



Borealis Exploration Limited

Gibraltar Company Number 66632 INFORMATION CIRCULAR Fiscal Year 2009

1. SOLICITATION OF PROXIES:

This information circular is furnished in connection with the solicitation of proxies by the Management of Borealis Exploration Limited ("Company") for use at its Annual Meeting of Members to be held 23 June 2009 in Gibraltar and via the Internet at www.borealis.gi, with the Record Date of the meeting being 29 April 2009, for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be by mail, e-mail, fax, Internet web site, telephone or in person by Officers and Directors of the Company. The cost of solicitation will be borne by the Company. The information contained herein is given as of 31 March 2009, unless otherwise indicated. All dollar figures set forth are expressed in United States Dollars. All accounting is done in accordance with Gibraltar Generally Accepted Accounting Principles (GAAP).

2. QUORUMS AND VOTING:

The authorised share capital of the Company is \$50,000, consisting solely of one class of common shares divided into 5,000,000 shares with par value of \$0.01 per share, of which 5,000,000 shares were outstanding at the close of business 31 March 2009. Each holder of record of a common share as of the Record Date for the meeting is entitled to attend the meeting and to cast one vote for each share. Proxies are being accepted by hand delivery, mail, e-mail, fax, and the Company's Internet website at www.borealis.gi. Any resolution to be voted upon at the meeting must be approved by a majority of the votes cast, unless the Company's Articles of Association stipulate a number or proportion of the votes cast in excess of a majority. The meeting will proceed as long as there is a quorum at the meeting place including the voted proxies.

3. REVOCATION OF PROXIES:

Each shareholder has the power to revoke a proxy at any time as long as it has not been exercised. In addition to revocation in any other manner permitted by law, a member giving a proxy pursuant to this solicitation who wishes to revoke the proxy instrument may do so in writing. This revocation must be executed by the member, or by his attorney authorised in writing, or, if the member is a Corporation, under its Corporate seal or by an officer or attorney thereof duly authorised, and received by mailed, or deposited, at any office of the Company, via e-mail to proxy@borealis.gi, or by fax to +44.207.504.3593 at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof at which the proxy is to be used, or with the Chairman of such meeting on the day of the meeting, or adjournment thereof.

4. PRINCIPAL HOLDERS OF VOTING SHARES:

To the knowledge of the Directors and Officers of the Company, no person beneficially owns or exercises control or direction over shares carrying more than ten percent of the votes attached to shares of the Company as of 31 March 2009.

5. ELECTION OF DIRECTORS:

Present Directors

Remaining Term

Rodney T. Cox, Ph.D.	up for election
Giulio Pontecorvo, Ph.D.	up for election
Isaiah W. Cox, A.B.	1 year
Donald N. Jones, M.Sc.	1 year
Nechama J. Cox, Ph.D.	1 year
David M. Goldenberg, L.L.B.	1 year
Wayne S. Marshall, Ph.D.	2 years
Peter Vanderwicken, A.B.	2 years

The proxy will be voted for the following proposed nominees (or for a substitute nominee in the event of contingencies not known at present) who will serve for a period of 3 years, or their successors if they are elected or appointed in accordance with the Articles of Association of the Company. Respective reported share totals are as at 31 March 2009.

RODNEY T. COX became a Director of the Company on 27 December 1978. Dr. Cox is Chief Executive Officer and Chairman of the Board of the Company. He is a member of the Executive, Audit and Compensation Committees. He is also a Director of Borealis Exploration Limited and each of its wholly and partially owned, direct and indirect subsidiaries except for Roche Bay plc. Rodney T. Cox beneficially owns directly or indirectly 2,549 shares of Borealis Exploration Limited.

GIULIO PONTECORVO became a Director of the Company on 28 August 2003. Dr. Pontecorvo is a Professor Emeritus at the Columbia University Graduate School of Business, and has served on numerous National Academy of Science committees. Professor Pontecorvo has advised the United Nations and other multilateral organizations on a variety of economic and environmental issues, and has published widely on many economic, financial and environmental topics. Dr. Pontecorvo is currently also a Director of Cool Chips plc, Power Chips plc and Chorus Motors plc. Giulio Pontecorvo beneficially owns directly or indirectly 16,000 shares of Borealis Exploration Limited.

THE PRESENT POSITION AND OFFICE WITH THE COMPANY IF APPLICABLE, AND THE PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT OF THE INCUMBENT DIRECTORS AND OFFICERS ARE AS FOLLOWS. UNLESS OTHERWISE STATED, SUCH OCCUPATION OR EMPLOYMENT HAS CONTINUED FOR MORE THAN THE LAST FIVE YEARS.

ISAIAH W. COX became a Director of the Company on 15 February 1994. Mr. Cox is President, Chief Operating Officer, a member of the Executive Committee and Compensation Committee of the Company. He is also a Director of Borealis Exploration Limited and each of its wholly and partially owned, direct and indirect subsidiaries except for Roche Bay plc. Isaiah W. Cox beneficially owns directly or indirectly 158,048 shares of Borealis Exploration Limited.

NECHAMA J. COX became a Director of the Company on 1 August 2001. In 1999, she founded the Mishkan School as well as being a Founding Governor of the Noam Primary School. Dr. Cox is currently also a Director of Chorus Motors plc, Cool Chips plc, Faraway plc, Photon Power plc and Power Chips plc. Nechama J. Cox beneficially owns directly or indirectly 16,700 shares of Borealis Exploration Limited.

DAVID M. GOLDENBERG became a Director of the Company on 18 September 1996, having previously been a director from 15 April 1988 until 1994. Mr. Goldenberg is currently retired as a Barrister and Solicitor. Previously he was with the firm Goldenberg Crisfield Zimmerman Barristers & Solicitors, which grew out of David M. Goldenberg, Professional Corporation. He was previously a Partner in the law firm of Beaumont Church until 1998. David M. Goldenberg beneficially owns directly or indirectly 100 shares of Borealis Exploration Limited.

DONALD N. JONES became a Director of the Company on 19 December 1991. Mr. Jones retired from the Greater Victoria School District, Victoria, B.C, Canada in June 1999. In November 1999, he founded North American Teaching Technologies Inc., a software company, for which he served as a Director and CFO. He manages personal and family investments. Donald N. Jones beneficially owns directly or indirectly 55,548 shares of Borealis Exploration Limited.

WAYNE S. MARSHALL became a Director of the Company on 11 September 1985. He retired as a Professor of Business Administration from Long Island University, where he remains an Emeritus Professor. Dr. Marshall is Chairman of the Executive, Audit and Compensation Committees of the Company. He is also a Director of Borealis Exploration Limited and each of its wholly and partially owned, direct and indirect subsidiaries except for Roche Bay plc. Wayne S. Marshall beneficially owns directly or indirectly 98,904 shares of Borealis Exploration Limited.

PETER VANDERWICKEN became a Director of the Company on 3 August 1999. Mr. Vanderwicken is a private investor who retired in 2004 as president of Plumstead Group, Inc., a publishing and consulting firm. He is currently also a Director of Avto Metals plc, Chorus Motors plc, Cool Chips plc, Photon Power plc, Power Chips plc and Chairman of Roche Bay plc. Peter Vanderwicken beneficially owns directly or indirectly 34,200 shares of Borealis Exploration Limited.

STM Fidecs Management Limited (formerly known as Fidecs Management Limited) became Corporate Secretary of the Company on 21 May 2001.

6. APPOINTMENT OF AUDITORS:

Unless otherwise specified therein, it is presently intended to vote the proxy to appoint Moore Stephens, Chartered Accountants, Gibraltar, as auditors of the Company, to hold office until the next annual meeting of shareholders, and to authorize the Directors to fix their remuneration.

7. OPTIONS:

There are now 239,679 shares from exercises of options that are the obligation of the Company to issue on a timely basis. It should be noted that, as the Company has authorised capitalization of 5,000,000 shares, the Company will have to acquire shares from private purchases or public transactions or share exchange offers in order to honour its obligation to deliver these 239,679 shares. No demand for the delivery of the exercised shares has been made and none is expected. The acquisition of these shares is expected to take place within the normal course of business. The Company has no other options authorised or outstanding.

8. INSURANCE:

The Company has liability insurance for its various offices and facilities worldwide. The Company indemnifies all of its Officers and Directors against any legal actions or threatened legal actions that are in any way related to their relationship to the Company. The indemnification includes paying all legal bills and all costs of any kind relating to any such claims.

9. INTEREST OF LARGE SHAREHOLDERS IN MATERIAL TRANSACTIONS WITH THE COMPANY:

Through the years, Rodney T. Cox and The Parmenides Group have guaranteed Company obligations without compensation and lent funds and securities to the Company without interest or any related fees being charged for these services. Dr. Cox and The Parmenides Group have also paid many Company bills without reimbursement and delivered gifts of shares to numerous people associated with the Company and its affiliated companies. The Company's previous U.S. accountant estimates that these direct cash and share payments, without any value being assigned to the guarantee services provided by The Parmenides Group and Rodney T. Cox, without compensation, to protect their investment in the Company and its affiliated companies, have totaled at least \$4 million over the past 27 years. In 2007, The Parmenides Group was paid for consulting services \$432,000, compared to \$432,000 in 2006. Rodney T. Cox and other Cox family members have leased office space to the Company in the U.S. and England. In 2007, rents totaled approximately \$120,000 compared \$120,000 in 2006. In addition, the Company and its affiliated companies have been engaged in numerous transactions with the above parties, all of which in the opinion of Management and the Board of Directors have been in the best interest of the Company and its affiliated companies.

For 2007, the Directors and Foundations were paid a total of \$ 2,356,372 for services, including the above payments.

In previous years, members of the Executive Committee using The Parmenides Group as nominee agreed to lend to Borealis Technical Limited (which is a 98% owned subsidiary of Borealis Exploration Limited) common shares of Borealis Exploration Limited to be used in funding the operations of the Company. As of 31 March 2007, 123,490 remain to be delivered against the original number of shares loaned.

The market value of the shares borrowed and the 239,679 option exercise shares whose delivery has been deferred as of 31 March 2007 was approximately \$693,652.79 compared to \$3,115,827 for 2006. This obligation is marked to market. The Company is buying shares and doing share exchanges from private shareholders to cover this position. For the 12 month period ending 31 March 2007 a total of 13,607 shares were repurchased and delivered to The Parmenides Group. No demand for the delivery of the borrowed shares has been made and none is expected until it can be made in the normal course of business.

Borealis has entered into two long-term contracts with members of its technical staff, having 10-year periods with two 10-year renewals. Both of these contracts are in their second 10-year period, with one 10-year period remaining. The first contract comes with substantial penalties if control of the Company should change. The penalty is a \$27 million cash payment, adjusted by inflation, to a Principal Scientist of the Company. The Company's policy, within the limits of its financial resources, is to offer all senior consultants' lifetime work with the Company and its affiliated companies, subject only to the consultant's continued satisfactory work for the Company and its affiliated companies, and the Company being able to afford the services provided.

10. SUMMARY OF PRINCIPAL SUBSIDIARY COMPANIES IN THE BOREALIS FAMILY OF COMPANIES

Borealis Technical Limited, Gibraltar Company Number 57884, was incorporated 23 April 1996. It is 98% owned by Borealis Exploration Limited. Borealis Technical Limited owns the patent portfolio in the Borealis Family of Companies and owns among other shares: 5,202,500 shares of Avto Metals plc, 5,201,934 shares of Chorus Motors plc, 5,201,377 shares of Cool Chips plc, 5,222,983 shares of Power Chips plc, and 5,202,690 shares of Photon Power plc.

Avto Metals plc, Gibraltar Company Number 92964, CUSIP # X0269H 10 2, was incorporated 6 October 2004. It has 10,000,000 shares authorised, with 5,367,115 shares outstanding, of which Borealis Technical Limited owns 5,202,500. The trading symbol for Avto metals plc is AMTPF.

Chorus Motors plc, Gibraltar Company Number 68312, CUSIP # X1305M 10 5, was incorporated 18 March 1999. It has 10,000,000 shares authorised, with 6,601,483 shares outstanding, of which Borealis Technical Limited owns 5,201,934. It owns 6,709,065 shares of WheelTug plc. The trading symbol for Chorus Motors plc is CHOMF.

WheelTug plc, Gibraltar Company Number 94119, was incorporated 9 February 2005. It has 10,000,000 shares authorised, with 6,933,348 shares outstanding, of which Chorus Motors plc owns 6,709,065.

Cool Chips plc, Gibraltar Company Number 57885, CUSIP # X16065 10 8, was incorporated 23 April 1996. It has 10,000,000 shares authorised, with 8,251,947 shares outstanding, of which Borealis Technical Limited owns 5,201,377. It owns 6,933,345 shares of Cool Chips Military Sales plc. The trading symbol for Cool Chips plc is COLCF.

Cool Chips Military Sales plc, Gibraltar Company Number 94111, was incorporated 8 February 2005. It has 10,000,000 shares authorised, with 6,933,348 shares outstanding, of which Cool Chips plc owns 6,933,345.

Power Chips plc, Gibraltar Company Number 60528, CUSIP #X6919W 10 0, was incorporated 11 February 1997. It has 10,000,000 shares authorised, with 8,035,118 shares outstanding, of which Borealis Technical Limited owns 5,222,983, and itself owns 100% of Asamera Limited. The trading symbol for Power Chips plc is PWCHF.

Asamera Limited, Gibraltar Company Number 62341, was incorporated 11 August 1997 as Fixel Limited, changing its name on 28 August 2008. It has 10,000,000 shares authorised and outstanding, 100% owned by Power Chips plc.

Photon Power plc, Gibraltar Company Number 68278, CUSIP # X 8698W 10 3, was incorporated 16 March 1999. It has 10,000,000 shares authorised, with 5,224,242 shares outstanding, of which Borealis Technical Limited owns 5,202,690. The trading symbol for Photon Power plc is PHPWF.

Roche Bay Holdings Limited, Gibraltar Company Number 50515, was incorporated 4 February 1994. It is 98% owned by Borealis Exploration Limited, and itself owns 100 shares of Roche Bay Holdings (Barbados) Limited.

Roche Bay Holdings (Barbados) Limited, Barbados Company Number 21740 was incorporated on 31 October 2002. It has 100 shares issued which Roche Bay Holdings Limited owns 100%. It owns 5,200,000 shares of Roche Bay plc.

Roche Bay plc, Gibraltar Company Number 60527, CUSIP # X73580 10 6, was incorporated 11 February 1997. It has 10,000,000 shares authorised, with 6,791,460 shares outstanding, of which Roche Bay Holdings (Barbados) Limited owns 5,200,000. The trading symbol for Roche Bay plc is RCHBF.

Credits Holdings Limited, Gibraltar Company Number 50526, was incorporated 7 February 1994. It is 99% owned by Borealis Exploration Limited, and is itself sole owner of Borealis Roche Bay Limited.

Borealis Roche Bay Limited, Gibraltar Company Number 57886, was incorporated 23 April 1996. It is 100% owned by Credits Holdings Limited.

Faraway Holdings Limited, Gibraltar Company Number 83093, was incorporated 9 November 2001. It is 100% owned by Borealis Exploration Limited, and itself owns 100 shares of Faraway Holdings (Barbados) Limited.

Faraway Holdings (Barbados) Limited, Barbados Company Number 23694 was incorporated on 11 May 2004. It has 100 shares issued which Faraway Holdings Limited owns. It owns 5,200,000 shares of Faraway plc.

Faraway plc, Gibraltar Company Number 57887, CUSIP # X23794 10 4, was incorporated 23 April 1996. It has 10,000,000 shares authorised, with 6,283,085 shares outstanding, of which Faraway Holdings (Barbados) Limited owns 5,200,000. The trading symbol for Faraway plc is FWYPF.

11. GENERAL:

The Management knows of no matter to come before the Annual Meeting other than the matters referred to in the Notice of the Meeting. If any matters that are not now known to the Management should properly come before the meeting, the accompanying proxy instrument will be voted on such matters in accordance with the best judgment of the person or persons voting it.

The contents and sending of this information have been approved by the Directors of the Company.

Dated 1 June 2009

Borealis Exploration Limited

A handwritten signature in black ink, appearing to read 'Rodney T. Cox', with a large, stylized initial 'R' at the start.

Rodney T. Cox, Ph.D.
Chairman of the Board and CEO

A handwritten signature in black ink, appearing to read 'Isaiah W. Cox', with a large, stylized initial 'I' at the start.

Isaiah W. Cox
President and COO