

ALTAIR NANOTECHNOLOGIES INC  
Form PRE 14A  
April 04, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant  X  
Filed by a Party other than the Registrant

Check the appropriate box:

- x Preliminary Proxy Statement
- o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- o Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

Altair Nanotechnologies Inc.

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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ALTAIR NANOTECHNOLOGIES INC.

204 Edison Way  
Reno, Nevada 89502  
U.S.A.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

April [ ], 2011

Dear Shareholder:

You are cordially invited to attend the annual and special meeting of shareholders of Altair Nanotechnologies Inc. (the "Corporation") to be held at the Peppermill Hotel Spa Casino, 2707 S. Virginia Street, Reno, NV 89502, on June 23, 2011, at 10:00 o'clock in the morning, Pacific Time.

The purposes of the meeting are to (I) vote on a special resolution authorizing the Board of Directors of the Corporation to increase the number of common shares authorized under Altair Nanotechnologies Inc. 2005 Stock Plan, (II) ) approve certain changes to our Articles of Continuance, (III) approve certain changes to our By-laws, (IV) elect nine directors if the Common Share Issuance is completed prior to the Meeting or, in the alternative, to elect seven directors if the Common Share Issuance is not completed prior to the Meeting, (V) appoint Perry-Smith LLP as our independent public accounting firm and authorize the Audit Committee of the Board of Directors to fix the auditors' remuneration, and (VI) receive our 2010 Annual Report.

We urge you to read the proxy materials in their entirety and to consider them carefully, including the effect that adopting or failing to adopt the proposals will have on shareholders.

Our Board of Directors unanimously recommends that you vote FOR each of the proposals described in this management proxy circular.

It is important that your shares be represented at the annual and special meeting, regardless of the size of your holdings. Accordingly, whether or not you expect to attend the special meeting, we urge you to vote promptly by returning the enclosed proxy card. You may revoke your proxy at any time before it has been voted.

Thank you for your cooperation and continued support.

Very truly yours,

Terry M. Copeland  
President and Chief Executive Officer

ALTAIR NANOTECHNOLOGIES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "Meeting") of the shareholders of Altair Nanotechnologies Inc. (the "Corporation") will be held at the Peppermill Hotel Spa Casino, 2707 S. Virginia Street, Reno, NV 89502, Thursday, the 23rd day of June 2011, at the hour of 10:00 o'clock in the morning (Pacific time) for the following purposes:

- (1) To consider and, if thought fit, to approve an increase in the number of authorized shares under the Altair Nanotechnologies Inc. 2005 Stock Incentive Plan;
- (2) To approve certain changes to our Articles of Continuance;
- (3) To approve certain changes to our By-laws;
- (4) To elect nine directors if the proposed acquisition by Canon Investment Holdings Limited ("Canon") of 51% of the Corporation's outstanding common shares on a fully diluted basis in a common share issuance (the "Common Share Issuance") is completed prior to the Meeting or, in the alternative, to elect seven directors if the Common Share Issuance is not completed prior to the Meeting;
- (5) To authorize the appointment of Perry-Smith LLP as our independent public accountants and to authorize the Audit Committee of the Board of Directors to fix their remuneration;
- (6) To receive our 2010 Annual Report and the audited financial statements of the Corporation for the twelve months ended December 31, 2010, together with the report of the auditors thereon; and
- (7) To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

This notice is accompanied by a form of proxy, a management proxy circular, and the annual report to shareholders of the Corporation containing the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2010.

Proxies to be used at the Meeting must be deposited at the office of the transfer agent not later than 48 hours (excluding Saturdays and holidays) before the time of holding the meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

DATED at Toronto, Ontario as of the \_\_th day of April, 2011.

BY: ORDER OF THE BOARD

(Sgd.) Terry M. Copeland  
President and Chief Executive Officer



ALTAIR NANOTECHNOLOGIES INC.

204 Edison Way  
Reno, Nevada 89502  
U.S.A.

MANAGEMENT PROXY CIRCULAR

(All dollar amounts expressed herein are U.S. dollars)

This Management Proxy Circular is dated April [ ], 2011 and is first being mailed to shareholders on or about May [ ], 2011

INTRODUCTION

This introduction highlights selected information appearing elsewhere in this Management Proxy Circular (this “Circular”) and does not contain all the information that you should consider in making a decision with respect to the proposals described in this Circular. You should read this introduction together with the more detailed information in this Circular and any documents delivered with this Circular. Unless otherwise provided in this Circular, references to the “Corporation,” “we,” “us,” and “our” refer to Altair Nanotechnologies Inc. and all of its consolidated subsidiaries.

The Corporation recently implemented a consolidation (or reverse split) of its common shares, in which every four outstanding common shares were consolidated into one common share, as of 11:59 p.m. on November 15, 2010 (the “Consolidation”), subject to rounding up of fractional shares. Share and per-share numbers throughout this Circular have been adjusted to give effect to the Consolidation.

As described in the Corporation’s Management Proxy Circular filed with the U.S. Securities and Exchange Commission (the “SEC”) on September 20, 2010, the Corporation entered into a Share Subscription Agreement dated as of September 20, 2010 by and between Canon and the Corporation (the “Share Subscription Agreement”), relating to the proposed acquisition by Canon Investment Holdings Limited (“Canon”) of 51% of the Corporation’s outstanding common shares on a fully diluted basis in a common share issuance (the “Common Share Issuance”). We subsequently amended the Share Subscription Agreement by entering into the First Amendment to Subscription Agreement (the “SSA Amendment”) dated February 16, 2011.

A special meeting of the Corporation’s shareholders was held on December 27, 2010 to, among other things, consider and approve the Common Share Issuance, as more fully described in the Corporation’s definitive proxy statement filed with the SEC on November 15, 2010. The Corporation’s shareholders approved the Common Share Issuance at the special meeting, and the closing of the Common Share Issuance is expected to occur if and when all conditions precedent to closing are waived or satisfied. Under the Share Subscription Agreement, the Corporation has agreed to take actions such that at the closing of the Common Share Issuance, the Corporation’s Board shall consist of nine directors, five of whom are designated by Canon, three of whom are independent directors, and one of whom is an executive of the Corporation.

Set forth below in a question and answer format is general information regarding the Annual and Special Meeting of Shareholders to be held on June 23, 2011 to which this Circular relates (the “Meeting”). This general information regarding the Meeting is followed by a more detailed summary of the process relating to, reasons for and effects of the proposed consolidation described in this Circular.

Questions and Answers about the Meeting and Proposals

Q. Where and when will the Meeting be held?

A. The Meeting will be held at the Peppermill Hotel Spa Casino, 2707 S. Virginia Street, Reno, NV 89502, Thursday, the 23rd day of June 2011, at the hour of 10:00 o'clock in the morning (Pacific time).

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Q. What are the purposes of the Meeting?

A. The purposes of the Meeting are:

- To approve an increase in the number of authorized shares under the Altair Nanotechnologies Inc. 2005 Stock Incentive Plan;
  - To approve certain changes to our Articles of Continuance;
    - To approve certain changes to our By-laws;
  - To elect nine directors if the Common Share Issuance is completed prior to the Meeting or, in the alternative, to elect seven directors if the Common Share Issuance is not completed prior to the Meeting;
- To appoint Perry-Smith LLP as our independent public accountants and authorize the Audit Committee of the Board of Directors to fix the auditors' remuneration;
  - To receive our 2010 Annual Report; and
  - To transact such other business as is proper at the Meeting.

Q. Will any other matters be voted on?

A. The Board does not intend to present any other matters at the Meeting. The Board does not know of any other matters that will be brought before our shareholders for a vote at the Meeting. If any other matter is properly brought before the Meeting, your signed proxy card gives authority to Terry M. Copeland and, failing him, John Fallini, or your indicated nominee as proxies, with full power of substitution, to vote on such matters at their discretion.

Q. Who is soliciting my vote?

A. Our Board of Directors is soliciting your proxy to vote at the Meeting. Your vote is important. We encourage you to vote as soon as possible after carefully reviewing this Circular and all information included with this Circular.

Q. Who is entitled to vote?

A. The record date for the determination of shareholders entitled to receive notice of the Meeting is May 4, 2011. In accordance with the provisions of the Canada Business Corporations Act (the "CBCA"), we will prepare a list of the holders of our common shares as of the record date.

Q. What are the voting recommendations of the Board of Directors?

A. The Board of Directors recommends the following votes:

- FOR proposal No. 1, to approve an increase in the number of authorized shares under the Altair Nanotechnologies Inc. 2005 Stock Incentive Plan;
  - FOR proposal No. 2, to approve certain changes to our Articles of Continuance;
  - FOR proposal No. 3, to approve certain changes to our By-laws;
- FOR proposal No. 4, the election of the applicable slate of nominated directors, depending on whether or not the Common Share Issuance is completed at the time of the Meeting; and



- FOR proposal No. 5, the appointment of Perry-Smith LLP as our auditors for 2011 and the authorization of our Audit Committee of the Board of Directors to fix the auditors' remuneration.

Q. What is the difference between holding shares as a shareholder of record and as a beneficial owner?

A. Many shareholders hold their shares through a broker or bank rather than directly in their own names. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

**Shareholder of Record** — If your shares are registered directly in your name with our transfer agent, you are considered, with respect to those shares, the shareholder of record, and these Circular materials are being sent directly to you by us. You may vote the shares registered directly in your name by completing and mailing the proxy card or by written ballot at the Meeting.

**Beneficial Owner** — If your shares are held in a stock brokerage account or by a bank, you are considered the beneficial owner of shares held in street name, and these Circular materials are being forwarded to you by your bank or broker, which is considered the shareholder of record of these shares. As the beneficial owner, you have the right to direct your bank or broker how to vote and are also invited to attend the Meeting. However, since you are not the shareholder of record, you may not vote these shares in person at the Meeting unless you bring with you a legal proxy from the shareholder of record. Your bank or broker has enclosed a voting instruction card providing directions for how to vote your shares.

Q. How do I vote?

A. If you are a shareholder of record, there are two ways to vote:

- By completing and mailing your proxy card; or
- By written ballot at the Meeting.

Shareholders who are not shareholders of record and who wish to deliver proxies should follow the instructions of their intermediary with respect to the procedure to be followed. Generally, shareholders who are not shareholders of record will either: (i) be provided with a proxy executed by the intermediary, as the shareholder of record, but otherwise uncompleted and the beneficial owner may complete the proxy and return it directly to our transfer agent; or (ii) be provided with a request for voting instructions by the intermediary, as the shareholder of record, and then the intermediary must send to our transfer agent an executed proxy form completed in accordance with any voting instructions received by it from the beneficial owner.

Q. Can I change my vote or revoke my proxy?

A. A shareholder who has given a proxy has the power to revoke it prior to the commencement of the Meeting by depositing an instrument in writing, including another proxy bearing a later date, executed by the shareholder or by the shareholder's attorney authorized in writing either (i) at the Corporation's principal office located at 204 Edison Way, Reno, Nevada, 89502 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof; or (ii) with the chairman of such Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law.

Q. How are proxies being solicited and who pays for the solicitation of proxies?

A. Proxies will be solicited by mail and also may be solicited personally, by email, by facsimile or by telephone. Proxies will be solicited by officers and employees of the Corporation without additional compensation. In addition, we have retained D. F. King & Co., Inc. (the "Soliciting Agent") to assist with the solicitation of proxies.

The cost of solicitation by management will be borne directly by the Corporation. We have agreed to pay the Soliciting Agent an estimated fee of \$5,000, plus reasonable out-of-pocket expenses. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of the common shares of the Corporation held of record by such persons, and we will reimburse them for their reasonable out-of-pocket expenses incurred by them in connection therewith.

Q. What is the quorum requirement of the Meeting?

A. One-third of the outstanding common shares entitled to vote, represented in person or by properly executed proxy, is required for a quorum at the Meeting.

Q. What vote is required to approve each proposal?

A. Proposal No. 1, to approve an increase in the number of authorized shares under the Altair Nanotechnologies Inc. 2005 Stock Incentive Plan, requires the affirmative vote, in person or by proxy, of at least a majority of the votes cast at the Meeting.

Proposal No. 2, to approve certain changes to our Articles of Continuance, requires the affirmative vote, in person or by proxy, of not less than two-thirds of the votes cast by the shareholders who voted in respect of the resolution.

Proposal No. 3, to approve certain changes to our By-laws, requires the affirmative vote, in person or by proxy, of not less than two-thirds of the votes cast by the shareholders who voted in respect of the resolution.

Proposal No. 4, election of directors – If the Common Share Issuance is completed prior to the Meeting, the nine nominees with the highest number of votes will be elected. If the Common Share Issuance is not completed prior to the Meeting, the seven nominees with the highest number of votes will be elected.

Proposal No. 5, appointment of auditors – the appointment of the auditors and the authorization of the Audit Committee of the Board of Directors to fix the auditors' remuneration requires a majority of the votes cast by the shareholders who voted in respect of the resolution.

Q. What are broker non-votes?

A. Broker non-votes occur when holders of record, such as banks and brokers holding shares on behalf of beneficial owners, do not receive voting instructions from the beneficial holders at least ten days before the Meeting. Broker non-votes will not affect the outcome of any of the proposals, assuming that a quorum is obtained.

Q. Will my shares be voted if I do not provide my proxy?

A. Your shares may be voted if they are held in the name of a brokerage firm, even if you do not provide the brokerage firm with voting instructions. Brokerage firms have the authority under applicable securities rules to cast votes on certain "routine" matters if they do not receive instructions from their customers.

The ratification of the independent registered accounting firm is considered a routine matter for which brokerage firms may vote unvoted shares. The election of directors and the two other proposals are not considered routine matters under current securities rules. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is called a "broker non-vote." It should be noted that securities rules previously considered the election of directors to be a "routine" matter for which brokerage firms could vote in the election of directors if the record holder had not received instructions on how to vote from the beneficial owner. Accordingly, given this recent change, it is particularly important that beneficial owners instruct their brokers how they wish to vote their shares.

Q. Who can attend the Meeting?

A. All registered shareholders, their duly appointed representatives, our directors and our auditors are entitled to attend the Meeting.

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Q. I own my shares indirectly through my broker, bank, or other nominee, and I receive multiple copies of the annual report, Circular, and other mailings because more than one person in my household is a beneficial owner. How can I change the number of copies of these mailings that are sent to my household?

A. If you and other members of your household are beneficial owners, you may eliminate this duplication of mailings by contacting your broker, bank, or other nominee. Duplicate mailings in most cases are wasteful for us and inconvenient for you, and we encourage you to eliminate them whenever you can. If you have eliminated duplicate mailings, but for any reason would like to resume them, you must contact your broker, bank, or other nominee. If you are a shareholder of record contact John Fallini, Chief Financial Officer, by phone at (775) 858-3750 or by mail to P.O. Box 10630, Reno, Nevada, U.S.A. 89510-0630.

Q. Multiple shareholders live in my household, and together we received only one copy of this Circular and annual report. How can I obtain my own separate copy of those documents for the Meeting?

A. You may pick up copies in person at the Meeting or download them from our Internet web site, [www.altairannualmeeting.com](http://www.altairannualmeeting.com). If you want copies mailed to you and are a beneficial owner, you must request them from your broker, bank, or other nominee. If you want copies mailed to you and are a shareholder of record, we will mail them promptly if you request them from John Fallini, Chief Financial Officer by phone at (775) 858-3750 or by mail to P.O. Box 10630, Reno, Nevada, U.S.A. 89510-0630. We cannot guarantee you will receive mailed copies before the Meeting.

Q. Where can I find the voting results of the Meeting?

A. We are required to file the voting results on the System for Electronic Document Analysis and Retrieval (SEDAR) promptly following the Meeting, and thereafter they can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com). We are also required to file the voting results on a Current Report on Form 8-K with the U.S. SEC promptly following the Meeting, and thereafter they can be found on our website at [www.altairnano.com](http://www.altairnano.com) (select the link to SEC Filings on the Investor Relations page).

Q. Who can help answer my questions?

A. If you have questions about the Meeting or if you need additional copies of the Circular or the enclosed proxy card you should contact:

John Fallini, Chief Financial Officer  
P.O. Box 10630  
Reno, Nevada 89510-0630 U.S.A.  
(775) 858-3750

## THE MEETING

Important Notice Regarding the Availability of Proxy Materials for the Meeting to be held on June 23, 2011. The Corporation's Circular and Annual Report to Shareholders for the fiscal year ended December 31, 2010 are available on the Internet at [http:// www.altairannualmeeting.com](http://www.altairannualmeeting.com).

### Solicitation of Proxies

THIS CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF ALTAIR NANOTECHNOLOGIES INC. OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE ENCLOSED NOTICE OF MEETING. This Circular, the Notice of Meeting and the accompanying form of proxy and the Annual Report of the Corporation for the year ended December 31, 2010 are first being mailed to the shareholders of the Corporation on or about May [ ], 2011. Solicitation will be by mail, but proxies may also be solicited personally, by email, by facsimile or by telephone by officers and employees of the Corporation without additional compensation.

The cost of solicitation by management will be borne directly by the Corporation. We have retained D. F. King & Co. Inc., our Soliciting Agent, to assist with the solicitation of proxies for an estimated fee of \$5,000 plus reasonable out-of-pocket expenses. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of the common shares of the Corporation held by such persons, and the Corporation will reimburse such brokerage firms, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses incurred by them in connection therewith.

### Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM AT THE MEETING MAY DO SO either by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent indicated on the enclosed envelope not later than 48 hours (excluding Saturdays and holidays) before the time of holding the Meeting, or by delivering the completed proxy to the chairman of the Board of Directors on the day of the Meeting or adjournment thereof.

A proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the shareholder or by his attorney authorized in writing, and deposited either at the Corporation's principal office located at 204 Edison Way, Reno, Nevada, 89502, U.S.A. at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of such Meeting on the day of the Meeting, or adjournment thereof, or in any other manner permitted by law.

#### Voting of Proxies

THE COMMON SHARES REPRESENTED BY A DULY COMPLETED PROXY WILL BE VOTED OR WITHHELD FROM VOTING IN ACCORDANCE WITH THE INSTRUCTIONS OF THE SHAREHOLDER ON ANY BALLOT THAT MAY BE CALLED FOR AND, IF THE SHAREHOLDER SPECIFIES A CHOICE WITH RESPECT TO ANY MATTER TO BE ACTED UPON, SUCH COMMON SHARES WILL BE VOTED ACCORDINGLY. UNLESS OTHERWISE INDICATED ON THE FORM OF PROXY, SHARES REPRESENTED BY PROPERLY EXECUTED PROXIES IN FAVOR OF PERSONS DESIGNATED IN THE PRINTED PORTION OF THE ENCLOSED FORM OF PROXY WILL BE VOTED (I) TO APPROVE AN INCREASE IN THE NUMBER OF AUTHORIZED SHARES UNDER THE ALTAIR NANOTECHNOLOGIES INC. 2005 STOCK INCENTIVE PLAN, (II) APPROVE CERTAIN CHANGES TO OUR ARTICLES OF CONTINUANCE, (III) APPROVE CERTAIN CHANGES TO OUR BY-LAWS, (IV) TO ELECT MANAGEMENT'S NINE NOMINEES FOR DIRECTOR IF THE COMMON SHARE ISSUANCE IS COMPLETED PRIOR TO THE MEETING OR, IN THE ALTERNATIVE, TO ELECT MANAGEMENT'S SEVEN NOMINEES FOR DIRECTOR IF THE COMMON SHARE ISSUANCE IS NOT COMPLETED PRIOR TO THE MEETING, AND (V) TO APPOINT PERRY-SMITH LLP AS THE CORPORATION'S INDEPENDENT PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2011.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of Meeting, or other matters which may properly come before the Meeting. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

#### Voting Securities and Principal Holders of Voting Securities

The authorized capital of the Corporation consists of an unlimited number of common shares. As of March 28, 2011, the Corporation had 27,015,680 common shares issued and outstanding.

The Corporation shall make a list of all persons who are registered holders of common shares as of the close of business on May 4, 2011 (the "Record Date") and the number of common shares registered in the name of each such person on that date. Each shareholder is entitled to one vote for each common share registered in his name as it appears on the list.

One-third of the outstanding common shares entitled to vote, represented in person or by properly executed proxy, is required for a quorum at the Meeting. Abstentions will be counted as "represented" for purposes of determining the presence or absence of a quorum. Complete broker non-votes, which are indications by a broker that it does not have discretionary authority to vote on any of the matters to be considered at the Meeting, will not be counted as "represented" for the purpose of determining the presence or absence of a quorum.

To the knowledge of the directors and executive officers of the Corporation, as of March 28, 2011, only one holder, Al Yousuf, LLC, directly or indirectly, exercises control or direction of over more than 10% of the common shares outstanding. According to a Form 4 filed by Al Yousuf, LLC on July 16, 2010, the affiliate group beneficially owns



5,098,966 common shares (adjusted for the Consolidation) representing 18.9 % of the outstanding common shares as of March 28, 2011 if the Common Share Issuance is not complete at such time, and representing 7.53% of the outstanding common shares as of May 4, 2011 if the Common Share Issuance is complete at such time assuming no additional share issuance prior to such time.

If the Common Share Issuance is completed as of May 4, 2011, Canon Investment Holdings Limited will exercise control or direction of more than 10% of the common shares outstanding, beneficially owning 37,125,983 common shares, representing 54.8% of the outstanding common shares as of such time.

Under the CBCA,

- approval of the increase in the number of authorized shares under the Altair Nanotechnologies Inc. 2005 Stock Incentive Plan requires the affirmative vote, in person or by proxy, of at least a majority of the votes cast at the Meeting;
- approval of certain changes to our Articles of Continuance and By-laws requires the affirmative vote, in person or by proxy, of not less than two-thirds of the votes cast by the shareholders who vote in respect of the resolution;
- election of directors — if the Common Share Issuance is completed prior to this Annual Meeting, the nine nominees with the highest number of votes will be elected. If the Common Share Issuance is not completed prior to this Annual Meeting, the seven nominees with the highest number of votes will be elected; and
- the appointment of the auditors and the authorization of the Audit Committee of the Board of Directors to fix the auditors' remuneration requires a majority of the votes cast by the shareholders who voted in respect of the resolution.

Abstentions and broker non-votes will not have the effect of being considered as votes cast against any of the matters considered at the Meeting.

Exchange Rate Information

The following exchange rates represent the noon buying rate in New York City for cable transfers in Canadian Dollars (CDN. \$), as certified for customs purposes by the Federal Reserve Bank of New York. The following table sets forth, for each of the years indicated, the period-end exchange rate, the average rate (i.e., the average of the exchange rates on the last day of each month during the period), and the high and low exchange rates of the U.S. Dollar (U.S. \$) in exchange for the Canadian Dollar (CDN. \$) for the years indicated below, based on the noon buying rates.

For the Year Ended December 31,

2010