident Holder is a corporation and realizes a capital loss on the disposition of a Share, to the extent and under the circumstances specified by the Tax Act that loss may be reduced by the amount of dividends received or deemed to have been received by the corporation on that Share. Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be required to pay an additional 6²/₃% refundable tax on certain investment income, which includes taxable capital gains.

A capital gain realized by a Resident Holder who is an individual (including certain trusts and estates) may trigger liability for alternative minimum tax under the Tax Act.

Non-Residents of Canada

The following summary is only applicable to shareholders who are neither resident nor deemed to be resident in Canada for purposes of the Tax Act, who do not use or hold, and are not deemed to use or hold, their Shares in connection with carrying on a business in Canada, and whose Shares do not constitute “taxable Canadian property” for the purposes of the Tax Act (each such Shareholder being a “**Non-Resident Holder**”). The Shares of a Non-Resident Holder will not constitute “taxable Canadian property” unless (a) at any time during the 60-month period preceding the disposition, the Non-Resident Holder, persons not dealing at arm’s length with the Non-Resident Holder or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of the capital stock of the Corporation and more than 50% of the fair market value of the Shares was derived, directly or indirectly, from real or

immoveable property situated in Canada, Canadian resource properties, timber resource properties or options or interests in such properties (as such terms are defined in the Tax Act); or (b) the Shares are otherwise deemed to be taxable Canadian property. A Non-Resident Holder owning Shares that may constitute taxable Canadian property should consult its tax advisors prior to a disposition thereof.

A Non-Resident Holder will not be subject to any Canadian tax on capital gains or, based on the Company's determination that the paid-up capital in respect of each Share is in excess of the consideration per Share paid under the Consolidation, to any Canadian withholding tax with respect to the Consolidation.

Other Matters Coming Before the Meeting

The management of the Company knows of no matters to come before the Meeting other than those referred to in the notice of Meeting. Should other matters unknown at this time come before the Meeting, the voting rights attached to the Shares in circulation which are conferred by the enclosed form of proxy will be exercised at the discretion of the person exercising the voting rights pertaining to such matters.

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Discussion and Analysis describes and explains the significant elements of compensation awarded to, earned by, paid to or payable to the Company's named executive officers, as defined in Form 51-102F6 under national Instrument 51-102 – Continuous Disclosure Obligations for Fiscal 2009. The Executive Compensation Rules require the Company to provide specific disclosure on the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers of the Company who served as executive officers during Fiscal 2009 and whose total compensation, individually, was more than \$150,000.

Composition of the Corporate Governance and Human Resources Committee

As of April 29, 2010, the Corporate Governance and Human Resources Committee was composed exceptionally of only two Directors, namely Mr. Scott Leckie, the Committee Chair and Mr. Joe Marsilii. The Board ruled that Mr. Scott Leckie and Mr. Joe Marsilii are independent. Mr. Mardiros Ounanian was a member of the committee until his resignation on March 9, 2010. The Company intends to correct this temporary situation immediately after the election of Directors at its next Annual and Special Meeting of shareholders.

Establishment of Remuneration

The main responsibilities of the Corporate Governance and Human Resources Committee consist of carrying out its duties to hire, evaluate, remunerate and plan the release of senior management and Directors.

The remuneration policy for the Executive Officers of the Company aims to compensate them at a level that is generally comparable to compensation granted in other Canadian retail sector companies with annual revenue of approximately \$40 million and comparable geographical reach. In establishing the total remuneration, the Committee also takes into account the overall financial return of the Company as well as the efficiency of the individual in exercising his/her duties.

This policy gives significant weight to the variable payment (annual premium and long-term incentive plan) with the aim of encouraging the creation of value for shareholders, thus linking the interests of senior management with those of shareholders.

The remuneration policy includes the following elements:

- A cash payment which includes the base salary and the annual bonus,

- A long term incentive plan,
- A set of benefits offering protection in case of illness, incapacity or death, and
- A group of additional benefits competitive with current market practices.

The remuneration of senior management is reviewed annually to allow the Company to remain competitive; the compensation takes into account their responsibilities, their skills and their continued performance. Given the economic environment at the beginning of 2009, the Corporate Governance and Human Resources Committee had decided to freeze the executive officer salaries for 2009 fiscal year.

Base Salary

The base salary takes into consideration size of the Company, the financial and strategic impact of the position, the personal contribution of the individual, and the fairness compared to other positions within the Company. The base salaries are generally competitive with regards to companies of similar size and reach.

Annual Bonus

The short-term incentive plan, as it was defined in December 2006 and revised in April 2008, is linked to the financial performance of the Company, and aims to encourage senior management to surpass the financial returns established in the annual business plan. The annual bonus is linked to the Company's business plan, which is established annually and which fixes financial return objectives; a target bonus is fixed as a percentage of the base salary for results deemed to meet or exceed expectations, while there is no payment if the results are below the minimum return threshold.

Long-term Incentive Plan

The long-term incentive plan aims at aligning the interests of senior management with those of the shareholders, as well as attracting and retaining key staff and enabling senior managers to participate in the long-term growth of the Company.

The long-term incentive plan consists of options to purchase shares of the Company. Options are granted at the time of hiring, upon promotion or during an annual review; the number of options granted varies according to the individual's position within senior management.

Remuneration of the President and Chief Executive Officer

The remuneration of the President and CEO is reviewed annually by the Corporate Governance and Human Resources Committee, which presents its recommendations in this respect to the Board. The base salary of the President and CEO is based on factors related to the Canadian retail market and the committee's evaluation of the President and CEO's performance with respect to the Company's profitability and the progress made as far as its strategic objectives are concerned.

Approximately one third of the President and CEO's cash remuneration consists of a variable amount which is paid when his performance indicators have been achieved. As such, the President and CEO is entitled to an annual premium, the target bonus represents 30% of his base salary. To qualify for the annual premium, the President and CEO must at least deliver the minimum return threshold of 100% of the Company's EBITDA objective. Once this minimum threshold has been reached, the bonus is calculated according to the target bonus and the following indicators of performance: the EBITDA, worth 50% of the target bonus, and the sales, worth 50% of the target bonus.

Depending on whether the Company achieves or exceeds (in whole or in part) the objectives established for each performance indicator, the President and CEO receives between 15% and 60% of his base salary as an annual bonus.

As stipulated in the employment contract concluded between the Company and Mr. Yves Simard, in February 2007 the Company granted him 1,000,000 stock options, exercisable over three years at the rate of one-third per year, beginning January 2008. On April 29, 2008, the Company granted him an additional 1,000,000 stock options. These grants were the results of Board discussions.

Remuneration of the Executive Officers

The following table provides information concerning the remuneration of individuals having occupied the positions of Chief Executive Officer and Chief Financial Officer as well as other executives of the Company receiving the highest remuneration (hereinafter collectively referred to as the “Named Executive Officers”), in which their salary exceeds \$150,000, while acting as such for services rendered in the fiscal years ended January 30, 2010, January 31, 2009 and February 2, 2008. No other individual would have been a Named Executive Officer, but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that fiscal year.

Summary Compensation Table						
Name and principal position		Salary (\$)	Incentive Plan ⁽¹⁾ (\$)	Attribution-based options ⁽³⁾⁽⁴⁾ (\$)	All other Compensation ⁽²⁾ (\$)	Total Compensation (\$)
YVES SIMARD President and Chief Executive Officer	2010	220,000	-		-	220,000
	2009	220,000	-	61,368	-	281,368
	2008	200,000	-	103,653	-	303,653

- (1) Bonuses are paid in cash during the fiscal year following the one for which they have been granted.
- (2) During the last three fiscal years, the Named Executive Officers have received no other remuneration or particular benefits amounting to more than the lesser of \$50,000 and 10% of the total salary and bonus paid to them by the Company during the relevant fiscal year.
- (3) Options may be exercised 33 1/3% per year.
- (4) The fair value of the options granted annually is obtained by multiplying the number of options granted by their value established according to the Black & Scholes model. This value is the same as the fair book value established in accordance with generally accepted accounting principles and accounting for the following assumptions:

	2009	2008
Risk-free rate:	3.4%	4%
Dividend yield:	Nil	Nil
Volatility:	85%	90%
Expected lifetime:	7 years	7 years
Fair value per option:	\$0.06	\$0.10

Remuneration of the Directors

Every outside Director of the Company receives annual retainer fees of \$6,500, a sum of \$1,000 for each Board meeting attended, a sum of \$500 for each Board meeting attended by conference call and a sum of \$1,000 for every meeting of the committees.

The following table discloses, for each director of the Company, the compensation received for the year ended January 30, 2010:

Name	Fees (\$)	All other compensation (\$)	Total (\$)
Mardiros Ounanian ⁽¹⁾	11,500	-	11,500
Scott Leckie	15,500	-	15,500
Melinda M. Lee ⁽²⁾	6,250	-	6,250
Joe Marsilli	15,500	-	15,500
Paul Delage Roberge	10,500	-	10,500
Total	59,250	-	59,250

(1) Mardiros Ounanian has resigned as Director and Chairman of the Board on March 9, 2010.

(2) Last payment was made in May 2009. Mrs. Lee left the Board in May 2009.

Stock Option Plan for Common Shares

The following table provides certain data, as at the end of the year, relating to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans ⁽¹⁾
Equity compensation plans approved by security holders	4,700,000	\$0.09	12,067,811

(1) Excluding securities reflected in the first column.

The Plan

The Plan provides that the aggregate number of shares reserved for issuance under the Plan is equal to 10% of a number of shares equal to A minus B, where A is equal to the number of Shares outstanding at the time of grant and B is equal to the number of shares issued under options. If any option expires or otherwise terminates for any reason without having been exercised in full, the number of shares in respect of which the option expired or terminated will again be available for issuance under the Plan. The Plan is considered an “evergreen” plan, since the Shares covered by options that have been exercised will be available for subsequent grants under the Plan. The rules of the Toronto Stock Exchange (TSX) therefore require that every three years after its institution, all unallocated options, rights or other entitlements under the Plan be approved by a majority of each of the Company’s directors and of its security holders. The shareholders were therefore asked to approve all unallocated options, rights or other entitlements under the Plan for a further three year period at the June 2008 Meeting.

The purpose of the Plan is to provide an additional incentive to promote, to the best of the beneficiaries’ ability, the interests of the Company and to reward the beneficiaries’ management skills, their special contributions, their efforts, their performance, the services both rendered and to be rendered by them, as well as their loyalty toward the Company.

The persons eligible to participate in the Plan are the Directors, senior officers and management employees of the Company designated by the Board. The Board of Directors may, from time to time, determine, by way of a resolution, the eligibility to the Plan of directors, senior officers and management employees of any other company or corporation becoming a subsidiary of the Company when the Plan is in effect. Subject to the rules of the TSX, the Board determines the duration, the exercise price, the vesting terms and the number of

options that may be granted under the Plan. Any option granted to an employee or an officer under the Plan may be exercised at any time within a period of ten years from the grant date of such option, provided that such option holder remains an employee or an officer of the Company and subject to any other restriction which the Board may impose upon granting the option. In case of death, permanent disability, resignation, retirement, termination, dismissal without cause, or any other suspension of employment other than dismissal for cause, the options may be exercised wholly or in part by the option holder within 90 days of the holder's departure, provided that the options are vested. The exercise price of the options granted under the Plan cannot be less than the lowest price permitted by the regulatory authorities responsible for such Plan, i.e., the weighted average price of transactions of Shares of the Company in the five days preceding the date of grant of the options. These options are non-transferable. The Plan also states that the maximum number of Shares pursuant to options granted to an individual cannot exceed 5% of the total number of Shares at the time at which each option is granted.

As of the date of this Circular, there are 4,700,000 options issued and 12,067,811 options issuable under the Plan, representing, respectively, 2.8% and 7.2% of the currently outstanding Shares.

The Plan does not limit insider participation. The Company does not offer financial assistance to any option holder under the Plan.

All stock option shares granted under the terms of the Plan can immediately be exercised due to a change in control or a public offer to purchase, exchange or repurchase the Company's securities.

Under the rules of the TSX, the Company's shareholders must approve any amendments to the Plan other than specific amendments set forth in the Plan, such as:

- (a) minor changes of a "house-keeping nature";
- (b) amending options including with respect to the option period (provided that the period during which an option is exercisable does not exceed ten years from the date the option is granted and that the option is not held by an insider), vesting period, exercise method and frequency, subscription price (provided that the option is not held by an insider) and method of determining the subscription price, assign ability and effect of termination of a participant's employment or cessation of the participant's directorship;
- (c) changing the class of participants eligible to participate under the Plan;
- (d) advancing the date on which any option may be exercised or extending the expiration date of any option, provided that the period during which an option is exercisable does not exceed ten years from the date the option is granted;
- (e) changing the terms and conditions of any financial assistance that may be provided by the Company to participants to facilitate the purchase of Shares under the Plan; and
- (f) adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Shares from the Plan reserve.

Shareholder approval will be required in the case of (i) any amendment to the amendment provisions of the Plan, (ii) any increase in the maximum number of Shares issuable under the Plan, and (iii) any reduction in the exercise price or extension of the option period benefiting

an insider, in addition to such other matters that may require shareholder approval under the rules and policies of the TSX.

During the last fiscal year, 501 stock options expired while 200,000 stock options were cancelled.

As of the date of this Proxy Circular, 4,700,000 options that were granted under the Plan are outstanding. These stock purchase options are held by three management employees and a former management employee of the Company as well as the former Chairman of the Board, and their exercise prices vary between \$0.08 and \$0.13, as shown in the table below. The options held by the former management employee and the former Chairman of the Board will expire on June 7, 2010.

Exercise price	\$0.08	\$0.11	\$0.13
Number of options outstanding (as at April 29, 2010)	3,200,000	500,000	1,000,000

If the options are not exercised at their term on June 7, 2010 by former management employee and former Chairman of the Board, the number of outstanding options will decrease by 1,525,000 options, so 3,175,000 options will remain in circulation if not exercised when due.

Outstanding Options Based Awards

The following table provides information concerning all the options based awards outstanding for Named Executive Officers at the end of the fiscal year ended January 30, 2010. No securities or other plan-based awards vested during that fiscal year.

Name	Number of securities underlying unexercised options (#)	Options exercise price (\$)	Option Expiration date	Value of unexercised in-the-money options ⁽¹⁾	
				Exercisable (\$)	Unexercisable (\$)
YVES SIMARD	1,000,000	0.13	February 22, 2017	Nil	-
	1,000,000	0.08	April 29, 2018	Nil	-
MARDIROS OUNANIAN	1,000,000	0.08	June 7, 2010 ⁽²⁾	Nil	-

(1) "In-the-money" means the excess of the market value of the Shares on January 30, 2010 over the exercise price of the options. On January 30, 2010, the closing price of the Shares was \$0.045.

(2) Mr. Mardiros Ounanian having left on March 9, 2010, his options will expire 90 days after his date of departure.

Pension Plan Benefits

The Company has no pension plan.

Termination and change of control benefits

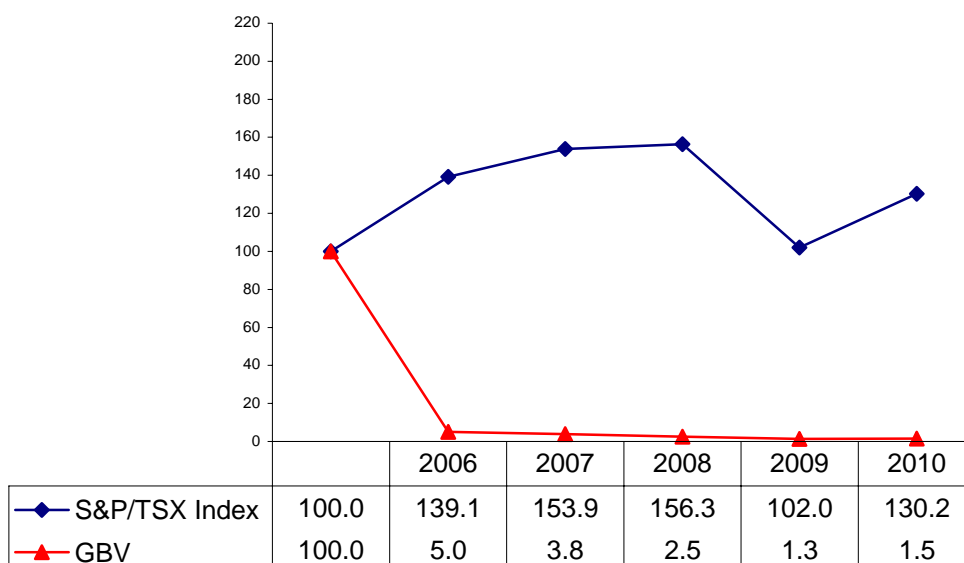
The Company entered into an employment contract with its President and CEO, Mr. Yves Simard, for an unlimited period, which covers the general terms of his employment, namely his duties, his place of work, his

loyalty obligation towards the Company, confidentiality and non-competition provisions, non-solicitation of customers or employees, salary, bonus, options, and vacation. See “Compensation of Executive Officers”.

If the Company terminates Mr. Simard’s contract without just cause or if Mr. Simard terminates his own contract within 90 days of a change in control of the Company, Mr. Simard will be entitled to receive a lump sum ranging from the equivalent of six months to a full year’s salary, based on his termination date; his stock options will also become vested. Had the triggering event taken place on January 30, 2010, \$153,333 would have been payable to Mr. Simard.

Performance Graph

The following performance graph illustrates the five-year cumulative total return of a \$100 investment in Shares as compared to the cumulative five-year return of the Toronto Stock Exchange S&P/TSX Composite Index (formerly known as the TSE 300).



As a basis for evaluating its performance, the Company uses the earnings before interest, taxes, depreciation and amortization (EBITDA). The Company compensation is intended to establish a relationship between executive compensation (variable portion) and corporate results. No variable compensation was paid during the fiscal year 2009 to executive officers, which is directly related to the decrease of return on shareholder’s equity.

Directors and Officers Liability Insurance

The Company maintains liability insurance to protect its Directors and officers against any liability incurred during their mandate. The contract provides for an overall limit of \$7 million of coverage per year with a deductible of \$50,000 per claim.

The total premium paid during the period ending January 30, 2010 was \$30,000

DISCLOSURE ON CORPORATE GOVERNANCE

The Board, in collaboration with the Corporate Governance and Human Resources Committee, stays aligned with the evolution of the practices in corporate governance and the requirements of regulatory bodies in this respect. The Company is committed to complying with high standards concerning all facets of its activities, including its corporate governance practices. The Board is of the opinion that good practices in corporate

governance are essential to the success of the Company and to the enhancement of the value it offers its shareholders.

The Company complies with the rules adopted by the Canadian Securities Authorities, *National Instrument 58-101- Disclosure of Corporate Governance Practices* (“NI 58-101”), which came into effect on June 30, 2005 and effectively replaced the corporate governance guidelines and disclosure policies of the Toronto Stock Exchange. Under NI 58-101, the Company is required to disclose certain information relating to its corporate governance practices. This information is set out in Schedule A to this Proxy Circular, and describes the Company’s current practices with respect to corporate governance, following the Governance Disclosure Guidelines under NI 58-201.

OTHER INFORMATION

Audit Committee

For information concerning the composition of the Company’s Audit Committee, the Audit Committee’s charter, as well as fees paid to the auditors of the Company and other related subjects, please consult the Company’s Annual Information Form for the fiscal year ended January 30, 2010.

Normal course issuer bid

On April 28, 2008, the Company announced its intention to proceed with a normal course issuer bid to repurchase its own shares for cancellation, thereby increasing the proportionate value of each remaining shareholder’s holdings. Under the bid, the Company could purchase up to 13,740,779 Shares of the Company, representing 10% of the public float as at April 22, 2008. The bid started on April 30, 2008 and continued until April 29, 2009. The price paid for the shares was at the market price at the time of acquisition, and the number of shares purchased and the timing of any such purchases were determined by the Company’s management. Shares purchased by the Company were subsequently cancelled. Between April 30, 2008 and April 29, 2009, the Company repurchased 4,999,400 shares at an average price of \$0.046 per share, for a total of \$230,000.

Additional Documentation

The Company is a reporting issuer in Quebec and in Ontario, and is required to file financial statements, a Proxy Circular and an Annual Information Form with the appropriate securities regulatory authorities. Copies of these documents may be obtained upon request from the Secretary of the Company or on the Internet at the following address: www.sedar.com. The Company may require the payment of a reasonable fee if the request is made by someone other than a security holder of the Company, unless the Company is in the course of a distribution of its securities pursuant to a short form prospectus, in which case these documents will be provided free of charge. The financial information pertaining to the Company is represented in the audited financial statements and in the MD&A for the fiscal year ended January 30, 2010.

Other Matters

Unless otherwise indicated, the information contained herein is given as of April 29, 2010. The management of the Company knows of no other matters to come before the Meeting other than those referred to in the notice of Meeting. Should other matters unknown at this time come before the Meeting, the voting rights conferred by the enclosed form of proxy will be exercised at the discretion of the person exercising the voting rights pertaining to such matters.

Receipt of Motions from Shareholders for the Next Annual General Meeting

Shareholders with voting rights at the next Annual General Meeting of the Company and wishing to submit a motion regarding any issue to be debated during that meeting must submit their motions to the Corporate Secretary no later than January 28, 2011.

Approval of Management Proxy Circular

The contents and the sending of this Management Proxy Circular have been approved by the Board.

Sainte-Julie, Quebec, April 29, 2010.

Chair of the Audit Committee

President and CEO



Joe Marsili

Yves Simard

SCHEDULE A

CORPORATE GOVERNANCE DISCLOSURE

Governance Disclosure Guideline under NI 58-101	Comments
1. Board of Directors	
a. Disclose the identity of Directors who are independent.	The Board of Directors (the “Board”) is currently comprised of three members, two of whom are independent and one of whom is not. In order to determine whether or not a director is independent, the Board analyses information provided by the directors by way of a questionnaire. Two of the current Directors are considered “independent Directors”: Mr. Scott Leckie and Mr. Joe Marsilii.
b. Disclose the identity of Directors who are not independent, and describe the basis for that determination.	Mr. Paul Delage Roberge, former Chairman of the Board, is not considered an “independent Director”, given that he received honoraria from the Company until August 2008.
c. Disclose whether or not a majority of Directors are independent. If a majority of Directors is not independent, describe what the Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.	The Board considers that a majority of the people who served as Directors during the last twelve months were independent Directors.
d. If a Director is presently a Director of any other issuer that is a reporting issuer (or equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Director and the other issuer.	No Directors currently serve on the Boards of other reporting issuers.
e. Disclose whether or not the independent Directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent Directors hold such meetings, disclose the number of meetings held during the preceding 12 months. If the independent Directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Directors.	During the previous year, the independent Directors, at each meeting of the Board, held part of the meetings without the presence of senior management, in accordance with the Board of Directors’ Mandate.
f. Disclose whether or not the Chair of the Board is an independent Director. If the Board has a Chair or Lead Director who is an independent Director, disclose the identity of the independent Chair or Lead Director, and describe his or her role and responsibilities. If the Board has neither a Chair who is independent nor a Lead Director who is independent, describe what the Board does to ensure leadership for its independent Directors.	As of the date of this circular, there is no Chairman of the Board following the resignation of Mr. Mardiros Ounanian on March 9, 2010. Mr. Ounanian was an independent director. Following Mr. Ounanian’s resignation, the Board has immediately initiated a search for a director who could take on this role and these responsibilities.
g. Disclose the attendance record of each Director for all Board meetings held since the beginning of the issuer’s most recently completed financial year.	The attendance record of each Director for all Board meetings held since the beginning of the fiscal year ended January 31 st , 2009 is set out in this Proxy Circular on page 5.
2. Mandate of the Board of Directors	
Provide the text of the Board written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.	The Board has adopted a Mandate in which it explicitly acknowledges responsibility for the stewardship of the Company. The Mandate of the Board can be found in Schedule B to this Circular.

3. Position Descriptions

a. Disclose whether or not the Board has developed written position descriptions for the Chair and the chair of each Board committee. If the Board has not developed written position descriptions for the Chair and or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.

The Board approved the Corporate Governance and Human Resources Committee's position descriptions regarding the roles of the Chair of the Board, the chair of the Audit Committee and the chair of the Corporate Governance and Human Resources Committee.

The Chairman of the Board is responsible for the operation of the Board. He ensures that the Board fully executes its Mandate and that the Directors clearly understand and respect the boundaries between the responsibilities of the Board and the responsibilities of Management.

According to the position description for each Board committee chair, the principal role of the committee chair is to ensure that his committee fully executes its mandate. A committee chair must report on a regular basis to the Board regarding the activities of his committee.

b. Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.

A position description for the President and Chief Executive Officer was provided by the Corporate Governance and Human Resources Committee and adopted by the Board. The President and CEO is primarily responsible for the management and execution of the Company's strategic and operational plan.

4. Orientation and Continuing Education

a. Briefly describe what measures the Board takes to familiarize new Directors regarding (i) the role of the Board, its committees and its Directors, and (ii) the nature and operation of the issuer's business.

The Board ensures that each new candidate for the position of Director has the ability, expertise, availability and knowledge necessary to perform these duties adequately. Wherever necessary, the Company offers an orientation and education program for new recruits to the Board. Each new member receives a copy of the Board of Directors Mandate.

b. Briefly describe what measures, if any, the Board takes to provide continuing education for its Directors. If the Board does not provide continuing education, describe how the Board ensures that its Directors maintain the skill and knowledge necessary to meet their obligations as Directors.

The Board meetings and Board committee meetings in which Directors participate, as well as discussions with senior management, allow the Directors to quickly familiarize themselves with the Company's operations and positioning, and thereby gain the knowledge necessary to meet their obligations as Directors.

The Corporate Governance and Human Resources Committee are responsible for developing orientation programs and continuing education intended for the Directors, as required.

5. Ethical Business Conduct

a. Disclose whether or not the Board has adopted a written code for the Directors, officers and employees. If the Board has adopted a written code: (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed fiscal year that pertains to any conduct of a Director or executive officer that constitutes a departure from the code.

The Company expects all of its Directors, officers and employees to comply with the laws and regulations governing its conduct, and further is committed to promoting integrity and respecting the highest standard of ethical conduct in all of its activities. A Code of Conduct applicable to the Directors, officers and employees was prepared by the Corporate Governance and Human Resources Committee and was adopted by the Board. The Human Resources Supervisor reports any breaches of the Code of Conduct which are reported to her via the telephone line specifically intended for that purpose, as well as the actions taken by the Company, to the Corporate Governance and Human Resources Committee. The Board will be notified of any breach of the code. A copy of the code is available to employees on the Company's Intranet site, and can be obtained by writing to the Company's head office. It is also available at www.sedar.com and www.bikinivillage.com.

- b. Describe any steps the Board takes to ensure Directors exercise independent judgment in considering transactions and agreements in respect of which a Director or executive officer has a material interest.
- c. Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

If a Director is in a situation of conflict of interest during any discussions occurring at a meeting of the Board or one of its committees, he must declare his interest and withdraw from the meeting so as not to participate in the discussions or in any decisions which may be made.

The Board expects Directors, officers and employees of the Company to act ethically at all times.

The Board has approved a *Policy Related to Insider Trading of the Company's Securities and Use of Privileged Information*, which reminds Directors, senior executives and designated employees of the Company who have access to confidential information likely to affect the market price or value of the Company's securities or of any third party to significant negotiations that they may not trade in shares of the Company or of the other parties involved as long as the information has not been fully made public and as long as a reasonable period of time has not elapsed since the public disclosure. Furthermore, the Directors and senior executives of the Company and all other persons who are insiders of the Company may not trade in securities of the Company during certain periods set forth in the policy.

The Board has also approved a Disclosure Policy whose objective is to ensure that disclosure to the investing public regarding the Company is made in a timely manner, in keeping with the facts, accurately and widely, in accordance with the applicable statutory and regulatory requirements.

6. Nomination of Directors

- a. Describe the process by which the Board identifies new candidates for Board nomination.

In accordance with the Corporate Governance and Human Resources Committee Charter, the committee shall (i) evaluate the size and composition of the Board to assure the efficiency of the decision-making process, (ii) evaluate and review the Director selection criteria by regularly evaluating the competencies, personal qualities, business background and diversified experience of Board members as well as the Company's needs, and (iii) identify candidates having the necessary competencies and recommend these candidates to the Board with a view to their election at the next Annual General Meeting of Shareholders.

- b. Disclose whether or not the Board has a Nominating Committee composed entirely of independent Directors. If the Board does not have a Nominating Committee composed entirely of independent Directors, describe what steps the Board takes to encourage an objective nomination process.

The Corporate Governance and Human Resources Committee is now composed of two independent Directors. After the resignation of Mrs. Melinda Lee in May 2009, the committee was composed of two independent directors until Mr. Mardiros Ounanian's departure on March 9, 2010. As of the date of this circular, the Committee consists exceptionally of its Chair, Mr. Scott Leckie and Mr. Joe Marsilii who was appointed on April 22, 2010.

The Company intends to correct this temporary situation immediately after the election of Directors at its next Annual and Special Meeting of shareholders.

- c. If the Board has a Nominating Committee, describe the responsibilities, powers and operation of the Nominating Committee.

See 6a)

7. Compensation

- a. Describe the process by which the Board determines the compensation for the issuer's Directors and officers.
- b. Disclose whether or not the Board has a Compensation Committee composed entirely of independent Directors. If the Board does not have a Compensation Committee composed entirely of independent Directors, describe what steps the Board takes to ensure an objective process for determining such compensation.
- c. If the Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.
- d. If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed fiscal year, been retained to assist in determining compensation for any of the issuer's Directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.

The Corporate Governance and Human Resources Committee's mandate requires it to consider the remuneration of the Company's Directors and officers and submit its recommendations for final approval to the Board.

Although as of the present date, the Corporate Governance and Human Resources Committee is composed of only two Directors, the Corporate Governance and Human Resources Committee mandate indicates that the committee must be composed of three independent Directors.

The Committee was formed of the following independent Directors:

Chair : Mr. Scott Leckie

Members : Mrs. Melinda Lee until her departure in May 2009.

Mr. Mardiros Ounanian until his departure in March 2010.

Mr. Joe Marsilii since April 2010.

The Company intends to correct this temporary situation immediately after the election of Directors at its next Annual and Special Meeting of shareholders.

The Corporate Governance and Human Resources Committee annually reviews the compensation of Directors and officers, to ensure that it is adequate and that it reflects the responsibilities associated with carrying out each respective position.

No consultant or advisor was retained during the most recently completed fiscal year.

8. Other Board Committees

If the Board has standing committees other than the Audit, Compensation and Nominating Committees, identify the committees and describe their function.

The Company's Board has no committees other than the Audit Committee and the Corporate Governance and Human Resources Committee.

9. Assessments

Disclose whether or not the Board, its committees and individual Directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual Directors are performing effectively.

By virtue of its mandate, the Corporate Governance and Human Resources Committee is responsible for developing and monitoring a suitable procedure for periodically evaluating the efficiency and contribution of the Board, its committees, its Chairs and its members. The Chair of the Corporate Governance and Human Resources Committee is the person responsible for this procedure.

Contrary to what we had planned last year and mainly due to the recent resignation of the Chairman of the Board, the Corporate Governance and Human Resources Committee continue to concentrate and focus on staffing rather than on the evaluation.

SCHEDULE B

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board”) of Groupe Bikini Village inc. (the “Company”) is responsible for supervising the management of the Company’s business and internal affairs, with the objective of enhancing shareholder value. The Board is responsible for the proper management of the Company, and must therefore effectively and independently supervise the activities and affairs of the Company, the day-to-day management of which is conducted by senior management. The Board may delegate certain tasks to committees of the Board; this delegation does not release the Board from fulfilling its general responsibilities with respect to the management of the Company.

All decisions made by the Board must be in the best interests of the Company.

COMPOSITION AND QUORUM OF THE BOARD

The by-laws of the Company require that the Board be composed of a minimum of three (3) and a maximum of eleven (11) Directors; however, the relevant securities authorities require that the Board be comprised, at all times, of a minimum of five (5) Directors.

The Board must deem a majority of the Directors independent¹, as defined by the applicable laws and regulations; the Board reviews the independence status of each Director annually. At the Annual Meeting, the Directors are elected for a period of one year; over the course of their mandate, Directors may nominate other Directors to replace them during vacation periods.

Every member of the Board possesses the competencies and aptitudes relevant to their position as Director. The composition of the Board reflects a diversity of skills and experience in the Company’s areas of activity, which permits the Board to be efficient in responding to the specific needs of the Company. The Board must nominate its Chair from among the Directors of the Company.

The Corporate Governance and Human Resources Committee is comprised entirely of independent members. This Committee maintains an overall perspective on the appropriate number of Board members, on the necessity of appointing new members, and on the experience required of new candidates. This Committee also reviews any candidates for the position of Director and presents its recommendations in this regard to the Board. The Board approves the final selection of candidates to be proposed to and elected by the shareholders.

A majority of Board members shall constitute a quorum of a meeting of the Board.

RESPONSIBILITIES OF THE BOARD

The Board has the following responsibilities:

A) Concerning Strategic Planning

1. Annually review and approve the Company’s overall budget and strategic plan.
2. Examine and, at the Board’s discretion, approve all of the Company’s strategic decisions, specifically when the purchase or sale of shares, assets or companies exceeds management’s pre-approved signing authority.

B) Concerning Human Resources and Performance Evaluation

1. Appoint the President and Chief Executive Officer.

¹ A Director is deemed independent if he has no significant relationship, direct or indirect, with the Company, i.e., if he has no relationship which the Board can reasonably expect will affect his independent judgement.

2. Approve the appointment of the other members of senior management.
3. Ensure that the Corporate Governance and Human Resources Committee evaluates the performance of both the President and Chief Executive Officer and members of senior management annually, taking into account the Board's expectations and the established objectives.
4. Ensure that a succession planning process for senior management is in place.

C) Concerning Finances and Internal Controls

1. Ensure the integrity and quality of the financial statements of the Company and the adequacy of disclosed information.
2. Review and approve interim and annual financial statements and the Company's MD&A. Review the related press release.
3. Approve operational and fixed asset budgets, the issue of securities, and, subject to limitations prescribed by the Board, any transaction outside the normal course of business, including merger or acquisition propositions, or other significant transactions such as acquisitions or divestitures.
4. Define the Company's dividend policies, and declare dividends as appropriate.
5. Ensure that the appropriate procedures are in place in order to identify business risks and business opportunities, and supervise the implementation of procedures to manage these risks and opportunities.
6. Oversee the Company's internal controls and management information systems.
7. Ensure that the Company is in compliance with applicable regulatory and legal requirements.
8. Review the Company's disclosure policy as required; oversee the Company's interaction with analysts, investors and the public, and ensure that measures are in place to receive investor comments.

D) Concerning Corporate Governance

1. Ensure that senior management operates the Company proficiently and within the bounds of applicable laws, including the timely communication of material information on the Company and regulatory statements.
2. Periodically review the Company's corporate governance structures and procedures.
3. Adopt a Code of Conduct that applies to the Directors, officers and employees, and re-assess it as required. Ensure compliance with the Company's Code of Conduct.
4. With the prior authorization of the Chair of the Corporate Governance and Human Resources Committee, each member of the Board may, as required, retain the services of external consultants, at the cost of the Company.
5. Review the membership of the Board committees and designate their Chairs annually. Annually review the mandates of the Board committees, as well as the mandates of the Chairs of the Board committees.
6. Approve the list of candidates for membership on the Board and recommend such candidates to the shareholders for election.
7. Annually establish which Directors are designated independent Directors, according to the laws and regulations concerning the independence of Directors.
8. Review and approve the Annual Information Form and the Management Proxy Circular, as well as any other

documents requiring its approval.

9. Ensure that the Directors receive all the necessary support in fulfilling their roles.
10. Review and approve the recommendations of the Corporate Governance and Human Resources Committee with respect to compensation of the Directors, members and Chairs of the committees of the Board, as well as the method of compensation.
11. The Corporate Governance and Human Resources Committee shall take all necessary measures to periodically review the effectiveness of the Board, the committees of the Board, the Chair of the Board, the Chairs of the committees and each member of the Board.
12. The Company shall make available to the members of the Board an orientation program, which shall include information about its activities, operations, current issues and strategies. The members of the Board shall receive written documentation and shall have the opportunity to meet with senior management.

OPERATING PROCEDURES OF THE BOARD OF DIRECTORS

1. The Board Meetings shall be held quarterly or more frequently, if necessary.
2. The Chairman of the Board, together with the President and Chief Executive Officer and the Secretary, will set the agenda at every meeting. The agenda and all pertinent documents must be sent to the Directors well in advance of each meeting.
3. The Directors may meet without the presence of senior management or non-independent Directors after each Board meeting or after any Board meeting as they deem necessary.

Adopted by the Board of Directors of the Company on December 6, 2006
Revised by the Board of Directors of the Company on May 6, 2008
Revised by the Board of Directors of the Company on April 23, 2009
Revised by the Board of Directors of the Company on April 29, 2010

SCHEDULE C

SPECIAL RESOLUTION 2010-1

IT IS RESOLVED as a special resolution:

TO AUTHORIZE the Company to amend its articles as follows:

- (i) the Company's share capital is modified by means of the consolidation of all the Company's issued and outstanding common shares within a range of one common share for every 100 common shares to one common share for every 150 common shares (the "**Consolidation**");
- (ii) no fractional share will be issued if the consolidation results in the issue of a fraction of a share. Any fraction resulting from the consolidation of a shareholder's shares will be rounded down to a lower unit and that for each cancelled pre-consolidation common share, the shareholder will receive cash compensation equal to the greater of (i) \$0.05 and (ii) the market price (as defined in the Toronto Stock Exchange's rules) on the date that the Consolidation takes effect; and
- (iii) the effective date of the consolidation will be the date indicated on the certificate of amendment issued by the director appointed under the *Canada Business Corporations Act* (the "**Director**");

TO AUTHORIZE the Company's board of directors, in its sole discretion, to implement the Consolidation;

TO AUTHORIZE any officer or director of the Company to sign and deliver any document and to do any other thing that he deems necessary to give effect to this special resolution, including the determination of the effective date of the consolidation and the remittance of the amending clauses in the prescribed manner and form to the Director;

TO AUTHORIZE the Company's directors, notwithstanding the foregoing and where they deem it expedient in the Company's interests, to revoke this special resolution with respect to the Consolidation at any time before their implementation, without having to give notice to the Company's shareholders and without having to obtain any other authorization from them; and

TO AUTHORIZE any director or officer of the Company to sign any document and to do any act and thing that he deems necessary or advisable to give effect to the Consolidation and the foregoing resolutions.
