



**AVRUPA MINERALS LTD.**

**Annual General Meeting  
to be held on September 27, 2010**

**Notice of Annual General Meeting  
and  
Information Circular**

**August 23, 2010**

## **AVRUPA MINERALS LTD.**

410 – 325 Howe Street  
Vancouver, B.C.  
V6C 1Z7

### **NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of Avrupa Minerals Ltd. (the “Company”) will be held at 410 – 325 Howe Street, Vancouver, British Columbia, on Monday September 27, 2010 at 10:00 am. At the meeting, the shareholders will receive the financial statements for the year ended April 30, 2010, together with the auditor’s report thereon, and consider resolutions to:

1. fix the number of directors at four;
2. elect directors of the Company for the ensuing year;
3. appoint DeVisser Gray, Chartered Accountants, as auditor of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditor;
4. confirm the Company’s stock option plan as described in the information circular that accompanies this notice under the heading “Particulars of Matters to be Acted Upon – Confirming Stock Option Plan”; and
5. transact such other business as may properly be put before the meeting.

All registered shareholders are entitled to attend and vote at the meeting in person or by proxy. The board of directors requests all registered shareholders who will not be attending the meeting in person to read, date and sign the accompanying proxy and deliver it to Equity Transfer and Trust Company, 200 University Avenue Suite 400, Toronto, Ontario, M5H 4H1, Attention: Proxy Department. If a shareholder does not deliver a proxy to Equity Transfer and Trust Company by 10:00 am (Pacific time) on Thursday, September 23, 2010 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the meeting by proxy. Only shareholders of record at the close of business on Monday, August 23, 2010 will be entitled to vote at the meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 23<sup>rd</sup> day of August, 2010.

#### **ON BEHALF OF THE BOARD**

*“Paul W. Kuhn”*

Paul W. Kuhn  
Chief Executive Officer and President

## **AVRUPA MINERALS LTD.**

410 – 325 Howe Street

Vancouver B.C.

V6C 1Z7

### **INFORMATION CIRCULAR**

(as at August 23, 2010 except as otherwise indicated)

#### **SOLICITATION OF PROXIES**

This information circular (the “Circular”) is provided in connection with the solicitation of proxies by the management of Avrupa Minerals Ltd. Ltd. (the “Company”). The form of proxy which accompanies this Circular (the “Proxy”) is for use at the annual general meeting of the shareholders of the Company to be held on Monday September 27, 2010 (the “Meeting”), at the time and place set out in the accompanying notice of meeting (the “Notice of Meeting”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

#### **APPOINTMENT AND REVOCATION OF PROXY**

The person named in the Proxy is a director and officer of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed name and inserting the desired person's name in the blank space provided.** The completed Proxy should be delivered to Equity Transfer and Trust Company (“Equity”) by 10:00 am (Pacific Time) on Thursday, September 23, 2010 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the Meeting at which the Proxy is to be used).

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it at the time and to the place noted above; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

#### **Provisions Relating to Voting of Proxies**

**The shares represented by proxy in the enclosed form will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

## **Non-Registered Holders**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. A person is not a registered shareholder (a “Non-Registered Holder”) in respect of shares which are held either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“CDS”)), of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “OBOs”. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has elected to send the Notice of Meeting, this Circular and the Proxy (collectively, the “Meeting Materials”) directly to the NOBOs, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

Intermediaries will frequently use service companies to forward the Meeting Materials to the OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Equity; or
- (b) more typically, be given a voting instruction form (“VIF”) which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

These securityholder materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instruction.

The Meeting Materials sent to NOBOs who have not waived the right to receive meeting materials are accompanied by a VIF, instead of a form of proxy. By returning the VIF in accordance with the instructions noted on it, a NOBO is able to instruct the voting of the Shares owned by it.

VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder, or his or her nominee, the right to attend and vote at the Meeting.

**Please return your voting instructions as specified in the VIF. Non-Registered Holders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.**

### **Financial Statements**

The audited financial statements of the Company for the year ended April 30, 2010, together with the auditor's report on those statements (the "Financial Statements"), will be presented to the shareholders at the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares without par value of which 14,478,571 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at Monday August 23, 2010 are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, there is no person beneficially own or control or direct, directly or indirectly, 10% or more of the issued and outstanding common shares of the Company.

As at August 23, 2010, the total number of common shares owned or controlled by management and the directors of the Company and their associates or affiliates was 1,383,989, representing 9.56% of the total issued and outstanding common shares.

### **ELECTION OF DIRECTORS**

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The number of directors on the board of directors of the Company is currently set at four. The shareholders will be asked at the meeting to confirm the number of directors at four.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company and its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

Name, province or state and country of residence and positions, current and former, if any, held in the Company	Principal occupation for last five years	Served as director since	Number of common shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>
<b>PAUL W. KUHN</b> Braga, Portugal  <i>Director, Chief Executive Officer and President</i>	Chief Executive Officer of the Company, formerly Chief Executive Officer of Metallica Mining AS.	July 8, 2010	60,000
<b>GREGORY E. MCKELVEY<sup>(2)</sup></b> Arizona, United States  <i>Director</i>	President, Animas Resources Ltd.; consultant for various mining companies.	January 23, 2008	142,867
<b>MARK T. BROWN<sup>(2)</sup></b> British Columbia, Canada  <i>Director and Former Chief Executive Officer &amp; President<sup>(3)</sup></i>	President, Pacific Opportunity Capital Ltd.	January 23, 2008	950,000 <sup>(4)</sup>
<b>DONALD E. RANTA<sup>(2)</sup></b> Colorado, United States  <i>Director</i>	President, Rare Element Resources Ltd.; consultant for various mining companies; 2004-06 Vice President - Exploration, Gryphon Gold Corp	January 23, 2008	131,122

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the directors themselves. Does not include options to purchase common shares.
- (2) Member of the Company's audit committee.
- (3) Mark T. Brown resigned as Chief Executive Officer and President on July 8, 2010 and Paul W. Kuhn was appointed as the new Chief Executive Officer and President.
- (4) 850,000 of these common shares are held by Pacific Opportunity Capital Ltd., a company controlled by Mark T. Brown and his family and of which Mark T. Brown is the President and a director and 100,000 of these common shares are held by Spartacus Management Inc., a holding company controlled by Mark T. Brown.

The Company does not have an executive committee of its board of directors.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Company acting solely in such capacity.

### **Corporate Cease Trade Orders or Bankruptcies**

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

## **EXECUTIVE COMPENSATION**

### **Named Executive Officers**

During the financial year ended April 30, 2010, the Company had two Named Executive Officers of the Company, being: Mark T. Brown, the Chief Executive Officer (“CEO”) and President and Winnie Wong, the Chief Financial Officer (“CFO”). Both Mr. Brown and Ms. Wong are employed by an external management company. On July 8, 2010, Mark T. Brown resigned as CEO and President and Paul W. Kuhn was appointed the CEO and President to replace Mark T. Brown.

“Named Executive Officer” means: (a) each Chief Executive Officer, (b) each Chief Financial Officer, (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be an NEO under paragraph (c) 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 financial year.

## **COMPENSATION DISCUSSION & ANALYSIS**

### **Compensation Discussion & Analysis**

During the year ended April 30, 2010, the Company was a “Capital Pool Company” (as such term is defined by the TSX Venture Exchange policies). In accordance with TSX Venture Exchange policies, the Company was not permitted to pay remuneration to its directors and officers.

The Company completed its Qualifying Transaction (as such term is defined by the TSX Venture Exchange policies) on July 8, 2010 and is now a Tier 2 Issuer on the TSX Venture Exchange. In connection with the Qualifying Transaction, Paul W. Kuhn replaced Mark T. Brown as CEO and President. In accordance with the terms of his consulting agreement, Mr. Kuhn receives a fee of €11,000 per month. Mr. Kuhn is also entitled to receive a housing allowance of €3,000 per month and a school allowance for his dependant children in the amount of €10,000 per year. In connection with his relocation to Portugal, Mr. Kuhn is entitled to be reimbursed for moving expenses up to a maximum of €20,000. The Company may terminate the consulting agreement during its term without notice or any payment in lieu thereof for Cause (as such term is defined in the consulting agreement). The Company may also terminate the consulting agreement during its term without Cause and without further obligation by providing Mr. Kuhn with six months written notice or by paying Mr. Kuhn in lieu of such notice and by paying €15,000 for moving costs back to the United States.

Pacific Opportunity Capital Ltd., a company which Ms. Wong is the Vice President of, is currently paid a monthly consulting fee that varies depending on the amount of time spent.

The Company does not presently have any other compensation arrangements for its Named Executive Officers.

### **Option-Based Awards**

Stock option grants are made on the basis of the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company’s future success and the individual’s ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The Board of Directors are responsible for granting options to executive officers. When new options are granted, the Board of Directors takes into account the previous grants of options and sets the price of the options at market, or in any case, no less than the maximum discount allowed by the TSX Venture Exchange.

## **SUMMARY COMPENSATION TABLE**

### **Summary Compensation Table**

Set out below is a summary of compensation paid during the Company’s most recently completed financial year to the Company’s Named Executive Officers:



### Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Mark T. Brown <sup>(1)</sup> Former CEO and President	2010	Nil	Nil	\$Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	\$9,900 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$9,900
Winnie Wong, CFO	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	\$9,900 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$9,900

Notes:

- (1) Mr. Brown resigned as Chief Executive Officer and President on July 8, 2010 and Mr. Kuhn was appointed Chief Executive Officer and President.
- (2) The fair value of option-based awards which are vested during 2009 is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and expected life of the options.

### INCENTIVE PLAN AWARDS

#### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding share-based awards and option-based awards held by the Named Executive Officers of the Company at the end of the most recently completed financial year:

#### Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options <sup>(1)</sup> (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Mark T. Brown, Former CEO and President	55,000	\$0.20	August 28, 2013	Nil	Nil	Nil
Winnie Wong, Chief Financial Officer	55,000	\$0.20	August 28, 2013	Nil	Nil	Nil

Note:

- (1) "In-the-Money Options" means the difference between the market value of the securities on April 30, 2010, being the Company's financial year and the exercise or base price of the options. The market value of the Company's common

shares on February 11, 2010, the last day the shares traded prior to the April 30, 2010 financial year end, was \$0.155. No value has been given to unexercised options that were out-of-the money on April 30, 2010.

### **Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each Named Executive Officer:

#### **Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year**

<b>Name</b>	<b>Option-based awards – Value vested during the year<sup>(1)</sup> (\$)</b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Mark T. Brown, Former CEO and President	Nil	Nil	Nil
Winnie Wong, Chief Financial Officer	Nil	Nil	Nil

Note:

- (1) All options granted to the named executive officers vested on the grant date and the exercise price of such options was equal to the closing price of shares as of the date of grant.

### **Narrative Discussion**

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the closing price of the Company's shares traded through the facilities of the Exchange on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the Exchange or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The board of directors shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the board of directors grant and announce the granting of the option.
4. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire on no later than the 90th day following the date that the

option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

### TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 (including periodic payments or instalments) to compensate such executive officer in the event of resignation, retirement or other termination of the Named Executive Officer's employment with the Company, a change of control of the Company, or a change in responsibilities of the Named Executive Officer following a change in control.

### DIRECTOR COMPENSATION

#### Director Compensation Table

Except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

The following table sets forth the details of compensation provided to the directors, other than the Named Executive Officers during the Company's most recently completed financial year:

#### Director Compensation Table

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Gregory E. McKelvey	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Donald E. Ranta	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

- (1) Paul Kuhn was appointed a director on July 8, 2010.

### INCENTIVE PLAN AWARDS

#### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding share-based awards and option-based awards held by the directors of the Company at the end of the most recently completed financial year:

**Outstanding Share-Based Awards and  
Option-Based Awards**

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gregory E. McKelvey	55,000	0.20	August 28, 2013	Nil	Nil	Nil
Donald E. Ranta	55,000	0.20	August 28, 2013	Nil	Nil	Nil

Note:

- (1) "In-the-Money Options" means the difference between the market value of the securities on April 30, 2010, being the Company's financial year and the exercise or base price of the options. The market value of the Company's common shares on February 11, 2010, the last day the shares traded prior to the April 30, 2010 financial year end, was \$0.155. No value has been given to unexercised options that were out-of-the money on April 30, 2010.

**Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director:

**Value Vested or Earned for Incentive Plan Awards during the Most Recently Completed Financial Year**

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Gregory E. McKelvey	Nil	Nil	Nil
Donald E. Ranta	Nil	Nil	Nil

Note:

- (1) All options granted to the directors vested on the grant date and the exercise price of such options was equal to the closing price of shares as of the date of grant.

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by the securityholders	1,110,000	\$0.32	337,857
Equity compensation plans not approved by the securityholders	Nil	N/A	N/A
<b>Total</b>	1,110,000	\$0.32	337,857

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

None of the current or former directors, executive officers, employees of the Company or its subsidiaries, the proposed nominees for election to the board of directors of the Company, or their respective associates or affiliates, are or have been indebted to the Company or its subsidiaries since the beginning of the last completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

None of the persons who were directors or executive officers of the Company or a subsidiary of the Company at any time during the Company's last financial year, the proposed nominees for election to the board of directors of the Company, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### **MANAGEMENT CONTRACTS**

Management, administrative and secretarial functions are provided by Pacific Opportunity Capital Ltd. ("POC"), a private company of which Mark T. Brown, a director of the Company, is the president and director. As of April 30, 2010, \$Nil was invoiced by POC for management and accounting services rendered and for the services of Winnie Wong, the Chief Financial Officer, and two other staff at POC.

Effective July 8, 2010, Paul W. Kuhn receives a monthly compensation of €11,000 for his services as Chief Executive Officer, pursuant to a management consulting agreement. See "Compensation Discussion & Analysis" section.

Other than as disclosed herein, no management functions of the Company are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

### **APPOINTMENT OF AUDITOR**

#### **Auditor**

The management of the Company intends to nominate DeVisser Gray, Chartered Accountants, for re-appointment as auditor of the Company. Forms of proxy given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of DeVisser Gray, Chartered Accountants, as auditor of the Company to hold office until the close of the next annual general meeting of the Company, at a remuneration to be fixed by the directors. DeVisser Gray, Chartered Accountants, was first appointed as auditor of the Company on May 7, 2008.

### **AUDIT COMMITTEE**

The Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. The Company's current audit committee consists of Mark T. Brown, Gregory E. McKelvey and Donald E. Ranta.

#### **Audit Committee Charter**

The text of the audit committee's charter is attached as Schedule "A" to this Circular.

#### **Composition of Audit Committee and Independence**

National Instrument 52-110 *Audit Committees*, ("NI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's board of directors, reasonably interfere with the exercise of the member's independent judgment.

In the view of management of the Company, Gregory McKelvey and Donald Ranta are "independent" as such term is defined in NI 52-100. Pacific Opportunity Capital Ltd., a company controlled by Mark T. Brown and his family, receives a consulting fee from the Company and, as such, Mr. Brown is not considered to be independent.

#### **Relevant Education and Experience**

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All of the members of the Company's audit committee are financially literate as that term is defined.

Gregory E. McKelvey received a Bachelor of Arts in Geology from the University of Montana in 1966 and a Master of Science in Geology from the Franklin and Marshall College in 1967. He is an active consultant to companies engaged in the business of mining and mineral discovery and currently serves as a Professional Geologist for Fortress Minerals Corp., a junior exploration company listed on the TSX

Venture Exchange. Mr. McKelvey is also the President and Chief Executive Officer and a director of Animas Resources Ltd. and a director of Rare Element Resources Ltd., both of which are mineral resource companies listed on the TSX Venture Exchange.

Donald E. Ranta is an exploration and development mining executive, experienced in planning, implementing and directing successful exploration and acquisition programs throughout North America, South America, Africa and other international locations. He has extensive experience in generative exploration, project exploration and appraisal, geologic-engineering, economic evaluation, and strategic and business planning. In addition, he is a former President and Board member of Society for Mining, Metallurgy and Exploration, Inc. and the current Vice President-Finance and a Board member of American Institute of Mining, Metallurgical and Petroleum Engineers. He has been a director of several junior exploration and mining companies. He holds geological engineering degrees from the University of Minnesota (BS), University of Nevada (MS), and the Colorado School of Mines (PhD).

Mark T. Brown C.A., received a Bachelor of Commerce Degree from the University of British Columbia in 1990 and is a member of the Institute of Chartered Accountants of British Columbia. He has been the President of Pacific Opportunity Capital Ltd., a private company which provides financial solutions, equity and management services to small and medium size entrepreneurial enterprises, since 1997. He is currently a director and/or officer of various other public companies.

#### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the audit committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the board of directors of the Company.

#### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

#### **Pre-Approval Policies and Procedures**

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

#### **Audit Fees**

The following table sets forth the fees paid by the Company to DeVisser Gray Chartered Accountants, for services rendered in the last two fiscal years:

	<u>2010</u>	<u>2009</u>
DeVisser Gray		
Audit fees.....	\$ 5,000	\$ 5,000
Tax fees.....	Nil	Nil

All other fees.....	Nil	Nil
<b>Total</b> .....	\$ 5,000	\$ 5,000

### Exemption in Section 6.1

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company’s approach to corporate governance is set out below.

### Board of Directors

Management is nominating four individuals to the Company’s board of directors (the “Board”), all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. Of the proposed nominees, Paul W. Kuhn and Mark T. Brown are “inside” or management directors and accordingly such persons are not considered to be “independent” within the meaning of NI 52-110. Gregory E. McKelvey and Donald E. Ranta are considered by the Board to be “independent” within the meaning of NI 52-110. While, following this Meeting, the Board will not have a majority of independent directors, it is the objective of the Company to strive to attain a majority of independent Board members.

The Company doesn’t currently have a chairman or a lead director of the board.

### Directorships

The following directors of the Company are directors of other reporting issuers:

- Mark T. Brown is a director of Rare Element Resources Ltd., Animas Resources Ltd., Portal Resources Ltd., Strategem Capital Corporation, Sutter Gold Mining Inc. and Fox Resources Ltd.
- Donald E. Ranta is a director of Rare Element Resources Ltd., Otis Gold Corp. and Animas Resources Ltd.
- Gregory E. McKelvey is a director of Rare Element Resources Ltd., Redhawk Resources Ltd. and Animas Resources Ltd.

### Orientation and Continuing Education

The Company does not have an orientation or continuing education program for new directors.

### Ethical Business Conduct



To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations, and the small number of officers and consultants, allow the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### **Nomination and Assessment**

The Board as a whole is responsible for recruiting and nominating new members to the Board of Directors and planning for the succession of directors.

### **Compensation**

The Company does not pay any compensation to its directors other than the issuance of stock options. Compensation paid to the Company's CEO is determined by the Board as a whole.

### **Other Board Committees**

At the present time, the only standing committee is the Audit Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule "A" to this Circular. As the Company grows, and its operations and management structure become more complex, the Board expects it will constitute formal standing committees, such as a Corporate Governance Committee, a Compensation Committee and a Nominating Committee, and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Confirming Stock Option Plan**

Shareholders are being asked to confirm approval of the Company's stock option plan (the "Stock Option Plan") which was initially adopted by the directors of the Company on July 29, 2008. There have been no changes to the Stock Option Plan since it was adopted.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the closing price of the Company's shares traded through the facilities of the Exchange on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the Exchange or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The board of directors shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the

number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the board of directors grant and announce the granting of the option.

4. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

“IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed.”

### **General Matters**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

### **ADDITIONAL INFORMATION**

Additional information regarding the Company can be found on SEDAR ([www.sedar.com](http://www.sedar.com)). Shareholders may contact the Company at 410-325 Howe Street, Vancouver, British Columbia V6C 1Z7, Phone: 604-687-3520, in order to receive copies of the Company's financial statements and MD&A. Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year.

### **BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 23<sup>rd</sup> day of August, 2010.

### **ON BEHALF OF THE BOARD**

*“Paul W. Kuhn”*

Paul W. Kuhn  
Chief Executive Officer and President

## **SCHEDULE "A"**

### **AVRUPA MINERALS LTD. AUDIT COMMITTEE CHARTER**

#### **Role and Objective**

The Audit Committee (the "Committee") is a committee of the board of directors (the "Board") of Avrupa Minerals Ltd. (the "Company") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Company and related matters;
2. To provide effective communication between directors and external auditors appointed by the Company;
3. To enhance the external auditors' independence; and
4. To increase the credibility and objectivity of financial reports.

#### **Membership of Committee**

1. The Committee shall be comprised of at least three (3) directors of the Company.
2. The Board shall have the power to appoint the Committee Chairman.
3. All of the members of the Committee shall be "financially literate". The Board has adopted the definition for "financial literacy" used in National Instrument 52-110 - Audit Committees ("NI 52-110")

#### **Meetings**

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
2. A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken.
4. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.

5. The Committee shall meet with the external auditors at least once per year (in connection with the preparation of the year end financial statements) and at such other times as the external auditors and the Committee consider appropriate.

### **Mandate and Responsibilities of Committee**

1. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting.
2. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Company's internal control system:
  - identifying, monitoring and mitigating business risks; and
  - ensuring compliance with legal, ethical and regulatory requirements.
3. It is a responsibility of the Committee to review the annual financial statements of the Company prior to their submission to the Board for approval. The process should include but not be limited to:
  - reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
  - reviewing significant accruals or other estimates such as the ceiling test calculation;
  - reviewing accounting treatment of unusual or non-recurring transactions;
  - ascertaining compliance with covenants under loan agreements;
  - reviewing disclosure requirements for commitments and contingencies;
  - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
  - reviewing unresolved differences between management and the external auditors; and
  - obtaining explanations of significant variances within comparative reporting periods.
4. The Committee is to review the financial statements (and make a recommendation to the Board with respect to their approval), prospectuses, management discussion and analysis and all public disclosure containing audited or unaudited financial information before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Company' disclosure of all other financial information and shall periodically access the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board, the Committee shall:
  - recommend to the Board the appointment of the external auditors;

- recommend to the Board the terms of engagement of the external auditors, including the compensation of the external auditors and a confirmation that the external auditors shall report directly to the Committee; and
  - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
6. The Committee shall review with external auditors (and the internal auditor if one is appointed by the Company) their assessment of the internal controls of the Company, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Company and its subsidiaries.
  7. The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries by the external auditors. The Committee may delegate to one or more members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
  8. The Committee shall review risk management policies and procedures of the Company (i.e. hedging, litigation and insurance).
  9. The Committee shall establish a procedure for:
    - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
    - the confidential, anonymous submission by employees and agents of the Company of concerns regarding questionable accounting or auditing matters.
  10. The Committee shall review and approve the Company' hiring policies regarding employees and former employees of the present and former external auditors of the Company.
  11. The Committee shall have the authority to investigate any financial activity of the Company. All employees of the Company are to cooperate as requested by the Committee.
  12. The Committee may retain any person having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at the expense of the Company without any further approval of the Board.