



**NOTICE OF
ANNUAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT PROXY CIRCULAR**

**April 28, 2010
Montreal, Québec**



NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the holders of common shares (the “Meeting”) of Dollarama Inc. (the “Corporation”) will be held at Le Windsor, 1170 Peel Street, Montreal, Québec, on June 10, 2010 at 10:00 a.m. for the following purposes:

- (1) to receive the consolidated financial statements of the Corporation for the fiscal year ended January 31, 2010, together with the auditors’ report thereon;
- (2) to elect the directors of the Corporation who will serve until the next annual shareholders meeting or until their successors are appointed;
- (3) to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration; and
- (4) to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The accompanying management proxy circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Also enclosed is a form of proxy for the Meeting.

The 2010 annual report of the Corporation, which comprises the management’s discussion and analysis of financial condition and results of operations, the consolidated financial statements of the Corporation and the auditor’s report for the fiscal year ended January 31, 2010, is posted on SEDAR at www.sedar.com.

The record date (the “Record Date”) for determining those shareholders entitled to receive notice and to vote at the Meeting is the close of business on May 4, 2010. Only persons registered as shareholders on the books of the Corporation as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting, and no person becoming a shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof. The failure of any shareholder to receive notice of the Meeting does not deprive the shareholder of the right to vote at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and to return it to Computershare Investor Services Inc. at its Toronto office at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope or by facsimile to 1-866-249-7775. To be used at the Meeting, proxies must be received by 5:00 p.m. (Montreal time) two (2) business days prior to the Meeting, being June 8, 2010 or any adjournment thereof.

Dated at Montreal, Québec, this 28th day of April, 2010.

By order of the board of directors,

Larry Rossy
Chief Executive Officer

TABLE OF CONTENTS

	<u>Page</u>
MANAGEMENT PROXY CIRCULAR.....	1
VOTING INFORMATION.....	1
VOTING IN PERSON.....	2
VOTING BY PROXY FOR REGISTERED SHAREHOLDERS.....	2
HOW A VOTE IS PASSED.....	3
INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON.....	4
VOTING SHARES OUTSTANDING.....	4
BUSINESS OF THE MEETING.....	4
Financial Statements.....	4
Election of Directors.....	4
Appointment of Auditor.....	4
NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS.....	5
Description of Proposed Directors.....	5
Directors' Biographies.....	6
Board of Directors' Attendance Record.....	8
Cease Trade Orders or Bankruptcies.....	9
Penalties or Sanctions.....	10
COMPENSATION DISCUSSION AND ANALYSIS.....	10
Compensation Objectives.....	10
Annual Compensation Review Process.....	11
Role of Executive Officers in Executive Compensation Decisions.....	11
Comparator Group.....	11
Compensation Components.....	11
Management Option Plan.....	14
Termination and Change of Control Benefits.....	18
Pension Benefits.....	19
Director Compensation.....	20
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	20
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	21
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS.....	21
CORPORATE GOVERNANCE.....	22
Board of Directors.....	22
Position Descriptions.....	23
Board of Directors Committees.....	24
Orientation and Continuing Education.....	25
Code of Conduct.....	25
Nomination of Directors.....	26
Assessments.....	26
GENERAL.....	26
AVAILABILITY OF DOCUMENTS.....	26
APPROVAL BY DIRECTORS.....	27
SCHEDULE A.....	A-1

DOLLARAMA INC.

MANAGEMENT PROXY CIRCULAR

This management proxy circular (the “Circular”) is furnished by management of Dollarama Inc. (the “Corporation”) in connection with the solicitation of proxies for use at the annual meeting of shareholders (the “Meeting”) to be held on June 10, 2010 at 10:00 a.m. (Montreal time) at Le Windsor, 1170 Peel Street, Montreal, Québec, or any adjournments thereof, for the purposes set forth in the notice of annual meeting of shareholders (the “Notice of Meeting”).

It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited by telephone, over the Internet, in writing or in person, by directors, officers or regular employees of the Corporation who will receive no compensation therefore in addition to their regular remuneration. **The solicitation of proxies by this Circular is being made by or on behalf of management of the Corporation.** The cost of the solicitation is expected to be nominal and will be borne by the Corporation. Unless otherwise indicated, all information provided in this Circular is given as of April 28, 2010.

VOTING INFORMATION

Registered Shareholders

Each registered shareholder is entitled to one vote for each common share of the Corporation (“Common Share”) registered in his or her name as of the record date (the “Record Date”). The directors of the Corporation have set May 4, 2010 as the Record Date.

Non-registered Beneficial Shareholders

Only registered holders of Common Shares at the close of business on the Record Date, or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a “Non-Registered Holder”) are registered either in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) and/or in the name of a depositary (such as CDS). A majority of Common Shares are currently registered under the name of CDS. In accordance with Canadian securities laws, the Corporation has distributed copies of the Circular and accompanying material to CDS for onward distribution (through Intermediaries, as applicable) to Non-Registered Holders. Without specific instructions from the Non-Registered Holders, CDS is prohibited from voting the Common Shares registered in its name. Non-Registered Holders (through Intermediaries, as applicable) should ensure that their instructions respecting the voting of their Common Shares are communicated to their respective Intermediary or depositary (such as CDS). Therefore, except as set forth herein, Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their Common Shares in person or by way of proxy.

Pursuant to National Instrument 54-101 – *Communication with Beneficial owners of a Reporting Issuer*, each Intermediary is required to request voting instructions from Non-Registered Holders prior to shareholders meetings. Intermediaries have their own procedures for sending materials and their own guidelines for the return of documents. Non-Registered Holders should strictly follow these instructions if the voting rights attached to their Common Shares are to be cast at the Meeting. Often, the form of proxy supplied to a Non-Registered Holder by an Intermediary is identical to that provided to registered holders. However, its purpose is limited to instructing the ultimate registered holder on how to vote on behalf of the Non-Registered Holder.

In addition to the Notice of Meeting accompanying the Circular, each Non-Registered Holder will also receive, depending on the Intermediary through which such Non-Registered Holder's Common Shares are held, either a voting instruction form which must be completed and returned by the Non-Registered Holder in accordance with the directions printed on the form (in some cases, the completion of the voting instruction form by telephone, facsimile or over the Internet is permitted) or a form of proxy which has already been signed or stamped with a

facsimile signature of the Intermediary and which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder. A Non-Registered Holder who receives and wishes to submit such a form of proxy should properly complete the form of proxy and return it in accordance with the instructions therein provided. Non-Registered Holders who receive voting instruction forms, forms of proxy or other voting materials from an Intermediary or a depositary (such as CDS) should complete and return such materials in accordance with the instructions accompanying the materials in order to properly vote their Common Shares at the Meeting.

If you are a Non-Registered Holder of Common Shares and wish to vote in person at the Meeting, you should carefully follow the instructions provided by your Intermediary or depositary (such as CDS), including those regarding when and where the proxy or proxy authorization form is to be delivered.

VOTING IN PERSON

If you attend the Meeting in Montreal on June 10, 2010 and are a registered shareholder or a Non-Registered Holder who has appointed himself as proxyholder, you may cast one vote for each of your registered Common Shares on any and all resolutions voted on by way of ballot at the Meeting. This may include the election of directors, the other matters listed on the Notice of Meeting and any other business that may arise at the Meeting. You may oppose any matter proposed at the Meeting by either withholding your vote from, or voting your Common Shares in favor of, any resolution at the Meeting, depending on the specific resolution.

VOTING BY PROXY FOR REGISTERED SHAREHOLDERS

The following instructions are for registered shareholders only. Only registered shareholders or their duly appointed proxyholders are permitted to vote at the Meeting. **If you are a Non-Registered Holder, please follow your Intermediary's instructions on how to vote your shares.**

If you are unable to attend the Meeting or if you do not wish to personally cast your votes, as a registered shareholder you may still make your votes count by authorizing another person who will be at the Meeting to vote on your behalf. You may either tell that person how you want to vote or let him or her choose for you. This is called voting by proxy.

What Is a Proxy?

A proxy is a document that you may sign in order to authorize another person to cast your votes for you at the Meeting. The document that is enclosed with this Circular is the form of proxy that you may use to authorize another person to vote on your behalf at the Meeting. You may use this proxy form to assign your votes to the persons named in the enclosed form of proxy, Larry Rossy or Michael Ross, or to any other person of your choice.

Appointment of Proxies

Your proxyholder is the person you appoint to cast your votes at the Meeting on your behalf. **You may choose Larry Rossy or Michael Ross, or any other person that you want to be your proxyholder. Each shareholder is entitled to appoint a person other than the individuals named in the enclosed form of proxy to represent such shareholder at the Meeting.** Please note that your proxyholder is not required to be another shareholder of the Corporation. If you want to authorize Larry Rossy or Michael Ross as your proxyholder, please leave the line near the top of the proxy form blank as Larry Rossy and Michael Ross' names are already pre-printed on the form. If you want to authorize another person as your proxyholder, fill in that person's name in the blank space located near the top of the enclosed proxy form and cross out the names currently pre-printed on the form of proxy.

Your proxy authorizes the proxyholder to vote and otherwise act for you at the Meeting, including any continuation of the Meeting that may occur in the event that the Meeting is adjourned. **If you return the attached proxy form to Computershare Investor Services Inc. and have left the line for the proxyholder's name blank, then Larry Rossy or Michael Ross will automatically become your proxyholder.**

Depositing Proxies

To be valid, the proxy form must be filled out, correctly signed (exactly as your name appears on the proxy form), and returned to Computershare Investor Services Inc. at its Toronto office at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope or by facsimile to 1-866-249-7775 by 5:00 p.m. (Montreal time) on June 8, 2010 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting). Your proxyholder may then vote on your behalf at the Meeting.

You may instruct your proxyholder how you want to vote on the matters listed in the Notice of Meeting by checking the appropriate boxes on the proxy form. If you have specified on the proxy form how you want to vote on a particular issue (by checking FOR or WITHHOLD), then your proxyholder must cast your votes as instructed. By checking WITHHOLD on the proxy form, where applicable, you will be abstaining from voting.

If you have NOT specified how to vote on a particular matter, your proxyholder is entitled to vote your Common Shares as he or she sees fit. Please note that if your proxy form does not specify how to vote on any particular matter and if you have authorized Larry Rossy or Michael Ross to act as your proxyholder (by leaving the line for the proxyholder's name blank on the proxy form), your Common Shares will be voted at the Meeting as follows:

- **FOR the election of each of the management's nominees as directors of the Corporation; and**
- **FOR the appointment of PricewaterhouseCoopers LLP as auditors.**

For more information on these matters, please see the section entitled "Business of the Meeting" beginning on page 4 of this Circular. **The enclosed form of proxy also confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Circular, management of the Corporation is not aware of any such amendments or other matters.

Revocation of Proxies

If you want to revoke your proxy after you have signed and delivered it to Computershare Investor Services Inc., you may do so by delivering another properly executed form of proxy bearing a later date and delivering it as set out above under the heading "Depositing Proxies" or by clearly indicating in writing that you want to revoke your proxy and delivering this written document to (i) the registered office of the Corporation at 5805 Royalmount Ave., Montreal, Québec, H4P 0A1, attention: Michael Ross, CA, Chief Financial Officer ("CFO") and Secretary at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of the Meeting, or (ii) the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof, or in any other way permitted by law.

If you revoke your proxy and do not replace it with another form of proxy that is deposited with Computershare Investor Services Inc. on or before the deadline, 5:00 p.m. (Montreal time) on June 8, 2010 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting), you may still vote your own Common Shares in person at the Meeting provided that you are a registered shareholder whose name appears on the shareholders' register of the Corporation.

HOW A VOTE IS PASSED

All matters that are scheduled to be voted upon at the Meeting are ordinary resolutions. Ordinary resolutions are passed by a simple majority, meaning that if more than half of the votes that are cast are in favour, then the resolution passes.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

No director or officer of the Corporation, nor their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than as set forth herein.

VOTING SHARES OUTSTANDING

As of April 28, 2010, there were 73,104,831 Common Shares of the Corporation issued and outstanding. Each Common Share carries the right to one vote on all matters to come before the Meeting.

To the knowledge of the directors and officers, the only person who owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares is as follows:

<u>Name</u>	<u>Number of Common Shares</u>	<u>Percentage of Outstanding Shares</u>
Bain Dollarama (Luxembourg) One S.à r.l.	22,037,446	30.1%

BUSINESS OF THE MEETING

Financial Statements

The audited consolidated financial statements of the Corporation for the fiscal year ended January 31, 2010, together with the auditors' report thereon, will be submitted at the Meeting, but no vote thereon is required or expected. These audited consolidated financial statements are reproduced in the Corporation's 2010 annual report (the "Annual Report"), which was sent to shareholders with this Circular. The Annual Report is also available on SEDAR at www.sedar.com.

Election of Directors

The board of directors of the Corporation (the "Board of Directors") is currently comprised of nine (9) directors. The persons identified in the section "Nominees for Election to the Board" will be nominated for election as directors; all such nominees are presently directors of the Corporation. Each director is expected to hold office until the next annual meeting of shareholders. The directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders.

Unless a proxy specifies that the Common Shares it represents should be withheld from voting in respect of the election of directors or voted in accordance with the specification in the proxy, the persons named in the enclosed form of proxy intend to vote FOR the election of the nominees listed in this Circular.

As the chair of the Board of Directors (the "Chair") is not an independent director, the Board of Directors has appointed a lead director (the "Lead Director") with the responsibility of ensuring that the Board of Directors functions independently from management. See "Corporate Governance – Board of Directors – Independence".

Management of the Corporation does not expect that any of the nominees will be unable to serve as a director. However, if, for any reason, at the time of the Meeting any of the nominees are unable to serve and unless otherwise specified, it is intended that the persons designated in the form of proxy will vote in the discretion for a substitute nominee or nominees.

Appointment of Auditor

At the Meeting, shareholders will be asked to appoint the firm of PricewaterhouseCoopers LLP ("PWC") to hold office as the Corporation's auditors until the close of the next annual meeting of shareholders and to authorize the Board of Directors to fix their remuneration.

PWC has served as auditors of the Corporation since February 1, 2007. PWC has informed us that it is independent with respect to the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables agréés du Québec*.

Unless a proxy specifies that the Common Shares it represents should be withheld from voting in respect of the appointment of auditors or voted in accordance with the specification in the proxy, the persons named in the enclosed form of proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP as auditors of the Corporation and the authorization of the directors of the Corporation to fix their remuneration.

For the fiscal years ended January 31, 2010 and February 1, 2009, the Corporation was billed the following fees for audit, audit-related, tax and all other services provided to the Corporation by its external auditors, PricewaterhouseCoopers LLP:

	Fiscal year ended January 31, 2010	Fiscal year ended February 1, 2009
Audit Fees ⁽¹⁾	\$582,000	\$500,000
Audit-Related Fees ⁽²⁾	\$788,495	–
Tax Fees ⁽³⁾	\$187,000	\$68,000
All Other Fees ⁽⁴⁾	\$154,000	\$108,000
Total Fees Paid	\$1,711,495	\$676,000

- (1) “Audit Fees” include fees necessary to perform the annual audit of the consolidated financial statements.
- (2) “Audit-Related Fees” include fees for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and are not reported under “Audit Fees”. In fiscal year ended January 31, 2010, this category represents primarily fees for IPO-related services.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax advice and tax planning.
- (4) “Other Fees” include fees for products and services provided by the auditors other than those included above. This category represents primarily fees related to the internal controls assessment.

Additional details with respect to the Audit Committee of the Corporation and the above-mentioned fees can be found in the section “Audit Committee Information” of the Corporation’s annual information form, which can be viewed on SEDAR at www.sedar.com.

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

Description of Proposed Directors

The following table and notes provide information about the nominees for election as directors as of April 28th, 2010:

Name and Residence	Position with the Corporation or Principal Occupation	Director Since	Common Shares of the Corporation Beneficially Owned or Over Which Control or Direction is Exercised	Stock Options Held
Larry Rossy ⁽¹⁾ Québec, Canada	CEO of the Corporation	2004	4,407,230	—

Name and Residence	Position with the Corporation or Principal Occupation	Director Since	Common Shares of the Corporation Beneficially Owned or Over Which Control or Direction is Exercised	Stock Options Held
Joshua Bekenstein ⁽²⁾ Massachusetts, USA	Managing Director, Bain Capital Partners, LLC	2004	—	—
Gregory David ⁽³⁾ Ontario, Canada	CEO of GRI Capital Inc.	2004	—	2,000
Stephen Gunn ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾ Ontario, Canada	Chair of the board of directors and CEO of Sleep Country Canada Inc.	2009	9,000	2,000
Matthew Levin ⁽⁴⁾ Massachusetts, USA	Managing Director, Bain Capital Partners, LLC	2004	—	—
Nicholas Nomicos ⁽⁹⁾ Massachusetts, USA	Operating Partner , Bain Capital Partners, LLC	2004	—	—
Donald Gray Reid ⁽⁵⁾⁽¹⁰⁾ Ontario, Canada	Corporate Director	2010	—	2,000
Neil Rossy..... Québec, Canada	Chief Merchandising Officer	2004	4,000	553,344
John J. Swidler, FCA ⁽¹¹⁾⁽¹²⁾ Québec, Canada	Senior Advisor, RSM Richter Chamberland LLP	2010	13,700	2,000

(1) Chair of the Board of Directors.

(2) Chair of the Compensation Committee.

(3) Gregory David resigned from his position as member of the Audit Committee on January 5, 2010.

(4) Member of the Compensation Committee.

(5) Member of the Audit Committee.

(6) Lead Director.

(7) Stephen Gunn was appointed Lead Director, member and chair of the Audit Committee on October 16, 2009. Stephen Gunn resigned as chair of the Audit Committee on January 5, 2010 when he was replaced by John J. Swidler.

(8) Stephen Gunn was appointed as member of the Compensation Committee on February 17, 2010, in replacement of Todd Cook.

(9) Nicholas Nomicos resigned from his position as Senior Vice President, Interim CFO and Secretary of the Corporation effective as of April 12, 2010.

(10) Donald Gray Reid was appointed to the Board of Directors and as member of the Audit Committee on February 17, 2010 in replacement of Todd Cook.

(11) Chair of the Audit Committee.

(12) John J. Swidler was appointed to the Board of Directors and as member of the Audit Committee on January 5, 2010 in replacement of respectively Felipe Merry del Val Barbavara di Gravello and Gregory David. On the same day, John J. Swidler was also appointed chair of the Audit Committee in replacement of Stephen Gunn.

Directors' Biographies

The following are brief profiles of the nominees for election as directors of the Corporation, as of the date hereof, unless otherwise indicated.

Non-Executive Directors

Joshua Bekenstein

Joshua Bekenstein is a member of the Board of Directors and the Chair of the Compensation Committee. M. Bekenstein is a Managing Director at Bain Capital. Prior to joining Bain Capital in 1984, Mr. Bekenstein spent several years at Bain & Company, where he was involved with companies in a variety of industries. Mr. Bekenstein serves as a director of several corporations, including Bombardier Recreational Products Inc., Bright Horizons Family Solutions, Burlington Coat Factory, Michaels Stores, Toys “R” Us and Waters Corporation.

Gregory David

Gregory David is a member of the Board of Directors. He is the Chief Executive Officer of GRI Capital Inc. and has been with the company and its affiliates since 2003. Prior to GRI Capital Inc., Mr. David provided financial and strategic advisory services to private and public companies from 2000 to 2003. Previously, he worked at Claridge Inc. from 1998 to 2000 and at McKinsey & Co. from 1996 to 1998. He has a Bachelor of Commerce from Queens University, a Bachelor of Laws and Bachelor of Civil Law from McGill University and a Master of Business Administration from Harvard Business School.

Stephen Gunn

Stephen Gunn is the Lead Director of the Board of Directors. Mr. Gunn serves as chair of the board of directors and CEO of Sleep Country Canada Inc. He was a director of Golf Town from 2005 to 2007 and a director of Connors Bros. from 2004 to 2007. He has a Bachelor of Electrical Engineering from Queens University and a Master of Business Administration from the University of Western Ontario.

Matthew Levin

Matthew Levin is a member of the Board of Directors. He is a Managing Director at Bain Capital. Prior to joining Bain Capital in 1992, Mr. Levin was a consultant at Bain & Company, where he consulted in the consumer products and manufacturing industries. He serves as a director of several corporations, including Bombardier Recreational Products, Guitar Center, Michaels Stores, Toys “R” Us and Unisource Worldwide.

Nicholas Nomicos

Nicholas Nomicos is a member of the Board of Directors. Mr. Nomicos is an Operating Partner at Bain Capital. He served as Senior Vice President, Interim Chief Financial Officer and Secretary of the Corporation from September 2009 to April 2010. Prior to joining Bain Capital in 1999, Mr. Nomicos held several senior corporate and division management positions at Oak Industries Inc., a publicly traded component manufacturing conglomerate serving the telecommunications and appliance control industries. Previously, Mr. Nomicos was a Manager at Bain & Company. He also serves as a director of Bombardier Recreational Products.

Donald Gray Reid

Donald Gray Reid is a member of the Board of Directors. Mr. Reid has over 26 years of experience with the Weston/Loblaw group of companies, including positions as President and CEO of President's Choice Bank, CFO of George Weston Limited and Executive Vice President of Loblaw Companies Limited. Mr. Reid is currently Vice Chairman of the Nature Conservancy of Canada. Mr. Reid graduated from Queen's University with a Bachelor of Science degree (honours), a Master of Science and a Master of Business Administration.

John J. Swidler, FCA

John J. Swidler, FCA, is a member of the Board of Directors and the Chair of the Audit Committee. Mr. Swidler has been a director of Reitmans (Canada) Limited since April 2, 2008. He is also a Senior Advisor of the Montréal office of RSM Richter LLP. He was the Managing Partner of RSM Richter LLP from 1996 to January 1,

2007 and was Chairman of the firm's executive committee from 1982 to 1996. Mr. Swidler graduated from McGill University with a Bachelor of Commerce degree and obtained his designation as a Chartered Accountant. He also received a Bachelor of Civil Law degree from McGill University. He received his Fellow Chartered Accountant (FCA) designation from the *Ordre des comptables agréés du Québec* in 1992.

Executive Officers Who Also Serve as Directors

Larry Rossy

Larry Rossy is the Chair of the Board of Directors and the CEO. He has been a retailer since 1965 and is the founder of Dollarama. In 1992, Mr. Rossy made the strategic decision to convert the company to the “dollar store” concept. Since that time, Mr. Rossy’s principal focus has been on the expansion of the Dollarama retail network. In addition to overseeing the organization, Mr. Rossy is directly responsible for new store development and site selection. Mr. Rossy serves as a director of Colart Design Inc. and Confection Courceil Inc.

Neil Rossy

Neil Rossy joined Dollarama at its inception in 1992 and currently serves as Chief Merchandising Officer. Mr. Rossy is also a member of the Board of Directors. He led the design and construction of the Dollarama warehouses, distribution center and head office. Mr. Rossy is responsible for store design, merchandising, product development and special projects.

Board of Directors’ Attendance Record

The following table summarizes the meetings of the Board of Directors and its committees held during the fiscal year ended January 31, 2010 and the attendance of individual directors at such meetings. Directors are expected to attend all meetings and each director generally attends all meetings, subject to occasional scheduling conflicts.

Director	Board of Directors (3 meetings)		Audit Committee (1 meeting)		Compensation Committee (1 meeting)		Total Attendance
	Number	%	Number	%	Number	%	%
Larry Rossy ⁽¹⁾	3	100	–	–	–	–	100
Joshua Bekenstein ⁽²⁾	3	100	–	–	1	100	100
Gregory David ⁽³⁾	3	100	1	100	–	–	100
Stephen Gunn ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾	3	100	1	100	–	–	100
Matthew Levin ⁽⁴⁾	3	100	–	–	1	100	100
Nicholas Nomicos ⁽⁹⁾	3	100	–	–	–	–	100
Donald Gray Reid ⁽⁵⁾⁽¹⁰⁾	–	–	–	–	–	–	100
Neil Rossy.....	3	100	–	–	–	–	100
John J. Swidler ⁽¹¹⁾⁽¹²⁾	1	100	–	–	–	–	100
Todd Cook ⁽¹³⁾	3	100	1	100	1	100	100

Director	Board of Directors (3 meetings)		Audit Committee (1 meeting)		Compensation Committee (1 meeting)		Total Attendance
	Number	%	Number	%	Number	%	%
Felipe Merry del Val Barbavara di Gravellona ⁽¹⁴⁾	1	100	-	-	-	-	100

- (1) Chair of the Board of Directors.
- (2) Chair of the Compensation Committee.
- (3) Gregory David resigned from his position as member of the Audit Committee on January 5, 2010.
- (4) Member of the Compensation Committee.
- (5) Member of the Audit Committee.
- (6) Lead Director.
- (7) Stephen Gunn was appointed Lead Director, member and chair of the Audit Committee on October 16, 2009. Stephen Gunn resigned as chair of the Audit Committee on January 5, 2010 when he was replaced by John J. Swidler.
- (8) Stephen Gunn was appointed as member of the Compensation Committee on February 17, 2010, in replacement of Todd Cook.
- (9) Nicholas Nomicos resigned from his position as Senior Vice President, Interim CFO and Secretary of the Corporation effective as of April 12, 2010.
- (10) Donald Gray Reid was appointed to the Board of Directors and as member of the Audit Committee on February 17, 2010 in replacement of Todd Cook.
- (11) Chair of the Audit Committee.
- (12) John J. Swidler was appointed to the Board of Directors and as member of the Audit Committee on January 5, 2010 in replacement of respectively Felipe Merry del Val Barbavara di Gravellona and Gregory David. On the same day, John J. Swidler was also appointed chair of the Audit Committee in replacement of Stephen Gunn.
- (13) Todd Cook resigned from his positions as director, member of the Audit Committee and member of the Compensation Committee on February 17, 2010.
- (14) Felipe Merry del Val Barbavara di Gravellona resigned from his position as director on January 5, 2010.

Cease Trade Orders or Bankruptcies

None of the directors or executive officers:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
 - (i) was subject to an order that was issued while the director or executive officer 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 director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer,
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) 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) and no shareholder holding a sufficient number of securities to affect materially the control of the Corporation has, within the 10 years before the date of this 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 director, executive officer or shareholder,

except for:

- (i) Joshua Bekenstein who was (A) a director of Mattress Discounters Corporation when it filed for protection under Chapter 11 of the US Bankruptcy Code in October 2002, and (B) a director of KB Toys, Inc. when it filed for protection under Chapter 11 of the US Bankruptcy Code in January 2004;
- (ii) Matthew Levin who was a director of KB Toys, Inc. when it filed for protection under Chapter 11 of the US Bankruptcy Code in January 2004; and
- (iii) Stephen Gunn who was a director of Mattress Discounters Corporation when it filed for protection under Chapter 11 of the US Bankruptcy Code in October 2002.

For the purposes of the paragraphs above, “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Penalties or Sanctions

No director or executive officer of the Corporation or shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

COMPENSATION DISCUSSION AND ANALYSIS

The following discussion describes the significant elements of the executive compensation program, with particular emphasis on the process for determining compensation payable to the CEO and the CFO and, other than the CEO and the CFO, each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (collectively, the “Named Executive Officers” or “NEOs”). The NEOs are:

- Larry Rossy, CEO;
- Nicholas Nomicos, Senior Vice President, Interim CFO and Secretary (“Interim CFO”);
- Stéphane Gonthier, Chief Operating Officer;
- Neil Rossy, Chief Merchandising Officer; and
- Geoffrey Robillard, Senior Vice President, Import Division.

Compensation Objectives

The Corporation’s executive compensation plan is administered by the Compensation Committee, which makes recommendations to the Board of Directors. The compensation program is designed to attract and retain highly qualified executive officers, to motivate and reward them for their performance and contribution to the long-term success of the Corporation, and to align the interests of the executive officers with those of the Corporation’s shareholders. The Board of Directors thereby seeks to compensate the executive officers by combining short and long-term cash compensation with long-term equity incentives. Accordingly, a significant portion of the executive officers’ compensation is based upon the Corporation’s success in meeting aggressive performance goals which should favourably impact the Corporation’s share price. In addition to setting corporate performance goals, the

Board of Directors seeks to tie executive compensation to the achievement of individual goals in the area of each executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals.

The Corporation has established a pay-for-performance compensation strategy for its executive officers which is weighted toward performance-driven variable compensation. While the Corporation provides competitive base salaries, a significant portion of the overall compensation package is awarded based on both Corporation performance and personal performance tied to corporate objectives.

Annual Compensation Review Process

Based on recommendations made by the Compensation Committee, the Board of Directors makes decisions regarding salaries, annual bonuses and equity incentive compensation for the executive officers, and approves corporate goals and objectives relevant to the compensation of the CEO and the other executive officers. Key personal performance objectives for each executive officer are recommended to the Compensation Committee for approval and the Compensation Committee solicits input from the CEO regarding the performance of the other executive officers. The Compensation Committee reviews the Corporation's compensation strategies and plans for each fiscal year, and reviews results to recommend approval to the Board of Directors for compensation awarded thereby.

Role of Executive Officers in Executive Compensation Decisions

The CEO assists the Compensation Committee by providing information and analysis for review in addition to recommendations regarding compensation decisions for all executive officers, except as such recommendations relate specifically to his own compensation. The CEO reviews annually the performance and pay level of all executive officers and makes recommendations to the Compensation Committee regarding pay adjustments and achievement of incentive performance awards. Any change in the compensation of the CEO is recommended by the Compensation Committee and approved by the Board of Directors without the participation of the CEO.

Comparator Group

In designing the Corporation's compensation program, the Compensation Committee reviews the compensation practices within a comparator group made-up of businesses sharing activity, scope and financial characteristics with the Corporation (the "Comparator Group"). The organizations that comprise the Comparator Group have revenues comparable to or greater than those of the Corporation and include companies in the retail and distribution industries and companies operating in logistics-intensive sectors. The Corporation also considers growth trajectory and geographical criteria to determine the Comparator Group. The selected organizations share similar economic and business challenges as the Corporation, making relative performance and compensation comparisons meaningful. The Comparator Group is composed of the following companies:

Alimentation Couche-Tard Inc.	lululemon athletica inc.	Shoppers Drug Mart Corporation
Canadian Tire Corporation, Limited	Metro inc.	Sobeys Inc.
The Forzani Group Ltd.	Reitmans (Canada) Limited	Tim Hortons Inc.
The Jean Coutu Group (PJC) Inc.	RONA inc.	Uni-Sélect Inc.
Sears Canada Inc.		

Compensation Components

The compensation consists primarily of three elements: base salary, annual bonus and long term equity incentives. Each element of compensation is described in more detail below.

Base Salary

Base salaries for the executive officers are established based on the scope of their responsibilities and their prior relevant experience, taking into account competitive market compensation paid by other companies in the industry for similar positions and the overall market demand for such executive officers at the time of hire. An executive officer's base salary is also determined by reviewing the executive officer's other compensation to ensure that the executive officer's total compensation is in line with the overall compensation philosophy.

Base salaries are reviewed annually and increased for merit reasons, based on the executive officers' success in meeting or exceeding individual objectives. Additionally, the Compensation Committee recommends adjustments to base salaries as warranted throughout the year for promotions or other changes in the scope or breadth of an executive officer's role or responsibilities.

Annual Bonus

The annual cash bonus plan is administered by the Compensation Committee on behalf of the Board of Directors, and the executive bonus pool is determined by the Corporation's financial performance. An executive's target bonus is set as a percentage of the executive's base salary (the "Target Bonus"). The cash bonus earned by each executive officer is dependent on the Corporation's performance and on the achievement of individual performance goals specified at the beginning of each fiscal year. Fifty percent (50%) of the Target Bonus is measured against the Corporation's financial performance, and the other fifty percent (50%) is based on the participant's personal performance against key objectives which are tied directly to the Corporation's overall results.

For the fiscal year ended January 31, 2010, the Corporation's Normalized EBITDA performance determined the bonus pool on a sliding scale, allowing for bonus payouts between 0-200% of targeted amounts. The achievement of the Normalized EBITDA target by the Corporation allows the participants to potentially receive one hundred percent (100%) of their Target Bonus. If the Corporation's performance is below or exceeds such Normalized EBITDA target, the amount of bonus to which the participants will be entitled is established on the aforementioned sliding scale. Personal performance is evaluated by the CEO with the assistance of the Compensation Committee, which then make recommendations to the Board of Directors. For the fiscal year ended January 31, 2010, the Corporation exceeded the Normalized EBITDA target.

Normalized EBITDA is a non-GAAP measure and represents operating income increased by amortization expenses and non-recurring IPO-related charges. The Board of Directors believes Normalized EBITDA is an important supplemental measure of operating performance because it eliminates items that have less bearing on the operating performance of the Corporation and thus highlights trends in the core business that may not otherwise be apparent when relying solely on Canadian GAAP financial measures.

In assessing individual performance, the Compensation Committee considers the impact of each individual on targets related to sales growth, product margins, operating expenses and the management of value-added projects. The level of success in attaining these objectives is determined at year end by the Compensation Committee after reviewing recommendations of the CEO, except as it concerns the CEO's individual performance. Mr. Larry Rossy's employment agreement provides that as CEO, he is entitled to a Target Bonus of 150% of his base salary. Pursuant to their respective employment agreements, the other NEOs, other than the Interim CFO, are entitled to Target Bonuses between 50% and 100% of their base salaries. The level of Target Bonus included in the employment agreements with the NEOs, other than the Interim CFO, were set to reflect the degree of managerial responsibility of each such NEO. In this respect, the Corporation assures that the executive officers with the greatest potential to impact results have a greater portion of their compensation at risk if the Corporation's targets are not met, but also have greater potential for reward if the Corporation's targets are met or surpassed. Based on actual performance in relation to the individual targets, as well as the Normalized EBITDA target, for the fiscal year ended January 31, 2010, the NEOs, other than the Interim CFO, received an average of 150% of their Target Bonus, based on Normalized EBITDA and individual performance.

The Corporation does not publicly disclose the specific corporate objectives set under the current bonus plan because disclosure of such information, which reflects confidential business plans, could result in competitive harm. The corporate objectives are designed to be stretch objectives in order to drive sustainable long-term growth

of corporate performance. Each year, there is a risk that payments will not be made at all or will be made at less than 100% of the targeted level. The targets are set such that they are attainable only with significant effort while at the same time still being achievable.

Long-Term Equity Incentives

The Board of Directors believes that equity-based awards allow the Corporation to reward the NEOs, other than the Interim CFO, for their sustained contributions to the Corporation and provide a strong link between the NEO's performance and the creation of shareholder value. The Plan (as hereinafter defined) allows the Corporation the opportunity to grant options to purchase Common Shares. The Board of Directors does not award options according to a prescribed formula or target. Instead, the Compensation Committee makes recommendations to the Board of Directors taking into account the individual's position, scope of responsibility, ability to affect profits and the individual's historic and recent performance as well as the value of the awards in relation to the other elements of the executive's total compensation. The Board of Directors will take previous grants of options into consideration when considering new grants of options under the Plan. See "Compensation Discussion and Analysis – Management Option Plan".

Summary Compensation Table

The following table sets out information concerning the compensation paid by the Corporation to the NEOs for the fiscal year ending January 31, 2010:

Name and Principal Position (a)	Fiscal Year (b)	Salary⁽¹⁾ (\$) (c)	Share-based Award (\$) (d)	Option-based Award (\$) (e)	Non-equity Incentive Plan Compensation (\$) (f)	Pension Value (\$) (g)	All Other⁽⁴⁾ (\$) (h)	Total Compensation (\$) (i)
Larry Rossy								
CEO	2009	400,000	—	—	1,110,000	—	16,741	1,526,741
Nicholas Nomicos ⁽²⁾⁽³⁾								
Senior Vice President, Interim CFO and Secretary	2009	—	—	—	—	—	—	—
Stéphane Gonthier								
COO	2009	340,000	—	—	525,000	3,000	942	868,942
Neil Rossy								
Chief Merchandising Officer	2009	340,000	—	—	525,000	3,000	4,418	872,418
Geoffrey Robillard								
Senior Vice President, Import Division	2009	2,000,000	—	—	1,000,000	3,000	—	3,003,000

- (1) Represents the annualized salary earned by each NEO, other than the Interim CFO. The following is the base salary effectively received by each NEO between the period commencing on the closing of the initial public offering of the Corporation on October 16, 2009 (the "IPO") until the end of the fiscal year ended January 31, 2010: Larry Rossy, \$115,385; Stéphane Gonthier, \$98,077; Geoffrey Robillard, \$576,923; and Neil Rossy, \$98,077.
- (2) On April 12, 2010, Nicholas Nomicos resigned as Senior Vice President, Interim CFO and Secretary and Michael Ross was appointed CFO and Secretary of the Corporation. The Corporation entered into an employment agreement effective April 12, 2010 and an option agreement with Michael Ross, which provides for a base salary of \$340,000, an annual bonus of up to 75% of the base salary set against the achievement of certain targets, an option to purchase 100,000 Common Shares at an exercise price of \$24.51, as well as a one-time signing and retention bonus payment of \$40,000, payable concurrently with the annual bonus for the fiscal year ending January 30, 2011. See "Compensation and Discussion Analysis - Termination and Change of Control Benefits."
- (3) Nicholas Nomicos is also an operating partner of Bain Capital. His compensation is paid by Bain Capital and there is no charge back to the Corporation. As Mr. Nomicos is not, directly or indirectly, specifically compensated for his services to the Corporation, no compensation has been set out in the above table.

- (4) None of the NEOs are entitled to perquisites or other personal benefits which, in the aggregate, are worth over \$50,000 or over 10% of their base salary.

Management Option Plan

Under the management option plan of the Corporation adopted on October 16, 2009 (the “Plan”) options may be granted to the Corporation’s employees, officers and directors for the purchase of up to 10% of the Corporation’s issued and outstanding Common Shares.

In accordance with the foregoing, a total of 7,269,193 Common Shares have been set aside and reserved for allotment for the purpose of the Plan (the “Total Reserve”). To the extent options terminate for any reason prior to exercise in full or are cancelled (with the consent of the optionee), the Common Shares subject to such options shall be added back to the Total Reserve and such Common Shares will again become available for grant under the Plan, the whole without increasing the Total Reserve.

As of January 31, 2010, an aggregate of 3,278,626 options were outstanding, representing 4.5% of the issued and outstanding Common Shares of the Corporation. As at such date, a total of 3,990,567 Common Shares will remain issuable under the Plan, representing 5.5% of the outstanding Common Shares.

The Plan is administered by the Compensation Committee, which reviews on an annual basis proposed option grants under the Plan in the context of the Corporation’s overall executive compensation program and its incentive and retention objectives previously described, and makes recommendations to the Board of Directors accordingly. The following discussion is qualified in its entirety by the text of the Plan, which can be found on SEDAR at www.sedar.com.

Pursuant to the terms of the Plan, the aggregate number of Common Shares (i) reserved for issuance at any time to any one optionee shall not exceed 5% of the issued and outstanding Common Shares at such time, (ii) issued to any one insider and his/her associates under the Plan or any other proposed or established share compensation arrangement of the Corporation within any one-year period, shall not exceed 5% of the issued and outstanding Common Shares, (iii) issued to insiders and their associates under the Plan or any other proposed or established share compensation arrangement within any one-year period shall not exceed 5% of the issued and outstanding Common Shares and (iv) issuable to insiders and their associates at any time under the Plan or any other proposed or established share compensation arrangement, shall not exceed 5% of the issued and outstanding Common Shares.

Unless otherwise determined by the Board of Directors, options will vest and may be exercisable 20% per year over five years at each anniversary of the date of the grant.

All options granted have an exercise price determined and approved by the Board of Directors at the time of grant, which shall not be less than the market value of the Common Shares at such time. For purposes of the Plan, the market value of the Common Shares shall be, (i) if the grant is made during a black-out period (a period self-imposed by the Corporation during which designated employees cannot trade the securities of the Corporation), the average closing price of the Common Shares on the Toronto Stock Exchange (the “TSX”) for the five trading day-period following the last day of such black-out period, and (ii) if the grant is made outside a black-out period, the average closing price of the Common Shares on the TSX for the 5 trading day-period ending on the last trading day before the day on which the option is granted.

Subject to any accelerated termination, options expire no later than ten years after the date of granting, unless the expiry date falls within a black-out period or within nine business days after the end of such black-out period, in which case such expiration date will be automatically extended without any further act or formality to that date which is the 10th business day after the end of such black-out period.

Unless otherwise determined by the Board of Directors in its discretion at any time prior to or after the following events and in any option agreement, the right to exercise vested options granted pursuant to the Plan will expire on the earliest to occur of the following: (a) 10 years from the date of grant, (b) 365 days from the date of the optionee’s death, (c) 90 days from the date of the optionee’s disability or retirement, (d) 30 days from the termination of the optionee’s employment or term in office without cause, and (e) immediately, in the case of

termination of the optionee's employment or term in office for cause or voluntary resignation. For greater certainty, any options that were not exercisable at the time of occurrence of events contemplated above immediately expire and are cancelled on such date.

The Board of Directors may advance the date on which any option may be exercised notwithstanding the vesting schedule set forth in such option, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration or, subject to applicable regulatory provisions and shareholder approval, extend the expiration date of any option, provided that the period during which an option is exercisable does not exceed 10 years from the date such option is granted.

Except as otherwise specifically provided in an option agreement approved by the Board of Directors, options granted under the Plan may only be exercised during the lifetime of an optionee by such optionee personally. No sale, assignment, encumbrance or other transfer of options, whether voluntary, involuntary, by operation of law or otherwise (other than upon the death of an optionee), vests any interest or right in such options whatsoever in any assignee or transferee (except where the optionee is the annuitant or the beneficial owner) and immediately upon any assignment or transfer, or any attempt to make the same, such options will terminate and be of no further force or effect.

Except as otherwise set forth in any option agreement, in the event of any change of control transaction in which there is an acquiring or surviving entity, the Board of Directors may provide for substitute or replacement options of similar value from, or the assumption of outstanding options by, the acquiring or surviving entity or one or more of its subsidiaries; provided, however, that in the event of a change of control transaction the Board of Directors may take, as to any outstanding option, any one or more of the following actions:

- provide that any or all options shall thereupon terminate; provided that any such outstanding options that have vested shall remain exercisable until consummation of such change of control;
- make any outstanding option exercisable in full.

For purposes of the Plan, a change of control means the occurrence of (a) any transaction or series of related transactions, whether or not the Corporation is a party thereto, after giving effect to which in excess of 50% of the Corporation's voting power is owned directly, or indirectly through one or more entities, by any person and its affiliates or associates, other than Bain Dollarama (Luxembourg) One S. à r. l. and each corporation, trust, limited liability company, general or limited partnership or other entity under common control with Bain Dollarama (Luxembourg) One S. à r. l., excluding, in any case, any bona fide primary or secondary public offering; or (b) a sale, lease or other disposition of all or substantially all of the assets of the Corporation.

Notwithstanding anything contained to the contrary in the Plan, in the event of a change of control, a reorganization of the Corporation, an amalgamation of the Corporation, an arrangement involving the Corporation, a take-over bid (as that term is defined in the *Securities Act* (Québec)) for all of the Common Shares or the sale or disposition of all or substantially all of the property and assets of the Corporation, the Board of Directors may make such provision for the protection of the rights of the optionees as the Board of Directors in its discretion considers appropriate in the circumstances, including, without limitation, changing the vesting for the options and/or the date on which any option expires.

The Plan also provides that appropriate adjustments, if any, will be made by the Board of Directors in connection with a reclassification, reorganization or other change of shares, consolidation, distribution, merger or amalgamation (in each case, a "Change in Capitalization"), in order to maintain the optionees' economic rights in respect of their options in connection with such Change in Capitalization, including adjustments to the exercise price or the number of Common Shares to which an optionee is entitled upon exercise of options, or permitting the immediate exercise of any outstanding options that are not otherwise exercisable.

The Board of Directors may amend the Plan or any option at any time without the consent of the optionees provided that such amendment shall (i) not adversely alter or impair any option previously granted except as permitted pursuant to certain adjustments to shares, (ii) be subject to any regulatory approvals including, where

required, the approval of the TSX; and (iii) be subject to shareholder approval, where required, by law or the requirements of the TSX, provided however that shareholder approval shall not be required for the following amendments and the Board of Directors may make any changes which may include but are not limited to:

- amendments of a “housekeeping” nature;
- a change to the provisions of any option governing vesting, assignability and effect of termination of a participant’s employment or cessation of a participant’s directorship;
- the introduction or amendment of a cashless exercise feature payable in cash or securities, whether or not;
- such feature provides for a full deduction of the number of underlying securities from the Total Reserve;
- the addition of a form of financial assistance and any amendment to a financial assistance provision which is adopted;
- a change to advance the date on which any option may be exercised under the Plan;
- a change to the eligible participants of the Plan, including a change which would have the potential of broadening or increasing participation by insiders; and
- the addition of a deferred or restricted share unit or any other provision which results in optionees receiving securities while no cash consideration is received by the Corporation.

In addition, the Board of Directors may, subject to regulatory approval, discontinue the Plan at any time without the consent of the optionees provided that such discontinuance shall not materially and adversely affect any options previously granted under the Plan.

For greater certainty, the Board of Directors shall be required to obtain shareholder approval to make the following amendments:

- any change to the maximum number of Common Shares issuable from treasury under the Plan, including an increase to the fixed maximum number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed maximum percentage, other than an adjustment pursuant to a change in capitalization;
- any amendment which reduces the exercise price of any option after the options have been granted or any cancellation of an option and the substitution of that option by a new option with a reduced price, except in the case of an adjustment pursuant to a change in capitalization;
- any amendment which extends the expiry date of any option beyond the original expiry date, except in case of an extension due to a black-out period;
- any amendment which increases the maximum number of Common Shares that may be issued to (i) insiders and their associates; or (ii) any one insider and his/her associates under the Plan or any other proposed or established share compensation arrangement of the Corporation in a one-year period, except in case of an adjustment pursuant to a change in capitalization; and
- any amendment to the amendment provisions of the Plan,

provided that Common Shares held directly or indirectly by insiders benefiting from the amendments shall be excluded when obtaining such shareholder approval.

Except as specifically provided in an option agreement approved by the Board of Directors, options granted under the Plan may only be exercised during the lifetime of the optionee by such optionee personally (except that an optionee may transfer options to a corporation in respect of which the optionee is the sole shareholder).

The following table summarizes for each NEO the number of options outstanding under the Plan at the end of the fiscal year ended January 31, 2010:

Name	Option-Based Award			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)
Larry Rossey..... CEO	—	—	—	—	—	—
Nicholas Nomicos ⁽¹⁾ Senior Vice President, Interim CFO and Secretary	—	—	—	—	—	—
Stéphane Gonthier COO	553,356	9.38	September 2, 2017	6,015,976	—	—
Neil Rossey..... Chief Merchandising Officer	553,344	2.30	November 18, 2014	9,933,521	—	—
Geoffrey Robillard..... Senior Vice President, Import Division	1,106,692	2.30	November 18, 2014	19,867,113	—	—

- (1) On March 18, 2010, the Corporation entered into an employment agreement effective as of April 12, 2010 and an option agreement with Michael Ross whereby the Corporation granted to Michael Ross an option to purchase 100,000 Common Shares (the "Ross Option") at an exercise price of \$24.51, concurrently with his appointment and employment with the Corporation as CFO and Secretary. Such Ross Option have a term of 10 years from the date of the grant. The Ross Option will vest and become exercisable in equal installments on the first, second, third, fourth and fifth anniversaries of the date of the grant.

As of the date hereof, the Common Shares relating to the Ross Option represent 0.1% of the aggregate number of issued and outstanding Common Shares, on a non-diluted basis. The other terms and conditions relating to the exercise of the Ross Option shall be governed by the provisions of the Plan.

The following table provides a summary of the value vested or earned during the Corporation's fiscal year ended January 31, 2010:

Name	Option-based Awards – Value Vested During the Year (\$)	Share-based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Larry Rossey..... CEO	—	—	1,110,000
Nicholas Nomicos Senior Vice President, Interim CFO and Secretary	—	—	—

Name	Option-based Awards – Value Vested During the Year (\$)	Share-based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Stéphane Gonthier..... COO	299,613	—	525,000
Neil Rossy..... Chief Merchandising Officer	641,935	—	525,000
Geoffrey Robillard..... Senior Vice President, Import Division	1,283,887	—	1,000,000

Termination and Change of Control Benefits

The payment and benefit levels of the Corporation are determined in accordance with existing market standards in general and are reviewed against those of the organizations comprising the Comparator Group. The Corporation has executive employment agreements in place with each of Larry Rossy, Stéphane Gonthier, Neil Rossy and Geoffrey Robillard. On March 18, 2010, Dollarama L.P. entered into an executive employment agreement, effective as of April 12, 2010, with Michael Ross.

These agreements provide for, among other things, the continuation of the executive's employment for an indeterminate term in accordance with applicable law, as well as their base salary and bonus entitlement.

These agreements provide that Dollarama L.P. may terminate the employment of Larry Rossy, Stéphane Gonthier and Neil Rossy, without cause, by providing each of them with a written notice of termination of employment of 24 months or termination pay in lieu of notice representing the executive's base salary for 24 months payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P. The employment agreement of Michael Ross provide that Dollarama L.P. may terminate the employment of Michael Ross, without cause, by providing him with a written notice of termination of employment of 12 months prior to the third anniversary of his employment agreement or termination pay in lieu of notice representing the executive's base salary for 12 months prior to the third anniversary of his employment agreement, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P. After the third anniversary of the employment agreement of Michael Ross, the employment of Michael Ross may be terminated without cause on the same terms as those of Larry Rossy, Stéphane Gonthier and Neil Rossy, as outlined above.

The agreements also provide that in the event of the constructive termination of Larry Rossy, Stéphane Gonthier, Neil Rossy or Michael Ross, Dollarama L.P. shall pay to the executive a payment representing the executive's base salary for 24 months, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama. The agreement of Geoffrey Robillard provides that, in the event his employment is terminated by Dollarama L.P. without cause, or in the event of his constructive termination, Dollarama shall pay to Mr. Robillard an amount of \$1 million as an indemnity of termination, payable over a period of 3 years in equal quarterly installments.

Larry Rossy, Stéphane Gonthier, Neil Rossy, Geoffrey Robillard and Michael Ross are also entitled to receive in the event of a termination without cause or constructive termination the portion of the annual bonus earned for the fiscal year in which the date of termination occurs, prorated for the time of the NEO's employment during the relevant fiscal year. These termination payments are conditional upon the executive (i) continuing to fulfill the remainder of his contractual obligations towards Dollarama L.P. and (ii) signing a release of any and all claims related to his employment or the termination thereof. Under their respective employment agreements and assuming that the termination without cause or constructive termination occurred on January 29, 2010, the Corporation's last business day prior to its fiscal year ended January 31, 2010, the NEOs, other than the Interim CFO, would be entitled to receive potential incremental payouts representing approximately \$1.4 million for Larry Rossy, \$935,000 for Stéphane Gonthier, \$935,000 for Neil Rossy and \$4 million for Geoffrey Robillard.

Upon termination without cause or constructive termination, the vested options held by an NEO, other than the Interim CFO, at the date of termination continue to be exercisable by the NEO until the earlier of (i) the date that is 30 days after the date of termination and (ii) the date which is ten (10) years from the date of the grant. Assuming that the termination occurred on January 29, 2010, the Corporation's last business day prior to its fiscal year ended January 31, 2010, the NEOs would be entitled to receive, upon exercise of their options, amounts representing approximately \$802,121 for Stéphane Gonthier, \$3,311,174 for Neil Rossy and \$6,622,365 for Geoffrey Robillard.

The agreements of Larry Rossy, Stéphane Gonthier and Neil Rossy also provide for certain restrictive covenants that continue to apply following the termination of the executive's employment, including an obligation of non-disclosure of confidential information, assignment of intellectual property rights, and non-competition, non-solicitation of suppliers and non-solicitation of employees covenants effective for a period of 24 months following the executive's termination of employment. The agreement of Michael Ross provides for the same restrictive covenants, however, such covenants apply (i) for a period of 12 months following termination of his employment should such termination occur prior to the third anniversary of the employment agreement, and (ii) for a period of 24 months should the termination of employment occur following the third anniversary of the employment agreement. The agreement of Geoffrey Robillard provides that the non-competition, non-solicitation of suppliers and non-solicitation of employee restrictions shall continue to apply for a period of 3 years following the termination of his employment. In consideration of the non-competition covenant undertaken by Geoffrey Robillard, in the event that his employment is terminated by Dollarama L.P. without cause, or in the event of his constructive termination, Dollarama L.P. shall pay to Mr. Robillard an additional amount of two million dollars (\$2 million), payable over a period of 3 years in equal quarterly installments.

It should be noted that the actual amounts to be paid out under any of the scenarios can only be determined at the time of the NEO's actual separation from the Corporation and the Compensation Committee has the discretion to recommend to the Board of Directors the payment of additional benefits to executives upon termination if it determines the circumstances so warrant.

Pension Benefits

The NEOs, other than the Interim CFO, participate in the pension benefit plan of the Corporation, a registered defined contribution plan (the "Pension Plan"). Under the terms of the Pension Plan, the Corporation will match an eligible employee's contribution thereto, up to a maximum of \$3,000 per year.

The table below provides the payments or benefits payable to the NEOs at, following or in connection with retirement pursuant to the Pension Plan:

Name of NEO	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Non- Compensatory (\$)	Accumulated Value at End of Year (\$)
Larry Rossy..... CEO	—	—	—	—
Nicholas Nomicos..... Senior Vice President, Interim CFO and Secretary	—	—	—	—
Stéphane Gonthier COO	10,254	3,000	4,498	18,338
Neil Rossy..... Chief Merchandising Officer	—	3,000	3,362	6,573
Geoffrey Robillard..... Senior Vice President, Import Division	—	3,000	—	6,633

Director Compensation

The independent directors of the Corporation, as well as Gregory David, will each receive an annual cash retainer of \$30,000. Each such independent director and Gregory David will also be granted 2,000 options to purchase Common Shares each year. In addition, the chairs of the Audit Committee and the Compensation Committee will each receive an additional annual cash retainer fee of \$5,000. The members of the Audit Committee and the Compensation Committee will also receive a fee of \$1,000 per committee meeting attended.

The following table provides information regarding the compensation provided to the directors for the period commencing on the closing of the IPO until the end of the fiscal year ended January 31, 2010:

Name and Principal Position (a)	Fees Earned ⁽¹⁾ (\$) (c)	Share-based Award (\$) (d)	Option-based Award ⁽²⁾ (\$) (d)	Non-equity Incentive Plan Compensation (\$) (e)	Pension Value (\$) (f)	All Other Compensation (\$) (f)	Total Compensation (\$) (g)
Gregory David ⁽³⁾	16,000	—	17,780	—	—	—	33,780
Donald Gray Reid ⁽⁴⁾⁽⁶⁾	—	—	—	—	—	—	—
John J. Swidler ⁽⁵⁾⁽⁷⁾	7,500	—	22,780	—	—	—	30,280
Stephen Gunn ⁽⁶⁾⁽⁸⁾⁽⁹⁾⁽¹⁰⁾	17,250	—	17,780	—	—	—	35,030

- (1) No compensation is paid to the directors who are also members of management or non-independent.
- (2) The value of the option-based awards reflects the fair value of options granted on the dates of grant, being \$8.89 for both Gregory David and Stephen Gunn and \$11.39 for John J. Swidler. The fair value was computed using the Black-Scholes option pricing model with the following assumptions: a) average risk-free interest rate of 3%; b) expected life of six (6) years; c) expected volatility of 50%; and d) no expected dividend payments. The Black-Scholes model was used to compute option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value in accordance with the CICA Handbook Section 3870 calculated by use of the Black-Scholes option pricing model and the amount accounted for of the date the options were granted.
- (3) Gregory David resigned from his position as member of the Audit Committee on January 5, 2010.
- (4) Donald Grey Reid was appointed to the Board of Directors and as member of the Audit Committee on February 17, 2010 in replacement of Todd Cook.
- (5) John J. Swidler was appointed to the Board of Directors and as member of the Audit Committee on January 5, 2010 in replacement of respectively Felipe Merry del Val Barbavara di Gravello and Gregory David. On the same day, John J. Swidler was also appointed chair of the Audit Committee in replacement of Stephen Gunn.
- (6) Member of the Audit Committee.
- (7) Chair of the Audit Committee.
- (8) Stephen Gunn was appointed to the Compensation Committee on February 17, 2010, in replacement of Todd Cook.
- (9) Lead Director.
- (10) Stephen Gunn was appointed Lead Director, member and chair of the Audit Committee on October 16, 2009. Stephen Gunn resigned as chair of the Audit Committee on January 5, 2010 when he was replaced by John J. Swidler.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides a summary as of January 31, 2010, of the security-based compensation plans pursuant to which equity securities of the Corporation may be issued.

Name	Number of Securities to be Issued upon Exercise of Outstanding Options (a)	Weighted-Average Exercise Price of Outstanding Options (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity Compensation Approved by Securityholders	3,278,626	5.02	3,990,567
Equity Compensation Plans not Approved by Securityholders ⁽¹⁾	—	—	N/A

- (1) On March 18, 2010, the Corporation entered into an employment agreement effective as of April 12, 2010 and an option agreement with Michael Ross whereby the Corporation granted to Michael Ross an option to purchase 100,000 Common Shares (the “Ross Option”) at an exercise price of \$24.51, concurrently with his appointment and employment with the Corporation as CFO and Secretary. Such Ross Option have a term of 10 years from the date of the grant. The Ross Option will vest and become exercisable in equal installments on the first, second, third, fourth and fifth anniversaries of the date of the grant.

As of the date hereof, the Common Shares relating to the Ross Option represent 0.1% of the aggregate number of issued and outstanding Common Shares, on a non-diluted basis. The other terms and conditions relating to the exercise of the Ross Option shall be governed by the provisions of the Plan.

A maximum of 7,269,193 Common Shares, representing less than 10% of the issued and outstanding common shares as of the date hereof, may be issued under the Plan. As of the close of business on April 28, 2010, there were 2,967,730 options outstanding under the Plan and 3,988,567 options remaining available for future issuance under the Plan. See description of the Plan under “Compensation Discussion and Analysis – Management Option Plan”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, former directors, former executive officers or former employees of the Corporation, and none of their associates, is or has within 30 days before the date of this Circular or at any time since the beginning of the most recently completed fiscal year been indebted to the Corporation or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by the Corporation, except for routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Board of Directors reviews and approves transactions between the Corporation on the one hand and a related party, such as the directors, officers, holders of more than 10% of the voting securities and their affiliates and associates, the immediate family members of any of the foregoing persons and any other persons whom the Board of Directors determined may be considered a related party, on the other hand. Prior to the Board of Directors’ consideration of a transaction with a related party, the material facts as to the related party’s relationship or interest in the transaction are disclosed to the Board of Directors, and the transaction is not considered approved by the Board of Directors unless a majority of the directors who are not interested in the transaction approve the transaction. The Corporation believes each of the transactions set forth below were made on terms no less favorable to the Corporation than could have been otherwise obtained from unaffiliated third parties.

Shareholders Agreement

As of the date hereof, Dollarama, 4411145 Canada Inc., Bain Dollarama (Luxembourg) One S.à r.l., an entity indirectly owned by funds advised by Bain Capital, The Larry and Cookie Rossy Family Foundation, The Alan & Roula Rossy Family Foundation, The Leonard T. Assaly Family Foundation, 3457745 Canada Inc. and Edmund Rossy Holdings Ltd. are parties to a shareholders agreement (the “Shareholders Agreement”). The Shareholders Agreement has a term of three (3) years, commencing on the date of the closing of the IPO on

October 16, 2009, and provides for an obligation of consultation and coordination among the parties prior to any sale of the Common Shares.

Management Agreement

In connection with the purchase, on November 18, 2004, by Dollarama L.P. (sponsored by an entity formed by funds advised by Bain Capital) of substantially all of the assets of S. Rossy Inc. and Dollar A.M.A. Inc. relating to the Corporation's business (the "Acquisition"), Dollarama Group Holdings L.P. entered into a management agreement with funds advised by Bain Capital on November 18, 2004 (the "Management Agreement"), pursuant to which funds advised by Bain Capital provided various consulting and management advisory services to Dollarama. Pursuant to the Management Agreement, the Corporation paid to the funds advised by Bain Capital approximately \$10.2 million in connection with the structuring of the debt financing in connection with the Acquisition, in addition to expenses incurred in connection therewith. In addition, the Corporation pays to the funds advised by Bain Capital an annual management fee of up to \$3.0 million in exchange for the ongoing management services that it provides under the Management Agreement, together with all reasonable expenses incurred in connection therewith. For the fiscal year ended February 1, 2009, the Corporation incurred management fees and related expenses of \$3.3 million, pursuant to such arrangements.

The Management Agreement was terminated on October 16, 2009 in consideration of the payment by the Corporation to the funds advised by Bain Capital of an aggregate amount of \$5.0 million, the whole pursuant to a termination agreement entered into between Dollarama and funds advised by Bain Capital effective as of such date.

Advisory Agreement

The Corporation and its affiliates entered into an advisory agreement with funds advised by Bain Capital for financial and structure advice and analysis, as well as assistance with due diligence investigations and negotiations, in consideration of a one-time fee of \$1.0 million that was paid on October 16, 2009, the whole solely in connection with the closing of the IPO on such date.

Real Property Leases

The Corporation currently leases 18 stores and five warehouses and the distribution center from entities controlled by Larry Rossy, pursuant to long-term lease agreements. Rental expenses associated with these related-party leases are established at market terms and represented an aggregate amount of approximately \$9.8 million for the fiscal year ended January 31, 2010.

CORPORATE GOVERNANCE

Board of Directors

Independence

The Board of Directors is comprised of nine directors, three of which are independent as of the date hereof. Pursuant to National Instrument 52-110 – *Audit Committees*, as amended from time to time ("NI 52-110"), an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with a director's independent judgment. Larry Rossy, Nicholas Nomicos and Neil Rossy are not independent under these standards as they are part of the management. Matthew Levin and Joshua Bekenstein are not considered independent as funds advised by Bain Capital have controlled over 30.1% of the issued and outstanding Common Shares of the Corporation. Gregory David may not be considered independent due to his relationship with Larry Rossy and other members of the current or former management.

The Corporation has implemented adequate structures and processes which permit the Board of Directors to function independently of management of the Corporation. The Board of Directors maintains the exercise of independent supervision over management by encouraging open and candid discussion from its independent directors. Any independent director may, at any time, call a meeting or request an in-camera portion of a meeting of

the Board of Directors at which non-independent directors and members of management are not present. In addition, although Matthew Levin, Joshua Bekenstein and Gregory David are not considered independent within the meaning of NI 52-110, the Board of Directors does not view these relationships as impairing the ability of the Board of Directors to act independently of management, or to act in the best interests of the stakeholders of the Corporation.

As the Chair is not an independent director, Stephen Gunn, one of the independent directors, has been appointed as Lead Director in order to ensure appropriate leadership for the independent directors. The primary responsibilities of the Lead Director are to (i) ensure that appropriate structures and procedures are in place so that the Board of Directors may function independently of management of the Corporation and (ii) lead the process by which the independent directors seek to ensure that the Board of Directors represents and protects the interests of all shareholders.

Members of the Board of Directors are also members of the boards of other public companies. See “Nominees for Election to the Board of Directors – Directors’ Biographies”.

Mandate of the Board of Directors

The Board of Directors is responsible for supervising the management of the business and affairs. The Board of Directors’ key responsibilities relate to the stewardship of management, generally through the CEO to pursue the best interests of the Corporation, and includes the following: reviewing and approving the strategic plan and in relation thereto approving the annual business and capital plans and policies and processes generated by management relating to the authorization of major investments and significant allocations of capital, supervising senior management and succession planning including the appointment of the CEO, the Chair and the Lead Director of the Corporation and ensuring that other executives are in place to ensure sound management of the Corporation, ensuring that the Corporation has a communications policy in place in accordance with the guidance set out in National Policy 51-201 – *Disclosure Standards*, assessing the effectiveness of the Board of Directors and its committees, ensuring that the Corporation has risk management systems in place and also ensuring that the Corporation has appropriate internal controls and corporate governance policies in place, and ensuring a business ethics, compliance and corporate governance mindset and creation of a culture of integrity throughout the organization. Under its mandate, the Board of Directors is entitled to engage outside advisers, at its expense, where, in the view of the Board of Directors, additional expertise or advice is required.

The mandate of the Board of Directors is attached hereto as Schedule A.

Position Descriptions

The Chair of the Board of Directors and Committee Chairs

Larry Rossy, the Chair, is an executive director. Stephen Gunn acts as Lead Director. The Board of Directors has adopted a written position description for the Chair which sets out the Chair’s key responsibilities, including duties related to Board of Directors’ meetings, shareholder meetings, director development and communicating with shareholders and regulators. The Board of Directors has also adopted a written position description for each of the committee chairs which sets out each of the committee chair’s key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee. These descriptions are considered by the Board of Directors for approval annually.

The CEO

The primary functions of the CEO are to lead the management of the Corporation’s business and affairs and to lead the implementation of the resolutions and the policies of the Board of Directors. The Board of Directors has developed a written position description and mandate for the CEO which sets out the CEO’s key responsibilities, including duties relating to strategic planning, the Corporation’s operational direction, Board of Directors interaction, succession reporting and communication with shareholders. The CEO mandate is considered by the Board of Directors for approval annually.

Board of Directors Committees

Audit Committee

The audit committee of the Corporation (the “Audit Committee”) is composed of three (3) directors, each of whom is and must at all times be financially literate and independent within the meaning of NI 52-110. As of the date hereof, the Audit Committee is composed of Donald Gray Reid, John J. Swidler and Stephen Gunn, all of whom are independent. John J. Swidler is the chair of the Audit Committee. The relevant education and experience of each member of the Audit Committee is described as part of their respective biographies. See “Nominees for Election to the Board”.

The Board of Directors has adopted a written charter for the Audit Committee (the “Charter of the Audit Committee”), which sets out the Audit Committee’s key responsibilities, including reviewing the financial statements of the Corporation and reporting on such review to the Board of Directors, ensuring that adequate procedures are in place for the review of the Corporation’s public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditors and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

Additional information relating to the Audit Committee can be found in the section “Audit Committee Information” of the Corporation’s Annual Information Form available on SEDAR at www.sedar.com.

Compensation Committee

The Compensation Committee is composed of three (3) directors, Joshua Bekenstein, Matthew Levin and Stephen Gunn, of whom only Stephen Gunn is independent. Joshua Bekenstein acts as chair of the Compensation Committee. Each of these directors has a wealth of experience designing effective management incentive and compensation plans, which attract and retain highly qualified executives, and which align the CEO and other NEOs’ performance objectives with those of the Corporation’s stakeholders.

The Compensation Committee is charged with overseeing the administration of the Corporation’s compensation plans, assisting the Board of Directors with its responsibilities in regard of the Corporation’s executive officers’ compensation, and reviewing and approving the disclosure of executive compensation as required by securities laws before such disclosure is disseminated to the public. As part of its oversight of the implementation of the Corporation’s compensation plans, the Compensation Committee reviews and makes recommendations to the Board with respect to the adoption or amendment of incentive and equity-based compensation plans for the Corporation. The Compensation Committee annually reviews and approves the corporate goals and objectives relevant to the compensation of the CEO and other NEOs and evaluates their performance in light of these goals and objectives.

The Compensation Committee approves the compensation for the senior executive officers and makes recommendations to the Board regarding the CEO’s compensation package. In setting compensation, the Compensation Committee considers all factors it deems relevant including the Corporation’s performance and relative shareholder return, the value of proposed incentive awards to those with similar responsibilities at comparable companies, and the awards given by the Corporation in prior years. In fulfilling its responsibilities, the Compensation Committee may retain external compensation consultants for assistance in their evaluation. The Compensation Committee has adopted a written charter describing the mandate of such committee.

The Compensation Committee’s responsibilities include the following:

- (a) reviewing and approving and then recommending to the Board of Directors the compensation of the CEO and other NEOs of the Corporation;
- (b) reviewing and approving corporate goals and objectives relevant to the CEO’s and other NEOs’ compensation including the evaluation of the CEO’s and NEOs’ performance in light of those

goals and objectives and determining their respective compensation packages based on these evaluations;

- (c) designing, establishing and overseeing the Corporation's executive compensation policy;
- (d) reviewing and approving annually the compensation discussion and analysis to be included in the Corporation's management proxy circular;
- (e) reviewing, at least annually, compensation market data and competitor benchmark data to attract and retain human resources needed;
- (f) making recommendations to the Board of Directors with respect to the Corporation's management option plan and such other compensation plans or structures to be adopted by the Corporation from time-to-time; and
- (g) making recommendations regarding the Corporation's overall compensation philosophy and strategy.

Orientation and Continuing Education

The Corporation provides an orientation process for newly elected members of the Board of Directors to enhance their understanding of the Corporation and their responsibilities as directors. As part of this orientation process, the Chair explains the role of the Board of Directors, its committees and the expectations of directors with respect to contribution and time commitment. New directors are provided with extensive information on the Corporation's business, its strategic and operational performance, its industry position and its financial results. Senior management members make regular presentations to the Board of Directors in each of these areas, and directors are invited to meet individually with the Chair, the CEO, the CFO and other senior executive officers to discuss further any topic of interest. Experts such as legal counsel are also invited to make presentations to the Board of Directors on relevant subjects of interest to the directors.

The chair of each committee is responsible for coordinating orientation and continuing director development programs relating to the committee's mandate. Each of the committee chairs are also responsible for instituting a learning program that focuses on topics relevant to each committee's mandate.

Code of Conduct

The Corporation has a written code of conduct (the "Code of Conduct") that applies to all directors, officers, head office management and employees, warehouse management, distribution center management, field management and store management, including those employed by subsidiaries.

The objective of the Code of Conduct is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of Dollarama, its subsidiaries and business units. The Code of Conduct addresses conflicts of interest, protecting the assets, confidentiality, fair dealing with the security holders, customers, suppliers, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour.

As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the Corporation's best interests or that may give rise to real, potential or the appearance of conflicts of interest.

The Board of Directors or the persons or committee appointed, have the ultimate responsibility for the stewardship of the Code of Conduct. Procedures have been established to allow directors, officers and employees to report breaches of the Code of Conduct or any illegal or unethical behavior anonymously to the CFO.

The Code of Conduct was filed with the Canadian securities regulatory authorities and is available on SEDAR at www.sedar.com.

Nomination of Directors

All of the Corporation's directors are involved in the search for new directors. The Board identifies candidates for nomination as directors through individuals known to the members of the Board of Directors or recommended through individuals known to the member of the Board of Directors. At the present time, the Board of Directors has not required the assistance of an executive search firm for the identification of candidates for nomination as directors; however, the Board of Directors will consider using such a service if further assistance is deemed necessary.

The Board of Directors does not have a nominating committee. To encourage an objective nomination process, the Board of Directors in considering potential nominees, takes into account several criteria including the ability and skill set of the individual candidate to contribute to the effective management of the Corporation and to complement the abilities and areas of expertise of the incumbent members of the Board of Directors, the ability of the individual to devote sufficient time and resources to participating actively on the Board of Directors, the current and future needs of the Corporation, the individual's direct experience in the retail industry and the individual's governance experience with public corporations. The nominee must not have any significant conflicting public corporation association.

Assessments

The Chair is responsible for providing oversight of the evaluation of the Board of Directors and its committees. The Chair will receive comments from all directors and report to the Board of Directors, as needed. All directors are free to make suggestions on improvement of the Board of Directors' practice at any time and are encouraged to do so. The Chair is responsible for reviewing, on an annual basis, the requisite skills and characteristics of prospective members of the Board of Directors as well as the composition of the Board of Directors as a whole.

GENERAL

Information contained herein is given as of the date hereof except as otherwise stated. Management of the Corporation knows of no matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting.

AVAILABILITY OF DOCUMENTS

The Corporation's financial information is included in the audited financial statements of the Corporation and notes thereto and in the accompanying management's discussion and analysis for the fiscal year ended January 31, 2010. Copies of these documents and additional information concerning the Corporation can be found on SEDAR (www.sedar.com) and may also be obtained upon request to the CFO and Secretary, Michael Ross, of the Corporation at its head office: 5805 Royalmount Ave., Montreal, Québec, H4P 0A1, telephone: (514) 737-1006.

APPROVAL BY DIRECTORS

The content and the sending to the shareholders of this Circular have been approved by the Board of Directors of the Corporation.

Dated at Montreal, this 28th day of April, 2010.

A handwritten signature in black ink, appearing to read 'Larry Rossy', written in a cursive style.

Larry Rossy
Chief Executive Officer

SCHEDULE A
BOARD OF DIRECTORS MANDATE
(the “Board Mandate”)
OF DOLLARAMA INC.
(the “Corporation”)

1. PURPOSE

The members of the Board of Directors (the “Board”) have the duty to supervise the management and affairs of the Corporation. The Board, directly and through its committees, shall provide direction to senior management, generally through the chief executive officer (the “CEO”), to pursue the best interests of the Corporation.

2. DUTIES AND RESPONSIBILITIES

The Board shall have the specific duties and responsibilities outlined below:

A. Strategic Planning

- (1) At least annually, the Board shall review and, if advisable, approve the Corporation’s strategic planning process and the Corporation’s annual strategic plan. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, the opportunities for the business of the Corporation, risk issues, and significant business practices and products.
- (2) At least annually, the Board shall review and, if advisable, approve the Corporation’s annual business and capital plans as well as policies and processes generated by management relating to the authorization of major investments and significant allocation of capital.
- (3) At least annually, the Board shall review management’s implementation of the Corporation’s strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

B. Risk Management

- (1) The Board shall periodically identify the principal risks associated with the Corporation’s business and operations, review the implementation by management of appropriate systems to manage these risks, and review the reports by management relating to the operation of, and any material deficiencies in, these systems.
- (2) The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management.

C. Human Resource Management

- (1) At least annually, the Board shall review the Compensation Committee’s recommendations regarding the compensation of the CEO, the other executive officers and the Eligible Board members (as defined in the Director Compensation Policy).
- (2) At least annually, the Board shall review the succession plans of the Corporation for the chair of the Board (the “Chair”), the lead director of the Board (the “Lead Director”) as applicable, the CEO and other executive officers, including the appointment, training and monitoring of such persons.

- (3) The Board shall, to the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of the Corporation and that the CEO and other senior officers strive to create a culture of integrity throughout the Corporation.

D. Corporate Governance

- (1) The Board shall conduct a periodic review of the Corporation's corporate governance policies and make policy recommendations aimed at enhancing the effectiveness of the Board and its committees. The Board shall review overall governance principles, monitor disclosure and best practices of comparable and leading companies.
- (2) The Board shall review the disclosure in the Corporation's public disclosure documents relating to corporate governance practices. The Board shall conduct a periodic review of the relationship between management and the Board, particularly in connection with a view to ensuring effective communication and the provision of information to directors in a timely manner.
- (3) At least annually, the Board shall review the director independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.
- (4) The Board has adopted the Code of Conduct and Ethics (the "Code") applicable to directors, officers and employees of the Corporation. At least annually, the Board shall review compliance with, or material deficiencies from, the Code. The Board shall receive reports from the CEO and/or Chief Financial Officer regarding breaches of the Code. The Board shall review investigations and any resolutions of complaints received under the Code.
- (5) The Board shall monitor conflicts of interest (real or perceived) of both the Board and management in accordance with the Code.
- (6) At least annually, the Board shall review the Board Mandate and the mandates for each committee of the Board, together with the position descriptions of each of the Chair, the CEO, the Lead Director (as applicable) and the chairs of each Board committee, to ensure compliance with any rules of regulations promulgated by any regulatory body and approve any modifications to such items as considered advisable.

E. Communications

- (1) The Board will adopt a disclosure policy for the Corporation and will refer to the guidance set out in National Policy 51-201 – *Disclosure Standards* for the adoption of such policy. At least annually, the Board, in conjunction with the CEO, shall review the Corporation's overall policy with respect to disclosure, including measures for receiving feedback from the Corporation's stakeholders, and management's compliance with such policy.
- (2) The Corporation endeavors to keep its shareholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases. Directors and management meet with the Corporation's shareholders at the annual meeting and are available to respond to questions at that time.

F. Composition

- (1) The composition and organization of the Board, including the number, qualifications and remuneration of directors, the number of Board meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings shall comply with applicable requirements of the *Canada Business Corporations Act*, the securities laws and regulations applicable in the Province of Québec and the articles and by-laws of the Corporation, subject to any exemptions or relief that may be granted from such requirements.

- (2) Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Compensation Committee.
- (3) The Board will establish a maximum retirement age.
- (4) If the Chair is not independent (as defined in National Policy 58-201 - *Corporate Governance Guidelines*, as may be amended from time to time), then the independent directors shall select from among their number an independent director who will act as "Lead Director" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Director if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

G. Committees of the Board

- (1) The Board has established the Audit Committee and the Compensation Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.
- (2) The Board has approved mandates for each of the Committees and shall approve mandates for each new Board committee. The Board shall review the appropriate structure, size, composition, mandate and members for the each Board committee, and approve any modifications to such items as considered advisable. At least annually, each mandate shall be reviewed by the Board and any suggested amendments shall be considered by the Board for approval. In addition, the Board shall institute procedures to ensure that the Board and the Board committees function independently of management.
- (3) The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate.
- (4) As required by applicable law, by applicable committee mandate or as the Board may consider advisable, the Board shall consider for approval the specific matters delegated for review to the Board committees.
- (5) To facilitate communication between the Board and each of the Board committees, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

H. Meetings

- (1) The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair (or the Lead Director if the Chair is not independent) is primarily responsible for the agenda and for supervising the conduct of any Board meeting. Any director may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.
- (2) Meetings of the Board shall be conducted in accordance with the Corporation's articles and by-laws.
- (3) The secretary of the Corporation (the "Corporate Secretary"), his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings

shall be recorded and maintained by the Corporate Secretary, or any other person acting in such capacity, and subsequently presented to the Board for approval.

- (4) The independent members of the Board shall hold regularly-scheduled meetings, or portions of regularly scheduled meetings, at which non-independent directors and members of management are not present.
- (5) Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.
- (6) The Board shall have unrestricted access to management and employees of the Corporation (including, for greater certainty, its affiliates, subsidiaries and their respective operations). The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Corporation. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

I. Management

- (1) The Board shall approve position descriptions for the Chair, the Lead Director and the chair of each Board committee. At least annually, the Board shall review such position descriptions.
- (2) The Board shall approve a position description for the CEO which includes delineating management's responsibilities. The Board shall also approve the corporate goals and objectives that the CEO has responsibility for meeting. At least annually, the Board shall review this position description and such corporate goals and objectives.
- (3) Each new director shall participate in the Corporation's initial orientation program and each director shall participate in the Corporation's continuing director development programs. The Board shall review the Corporation's initial orientation program and continuing director development programs.
- (4) This Board Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's articles and by-laws, it is not intended to establish any legally bind.