

# LIGHTBRIDGE CORP

## FORM DEF 14A (Proxy Statement (definitive))

Filed 02/28/11 for the Period Ending 04/15/11

Address	1600 TYSONS BOULEVARD SUITE 550 MCLEAN,, VA 22102
Telephone	703.918.4904
CIK	0001084554
Symbol	LTBR
SIC Code	8742 - Management Consulting Services
Industry	Business Services
Sector	Services
Fiscal Year	12/31

**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**SCHEDULE 14A INFORMATION**

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

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

Check the appropriate box:

- Preliminary Proxy Statement  
 Confidential, For Use of the Commission Only (As Permitted by Rule 14a-6(e)(2))  
 Definitive Proxy Statement  
 Definitive Additional Materials  
 Soliciting Material under Rule 14a-12

**LIGHTBRIDGE CORPORATION**

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required  
 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: \_\_\_\_\_  
(2) Aggregate number of securities to which transaction applies: \_\_\_\_\_  
(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):

\_\_\_\_\_  
(4) Proposed maximum aggregate value of transaction: \_\_\_\_\_  
(5) Total fee paid: \_\_\_\_\_

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid: \_\_\_\_\_  
(2) Form, Schedule or Registration Statement No.: \_\_\_\_\_  
(3) Filing Party: \_\_\_\_\_  
(4) Date Filed: \_\_\_\_\_



**Lightbridge Corporation**  
1600 Tysons Boulevard, Suite 550  
McLean, VA 22102 USA  
571.730.1200

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**APRIL 15, 2011**

Dear Stockholder:

Notice is hereby given that the Annual Meeting of Stockholders (the "Meeting") of Lightbridge Corporation, a Nevada corporation (the "Company"), will be held on Friday, April 15, 2011, at 11:00 a.m., local time, at the offices of Pillsbury Winthrop Shaw Pittman LLP located at 2300 N Street, N.W., Washington, DC, 20037, USA for the following purposes:

1. To elect five persons to the Board of Directors of the Company, each to serve until the next annual meeting of stockholders of the Company or until such person shall resign, be removed or otherwise leave office;
2. To ratify the selection by the Audit Committee of Child, Van Wagoner & Bradshaw PLLC as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011;
3. To have an advisory vote on executive compensation;
4. To have an advisory vote on the frequency of holding an advisory vote on executive compensation; and
5. To transact such other business as may properly come before the Meeting or any adjournment thereof.

If you owned our common stock at the close of business on February 14, 2011, you may attend and vote at the meeting.

A Proxy Statement describing the matters to be considered at the Meeting is attached to this Notice. Our 2010 Annual Report accompanies this Notice, but it is not deemed to be part of the Proxy Statement.

**Your vote is important. Whether or not you plan to attend the meeting, I hope that you will vote as soon as possible. You may vote your shares by either completing, signing and returning the accompanying proxy card or casting your vote via a toll-free telephone number or over the Internet.**

Sincerely,

Thomas Graham, Jr.  
Thomas Graham, Jr.  
Chairman and Corporate Secretary

---

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER  
MEETING TO BE HELD ON APRIL 15, 2011**

This Notice and Proxy Statement and our 2010 Annual Report are available online at <http://www.edocumentview.com/LTBR>.

---



**Lightbridge Corporation**  
1600 Tysons Boulevard, Suite 550  
McLean, VA 22102 USA  
571.730.1200

---

**PROXY STATEMENT**

---

The Board of Directors of Lightbridge Corporation, a Nevada corporation (the “Company,” “Lightbridge” or “we”) is furnishing this Proxy Statement and the accompanying proxy to you to solicit your proxy for the 2011 Annual Meeting of Stockholders (the “Meeting”). The Meeting will be held on Friday, April 15, 2011, at 11:00 a.m., local time, at the offices of Pillsbury Winthrop Shaw Pittman LLP located at 2300 N Street, N.W., Washington, DC, 20037, USA.

**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

***What is this proxy statement?***

You have received this proxy statement and our annual report because our Board of Directors is soliciting your proxy to vote your shares at the annual meeting. This proxy statement includes information that we are required to provide to you under the rules of the Securities and Exchange Commission (SEC) and that is designed to assist you in voting your shares.

***What is the purpose of the annual meeting?***

At the annual meeting, our stockholders will act upon the matters described in this proxy statement. These actions include the election of directors; ratification of the appointment of the independent registered public accounting firm (which we sometimes refer to as the “independent auditors”); an advisory (that is, nonbinding) vote on executive compensation; and an advisory vote on the frequency of holding an advisory vote on executive compensation. An additional purpose of the annual meeting is to transact any other business that may properly come before the annual meeting and any and all adjournments or postponements of the annual meeting.

***Who can attend the annual meeting?***

All stockholders of record at the close of business on February 14, 2011, the record date, or their duly appointed proxies, may attend the annual meeting.

***What proposals will be voted on at the annual meeting?***

Stockholders will vote on four proposals at the annual meeting:

- the election of directors;
- the ratification of Child, Van Wagoner & Bradshaw PLLC as the Company’s independent auditors for the fiscal year ending December 31, 2011;

- an advisory vote on executive compensation; and
- an advisory vote on the frequency of holding an advisory vote on executive compensation.

***What are the Board's recommendations?***

Our Board recommends that you vote:

- **FOR** election of the nominated directors;
- **FOR** ratification of Child, Van Wagoner & Bradshaw PLLC as the Company's independent auditors for the fiscal year ending December 31, 2011;
- **FOR** approval of the compensation of our named executive officers.

The Board has not made a recommendation on the frequency of holding an advisory vote on executive compensation. Stockholders may vote for having an advisory vote every year, every two years, or every three years, or they may abstain from voting on this proposal.

***Will there be any other business on the agenda?***

The Board knows of no other matters that are likely to be brought before the annual meeting. If any other matters properly come before the annual meeting, however, the persons named in the enclosed proxy, or their duly appointed substitute acting at the annual meeting, will be authorized to vote or otherwise act on those matters in accordance with their judgment.

***Who is entitled to vote?***

Only stockholders of record at the close of business on February 14, 2011, which we refer to as the record date, are entitled to notice of, and to vote at, the annual meeting. As of the record date, there were 12,430,058 shares of our common stock outstanding. Holders of common stock as of the record date are entitled to one vote for each share held for each of the proposals.

***What is the difference between holding shares as a stockholder of record and as a beneficial owner?***

*Stockholder of Record.* If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, you are considered, with respect to those shares, the "stockholder of record." This proxy and our Annual Report has been sent directly to you by us.

*Beneficial Owner.* If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the "beneficial owner" of shares held in street name. This proxy and the Annual Report have been forwarded to you by your broker, bank or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or nominee how to vote your shares by using the voting instructions included in with your proxy materials.

***How do I vote my shares?***

Stockholders can vote in person at the annual meeting or by proxy. There are three ways to vote by proxy:

- By Telephone — Stockholders located in the United States can vote by telephone by calling the number listed on your enclosed proxy card and following the instructions;
- By Internet — You can vote over the Internet going to the link provided on your enclosed proxy card and following the instructions; or
- By Mail — You can vote by mail by signing, dating and mailing the enclosed proxy card.

Telephone and Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (EST) on April 14, 2011.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and Internet voting also will be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your shares in person at the annual meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy card and bring it to the annual meeting in order to vote.

If you vote by proxy, the individuals named on the proxy card (your "proxies") will vote your shares in the manner you indicate. You may specify how your shares should be voted for each of the proposals. If you grant a proxy without indicating your instructions, your shares will be voted as follows:

- FOR the election of the three nominees for director;
- FOR the ratification of Child, Van Wagoner & Bradshaw PLLC as the Company's independent auditors for the fiscal year ending December 31, 2011;
- FOR the approval of the compensation of our named executive officers.

You may revoke or change your proxy at any time before it is exercised by (1) delivering to us a signed proxy card with a date later than your previously delivered proxy, (2) voting in person at the Annual Meeting, (3) granting a subsequent proxy through the Internet or telephone, or (4) sending a written revocation to the Corporate Secretary. Your most current proxy card or telephone or Internet proxy is the one that is counted.

Each share of common stock is entitled to one vote. The record date for determining stockholders entitled to notice of and to vote at the annual meeting is February 14, 2011. As of that date, there were 12,430,058 shares of our common stock outstanding.

#### ***What constitutes a quorum?***

A quorum is the presence, in person or by proxy, of the holders of a majority of the shares of the common stock entitled to vote. Under Nevada law, an abstaining vote and a broker "non-vote" are counted as present and are, therefore, included for purposes of determining whether a quorum of shares is present at the annual meeting.

#### ***What is a broker "non-vote" and what is its effect on voting?***

If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the rules of various national and regional securities exchanges, the organization that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares does not have the authority to vote on the matter with respect to those shares. This is generally referred to as a "broker non-vote."

Proposal 2 (ratification of auditors) involves a matter that we believe will be considered routine. All other proposals involve matters that we believe will be considered non-routine. We encourage you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided on your proxy card.

#### ***What is required to approve each item?***

- For Proposal No. 1 (election of directors), each director must be elected by a majority of votes cast with respect to such director (i.e., the number of shares voted "for" a director nominee must exceed the number of votes "withheld" from that nominee). Abstentions and broker non-votes are not counted for purposes of the election of directors.
- For Proposal No. 2 (ratification of independent auditors) and Proposal No. 4 (advisory vote on executive compensation), the affirmative vote of the holders of a majority of the stockholders' shares present in person or represented by proxy at the meeting and entitled to vote, is required.
- For Proposal No. 5 (advisory vote on the frequency of holding an advisory vote on executive compensation), the alternative — that is, every one, two or three years — receiving the greatest number of votes will be the frequency that stockholders approve.

- For any other matters on which stockholders are entitled to vote, the affirmative vote of the holders of a majority of the stockholders' shares present in person or represented by proxy at the meeting and entitled to vote, is required.

For the purpose of determining whether the stockholders have approved matters other than the election of directors and the frequency of holding an advisory vote on executive compensation, abstentions are treated as shares present or represented and voting, so abstaining has the same effect as a negative vote. If stockholders hold their shares through a broker, bank or other nominee and do not instruct them how to vote, the broker may have authority to vote the shares for routine matters.

Stockholders may not cumulate votes in the election of directors, which means that each stockholder may vote no more than the number of shares he or she owns for a single director candidate.

Our bylaws require that, in uncontested elections, each director be elected by the majority of votes cast with respect to such director. This means that the number of shares voted "for" a director nominee must exceed the number of votes "withheld" from that nominee in order for that nominee to be elected. Only votes "for" or "withheld" are counted as votes cast with respect to a director. Abstentions and broker non-votes will have no effect.

***How will shares of common stock represented by properly executed proxies be voted?***

All shares of common stock represented by proper proxies will, unless such proxies have previously been revoked, be voted in accordance with the instructions indicated in such proxies. If you do not provide voting instructions, your shares will be voted in accordance with the Board's recommendations as set forth herein. In addition, if any other matters properly come before the annual meeting, the persons named in the enclosed proxy, or their duly appointed substitute acting at the annual meeting, will be authorized to vote or otherwise act on those matters in accordance with their judgment.

***Can I change my vote or revoke my proxy?***

Any stockholder executing a proxy has the power to revoke such proxy at any time prior to its exercise. You may revoke your proxy prior to exercise by:

- filing with us a written notice of revocation of your proxy,
- submitting a properly signed proxy card bearing a later date,
- voting over the Internet or by telephone, or
- voting in person at the annual meeting.

***What does it mean if I receive more than one Proxy?***

If your shares are registered under different names or are in more than one account, you may receive more than one set of proxy materials. To ensure that all your shares are voted, please vote by telephone, through the Internet using each personal identification number you are provided, or complete, sign and date the multiple proxy cards relating to your multiple accounts. We encourage you whenever possible to have all accounts registered in the same name and address. You can accomplish this by contacting our transfer agent, Computershare Trust Company at (303) 262-0600.

***Who paid for this proxy solicitation?***

The cost of preparing, printing, assembling and mailing this proxy statement and other material furnished to stockholders in connection with the solicitation of proxies is borne by us.

***How do I learn the results of the voting at the annual meeting?***

Preliminary results will be announced at the annual meeting. Final results will be published in a Current Report on Form 8-K filed with SEC within four business days of the annual meeting.

### ***How are proxies solicited?***

In addition to the mail solicitation of proxies, our officers, directors, employees and agents may solicit proxies by written communication, telephone or personal call. These persons will receive no special compensation for any solicitation activities. We will reimburse banks, brokers and other persons holding common stock for their expenses in forwarding proxy solicitation materials to beneficial owners of our common stock.

### ***What is “householding?”***

“Householding” means that we deliver a single set of proxy materials when requested to households with multiple stockholders, provided certain conditions are met. Householding reduces our printing and mailing costs.

If you or another stockholder of record sharing your address would like to receive an additional copy of the proxy materials, we will promptly deliver it to you upon your request in one of the following manners:

- by sending a written request by mail to:

Lightbridge Corporation  
1600 Tysons Boulevard, Suite 550  
McLean, VA 22102  
Attention: Corporate Secretary

- by calling our Corporate Secretary, at 571-730-1200.

If you would like to opt out of householding in future mailings, or if you are currently receiving multiple mailings at one address and would like to request householded mailings, you may do so by contacting our Corporate Secretary as indicated above.

### ***Can I receive future stockholder communications electronically through the Internet?***

Yes. You may elect to receive future notices of meetings, proxy materials and annual reports electronically through the Internet. To consent to electronic delivery, vote your shares using the Internet. At the end of the Internet voting procedure, the on-screen Internet voting instructions will tell you how to request future stockholder communications be sent to you electronically.

Once you consent to electronic delivery, you must vote your shares using the Internet and your consent will remain in effect until withdrawn. You may withdraw this consent at any time during the voting process and resume receiving stockholder communications in print form.

### ***Whom may I contact for further assistance?***

If you have any questions about giving your proxy or require any assistance, please contact our Corporate Secretary:

- by mail, to:

Lightbridge Corporation  
1600 Tysons Boulevard, Suite 550  
McLean, VA 22102  
Attention: Corporate Secretary

- by telephone, at 571-730-1200.

## **Directors and Executive Officers**

Set forth below are the names of our current directors, officers and significant employees, their ages, all positions and offices that they hold with us, the period during which they have served as such, and their business experience during at least the last five years.



- Victor E. Alessi Dr. Alessi became a director of the Company on August 23, 2006. Dr. Victor E. Alessi, who holds a Ph.D. in nuclear physics, is President Emeritus of the United States Industry Coalition (“USIC”), an organization dedicated to facilitating the commercialization of technologies of the New Independent States (“NIS”) of the former Soviet Union through cooperation with its members. He has held such position since August 1, 2006; prior to becoming President Emeritus, Dr. Alessi held the positions of CEO and President of USIC since 1999. Previously, he was President of DynMeridian, a subsidiary of DynCorp, specializing in arms control, nonproliferation, and international security affairs. Before joining DynMeridian in early 1996, Dr. Alessi was the Executive Assistant to the Director, U.S. Arms Control and Disarmament Agency (“ACDA”). At ACDA he resolved inter-bureau disputes, and advised the Director on all arms control and nonproliferation issues. Dr. Alessi served as Director of the Office of Arms Control and Nonproliferation in the Department of Energy (“DOE”) prior to his work at ACDA, overseeing all DOE arms control and nonproliferation activities. As a senior DOE representative, Dr. Alessi participated in U.S. efforts that led to successful conclusion of the Intermediate Nuclear Forces (INF), Conventional Forces in Europe, Threshold Test Ban, Peaceful Nuclear Explosions, Open Skies, Strategic Arms Reductions Talks Treaties and the Chemical Weapons Convention. In this role, he was instrumental in implementing the U.S. unilateral nuclear initiative in 1991 and was a member of the U.S. delegation discussing nuclear disarmament with Russia and other states of the former Soviet Union. He was in charge of DOE’s support to the U.N. Special Commission on Iraq, to the Nunn-Lugar Initiative, and represented DOE in discussions on the Comprehensive Test Ban (“CTB”) with the other nuclear weapons states before the CTB negotiations began in Geneva in 1994. Dr. Alessi served the U.S. board member to the International Science and Technology Center in Moscow since its founding in 1992 until 2011. He is also the former U.S. board member to the Science and Technology Center in Ukraine. Dr. Alessi is a 1963 graduate of Fordham University, where he also earned a licentiate in Philosophy (Ph.L.) in 1964. He studied nuclear physics at Georgetown University, receiving his M.S. in 1968 and Ph.D. in 1969.
- Jack D. Ladd Mr. Ladd became a director of the Company on October 23, 2006. Mr. Ladd is the Dean of the School of Business of the University of Texas of the Permian Basin (UTPB), having been appointed to that position in July, 2007. Mr. Ladd was previously the Director of the John Ben Shepperd Leadership Institute of UTPB, having served as the head of that institution beginning in September, 2004. Earlier in his career Mr. Ladd was a practicing attorney with the law firm of Stubbeman, McRae, Sealy, Laughlin & Browder, Inc., in Midland, Texas. Mr. Ladd was appointed to the Texas State Securities Board in 2002 and two years later was designated its Chairman. Mr. Ladd has almost three decades of experience in public affairs, law, governance, and public service. As a practicing attorney, he has served on numerous civic, educational, religious and governmental boards and committees. He holds the Doctor of Jurisprudence degree from The University of Texas in Austin and a B.A. from the University of Texas in Austin.
- Daniel B. Magraw Mr. Magraw became a director of the Company on October 23, 2006. Mr. Magraw is a leading expert on international environmental law and policy. Mr. Magraw is President Emeritus and Distinguished Scholar of the Center for International Environmental Law (CIEL). Mr. Magraw was the President and CEO of CIEL from 2002-2010. From 1992-2001, he was Director of the International Environmental Law Office of the U.S. Environmental Protection Agency. He is a member of the Trade and Environment Policy Advisory Committee to the Office of the U.S. Trade Representative, a former member of the U.S. Department of State Study Group on International Business Transactions and was Chair of the 15,000-member Section of International Law and Practice of the American Bar Association. He practiced international law, constitutional law, and bankruptcy law at Covington & Burling in Washington, DC from 1978-1983. Mr. Magraw is a widely-published author in the field of international environmental law. He is a graduate of Harvard University and the University of California, Berkeley Law School. Since 1996, Mr. Magraw has been a member of the board of directors of Thorium Power, Inc., which is now a wholly-owned subsidiary of the Company.
- James Guerra Mr. Guerra became the Chief Financial Officer and Treasurer of the Company on October 29, 2007, and the Chief Operating Officer on November 14, 2008. A seasoned financial executive, Mr. Guerra’s experience encompasses domestic and international markets as well as a diverse range of industries including nuclear energy. Most recently, he served as Vice President of Finance and Chief Financial Officer of Exelon Business Services Company from 2002 to 2007. Exelon Business Services Company is the corporate services and operating company of Exelon, the largest producer of nuclear energy in the United States. From 2000-2002, Mr. Guerra served as Vice President of Business Operations and Controller of Exelon Nuclear. Prior to joining Exelon, Mr. Guerra was Vice President of Finance and Treasurer and Controller of Grupo Dina, the Mexico City-based manufacturer of trucks and the largest producer of motor coaches and bus spare parts in North America. Earlier in his career, Mr. Guerra served in senior financial management positions with AT&T, Citigroup, and Beatrice Companies. Mr. Guerra holds a B.A. in Economics from the University of Notre Dame, an M.M. in Accounting/Finance from the Kellogg School of Management of Northwestern University and is a licensed CPA in the State of Illinois.

Andrey Mushakov Mr. Mushakov became the Executive Vice President – International Nuclear Operations of the Company on July 27, 2006. Mr. Mushakov joined Thorium Power, Inc. in 2000 and has served in various positions of increasing responsibility at the Company. He is the primary liaison between the Company and the Russian nuclear organizations involved in nuclear fuel technology development. In 2004, Mr. Mushakov led successful negotiations with officials from the National Nuclear Security Administration and Oak Ridge National Laboratory (ORNL) that resulted in signing of a government contract between ORNL and Kurchatov Institute for work relating to the Company's nuclear fuel development effort in Russia. His prior experience includes finance-related work in the banking and construction sectors. Mr. Mushakov has the following degrees: PhD in Economics from St. Petersburg State University of Economics and Finance (Russia), MS in Management with excellence (MBA equivalent) from Hult International Business School (formerly the Arthur D. Little School of Management), where he was enrolled as a recipient of the Russian President's Scholarship, and BS in Banking and Finance with honors from the Finance Academy of Russia.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires directors, executive officers and stockholders who own more than ten percent of the outstanding Common Stock of the Company to file with the SEC and NASDAQ reports of ownership and changes in ownership of voting securities of the Company and to furnish copies of such reports to us.

Based solely on a review of the copies of such forms received by the Company, we believe that with respect to the year ended December 31, 2010, the Company's directors, officers and more than ten-percent stockholders timely filed all such required forms except as follows: Seth Grae did not timely file a Form 4 related to the grant of 66,638 options and 22,169 shares of restricted stock on March 11, 2010. James Guerra did not timely file a Form 4 related to the grant of 19,449 options and 6,470 shares of restricted stock on March 11, 2010. Andrey Mushakov did not timely file a Form 4 related to the grant of 8,550 options and 2,844 shares of restricted stock on March 11, 2010. James Guerra did not timely file a Form 4 related to 19,448 shares of stock that were granted to him in payment of his bonus for 2009, on April 8, 2010. Andrey Mushakov did not timely file a Form 4 related to 7,485 shares of stock that were granted to him in payment of his bonus for 2009, on April 8, 2010. Andrey Mushakov did not timely file a Form 4 related to the cashless exercise of 32,035 options that resulted in his purchase of 13,752 shares of stock on July 1, 2010. Jack Ladd did not timely file a Form 4 relating to the issuance of 1,443 and 1,452 shares of common stock on June 18, 2010 and November 30, 2010, respectively. Daniel Magraw did not timely file a Form 4 relating to the issuance of 1,371 and 1,379 shares of common stock on June 18, 2010 and November 30, 2010, respectively.

## **CORPORATE GOVERNANCE**

Our current corporate governance practices and policies are designed to promote stockholder value and we are committed to the highest standards of corporate ethics and diligent compliance with financial accounting and reporting rules. Our Board provides independent leadership in the exercise of its responsibilities. Our management oversees a system of internal controls and compliance with corporate policies and applicable laws and regulations, and our employees operate in a climate of responsibility, candor and integrity.

### **Corporate Governance Guidelines**

We and our Board are committed to high standards of corporate governance as an important component in building and maintaining stockholder value. To this end, we regularly review our corporate governance policies and practices to ensure that they are consistent with the high standards of other companies. We also closely monitor guidance issued or proposed by the SEC and the provisions of the Sarbanes-Oxley Act, as well as the emerging best practices of other companies. The current corporate governance guidelines are available on the Company's website [www.ltbridge.com](http://www.ltbridge.com). Printed copies of our corporate governance guidelines may be obtained, without charge, by contacting the Corporate Secretary, Lightbridge Corporation, 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA.

## **The Board and Committees of the Board**

The Company is governed by the Board that currently consists of five members: Seth Grae, Thomas Graham, Victor Alessi, Jack Ladd and Daniel Magraw. The Board has established four Committees: the Audit Committee, the Compensation Committee, the Nominating and Governance Committee and the Executive Committee. Each of the Audit Committee, Compensation Committee and Nominating and Governance Committee are comprised entirely of independent directors. From time to time, the Board may establish other committees. The Board has adopted a written charter for each of the Committees which are available on the Company's website [www.ltbridge.com](http://www.ltbridge.com). Printed copies of these charters may be obtained, without charge, by contacting the Corporate Secretary, Lightbridge Corporation, 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA.

### **Governance Structure**

The Company has chosen to separate the roles of the Chairman of the Board of Directors and the Chief Executive Officer, though our current Chairman, Thomas Graham, Jr., is a member of the Company's executive management. We have chosen to implement such a governance structure to allow our Chief Executive Officer the ability to focus the majority of his time and efforts on the day to day operations of the Company. We believe that this governance structure has served the Company's shareholders well over the years.

We encourage our shareholders to learn more about our Company's governance practices at our website, [www.ltbridge.com](http://www.ltbridge.com).

### **The Board's Role in Risk Oversight**

The Board oversees that the assets of the Company are properly safeguarded, that the appropriate financial and other controls are maintained, and that the Company's business is conducted wisely and in compliance with applicable laws and regulations and proper governance. Included in these responsibilities is the Board of Directors' oversight of the various risks facing the Company. In this regard, the Board seeks to understand and oversee critical business risks. The Board does not view risk in isolation. Risks are considered in virtually every business decision and as part of the Company's business strategy. The Board recognizes that it is neither possible nor prudent to eliminate all risk. Indeed, purposeful and appropriate risk-taking is essential for the Company to be competitive on a global basis and to achieve its objectives.

While the Board oversees risk management, Company management is charged with managing risk. The Company has robust internal processes and a strong internal control environment to identify and manage risks and to communicate with the Board. The Board and the Audit Committee monitor and evaluate the effectiveness of the internal controls and the risk management program at least annually. Management communicates routinely with the Board, Board Committees and individual Directors on the significant risks identified and how they are being managed. Directors are free to, and indeed often do, communicate directly with senior management.

The Board implements its risk oversight function both as a whole and through Committees. Much of the work is delegated to various Committees, which meet regularly and report back to the full Board. All Committees play significant roles in carrying out the risk oversight function. In particular:

- The Audit Committee oversees risks related to the Company's financial statements, the financial reporting process, accounting and legal matters. The Audit Committee oversees the internal audit function and the Company's ethics programs, including the Codes of Business Conduct. The Audit Committee members meet separately with representatives of the independent auditing firm.
- The Compensation Committee evaluates the risks and rewards associated with the Company's compensation philosophy and programs. The Compensation Committee reviews and approves compensation programs with features that mitigate risk without diminishing the incentive nature of the compensation. Management discusses with the Compensation Committee the procedures that have been put in place to identify and mitigate potential risks in compensation.

## **Independent Directors**

In considering and making decisions as to the independence of each of the directors of the Company, the Board considered transactions and relationships between the Company (and its subsidiaries) and each director (and each member of such director's immediate family and any entity with which the director or family member has an affiliation such that the director or family member may have a material indirect interest in a transaction or relationship with such entity). The Board has determined that the following members of the Board are independent as defined in applicable SEC and NASDAQ rules and regulations, and that each constitutes an "Independent Director" as defined in NASD Marketplace Rule 4200, and that such members constitute a majority of the entire Board: Mr. Alessi, Mr. Ladd and Mr. Magraw.

## **Audit Committee**

Our Audit Committee consists of Messrs. Alessi, Ladd and Magraw, each of whom is "independent" as that term is defined under the Nasdaq listing standards. The Audit Committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. Mr. Ladd serves as our Audit Committee financial expert as that term is defined by the applicable SEC rules. The Audit Committee is responsible for, among other things:

- selecting our independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
- reviewing with our independent auditors any audit problems or difficulties and management's response;
- reviewing and approving all proposed related-party transactions, as defined in Item 404 of Regulation S-K under the Securities Act of 1933, as amended;
- discussing the annual audited financial statements with management and our independent auditors;
- reviewing major issues as to the adequacy of our internal controls and any special audit steps adopted in light of significant internal control deficiencies;
- annually reviewing and reassessing the adequacy of our Audit Committee charter;
- meeting separately and periodically with management and our internal and independent auditors; and
- reporting regularly to the full board of directors; and
- such other matters that are specifically delegated to our Audit Committee by our board of directors from time to time.

All members of the Audit Committee met by telephone or in person 4 times during the fiscal year ended December 31, 2010.

The Report of the Audit Committee regarding the audited financials statements of the Company for the fiscal year ended December 31, 2010 is located on [Appendix A](#) to this Proxy Statement.

## **Compensation Committee**

Our Compensation Committee consists of Messrs. Alessi, Ladd and Magraw, each of whom is "independent" as that term is defined under the Nasdaq listing standards. Our Compensation Committee assists the board in reviewing and approving the compensation structure of our directors and executive officers, including all forms of compensation to be provided to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The Compensation Committee is responsible for, among other things:

- approving and overseeing the compensation package for our executive officers;
- reviewing and making recommendations to the board with respect to the compensation of our directors;

- reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, evaluating the performance of our chief executive officer in light of those goals and objectives, and setting the compensation level of our chief executive officer based on this evaluation; and
- reviewing periodically and making recommendations to the board regarding any long-term incentive compensation or equity plans, programs or similar arrangements, annual bonuses, employee pension and welfare benefit plans.

The Compensation Committee has sole authority to retain and terminate outside counsel, compensation consultants retained to assist the Compensation Committee in determining the compensation of the Chief Executive Officer or senior executive officers, or other experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. The Compensation Committee may also form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Compensation Committee. The Compensation Committee may from time to time seek recommendations from the executive officers of the Company regarding matters under the purview of the Compensation Committee, though the authority to act on such recommendations rests solely with the Compensation Committee.

Our Compensation Committee met 3 times during the fiscal year ended December 31, 2010.

### **Governance and Nominating Committee**

Our Governance and Nominating Committee consists of Messrs. Alessi, Ladd and Magraw, each of whom is “independent” as that term is defined under the Nasdaq listing standards. The Governance and Nominating Committee assists the board of directors in identifying individuals qualified to become our directors and in determining the composition of the board and its committees. The Governance and Nominating Committee is responsible for, among other things:

- identifying and recommending to the board nominees for election or re-election to the board, or for appointment to fill any vacancy;
- reviewing annually with the board the current composition of the board in light of the characteristics of independence, age, skills, experience and availability of service to us;
- identifying and recommending to the board the directors to serve as members of the board’s committees; and
- monitoring compliance with our code of business conduct and ethics.

Our Governance and Nominating Committee met 2 times during the fiscal year ended December 31, 2010.

### **Executive Committee**

Our Executive Committee consists of Messrs. Alessi, Grae and Graham. The Executive Committee of the Company exercises the power of the board of directors between regular meetings of the board of directors and when timing is critical. The Executive Committee also assists the Board in fulfilling its oversight responsibility with respect to management-level staff, outside service providers and third party vendors.

### **Code of Ethics**

The Board has adopted a Code of Conduct and Ethics that applies to the Company’s directors, officers and employees. A copy of this policy is available via our website at [www.ltbridge.com](http://www.ltbridge.com). Printed copies of our Code of Ethics may be obtained, without charge, by contacting the Corporate Secretary, Lightbridge Corporation, 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA. During the fiscal year ended December 31, 2010, there were no waivers of our Code of Ethics.

## Stockholder Communication with the Board of Directors .

Stockholders may communicate with the Board, including non-management directors, by sending a letter to our board of directors, c/o Corporate Secretary, Lightbridge Corporation, 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA for submission to the board or committee or to any specific director to whom the correspondence is directed. Stockholders communicating through this means should include with the correspondence evidence, such as documentation from a brokerage firm, that the sender is a current record or beneficial stockholder of the Company. All communications received as set forth above will be opened by the Corporate Secretary or his designee for the sole purpose of determining whether the contents contain a message to one or more of our directors. Any contents that are not advertising materials, promotions of a product or service, patently offensive materials or matters deemed, using reasonable judgment, inappropriate for the Board will be forwarded promptly to the chairman of the Board, the appropriate committee or the specific director, as applicable.

### EXECUTIVE COMPENSATION

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to the named persons for services rendered in all capacities during the noted periods. No other named executive officers received total annual salary and bonus compensation in excess of \$100,000.

#### Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) <sup>(1)</sup>	Option Awards (\$) <sup>(1)</sup>	All Other Compensation (\$) <sup>(2)</sup>	Total (\$)
Seth Grae CEO, President and Director	2010	397,963	200,141	191,873	519,523	23,233	1,332,733
	2009	380,998	194,500	191,875	576,755	137,143	1,481,271
Thomas Graham, Jr. Chairman <sup>(3)</sup>	2010	177,375	-	-	-	2,180	179,555
	2009	227,794	-	35,000	-	2,139	264,933
James Guerra CFO and COO <sup>(4)</sup>	2010	268,037	134,999	88,750	151,628	24,521	667,935
	2009	262,000	-	187,003	168,292	33,619	650,914

- (1) The valuation of stock-based compensation is based in accordance with FASB Accounting Standards Codification Topic 718 "Compensation- Stock Compensation", which requires the measurement of the cost of employee services received in exchange for an award of an equity instrument on the grant-date fair value of the award.
- (2) The heading "All Other Compensation" includes life insurance, disability insurance, medical and dental insurance, certain travel arrangements, and retroactive salary increases to the prior year's base salary. With respect to Mr. Grae, "All Other Compensation" includes \$99,739 for expenses in connection with his temporary relocation in the first half of 2009 to Abu Dhabi, UAE.
- (3) Though his official title is Chairman of the Board of Directors, Mr. Graham is considered to be an executive officer of the Company.
- (4) Mr. Guerra joined the Company as Chief Financial Officer on October 29, 2007. On November, 14, 2008 Mr. Guerra was also appointed as the Company's Chief Operating Officer.

## Narrative disclosure to summary compensation table

On February 14, 2006, the Company entered into an employment agreement with Seth Grae, wherein the Company agreed to pay to Mr. Grae an annual salary of \$275,000 for performing the duties described in the employment agreement. Mr. Grae is also eligible to receive raises and discretionary bonuses, as well as stock based compensation over the term of the agreement. In addition, the Company agreed to issue to Mr. Grae 166,667 shares of common stock; all 166,667 shares of stock vested immediately on issuance. The Company redeemed 78,966 shares of these shares, for tax withholding to federal and state taxing authorities. Mr. Grae's employment officially commenced on March 17, 2006, the date that the Company obtained D&O liability insurance coverage, and terminates on the fifth anniversary of the date of the agreement. As of January 1, 2008, Mr. Grae's salary was increased to an annual salary of \$341,000 and he received a bonus in the amount of \$137,060 for his services in 2007 which was paid in 2008. As of March 1, 2009, Mr. Grae's salary was increased to an annual salary of \$389,000 and he received a bonus in the amount of \$170,500 for his services in 2008 which was paid in 2009. Prior to his employment agreement, Mr. Grae owned 66,667 shares of the Company's stock which had been awarded by the Company to him for pre-employment consulting services. Prior to his employment agreement Mr. Grae also owned 313,698 shares of Thorium Power, Inc., which pursuant to the merger agreement and the 2009 1:30 reverse split, was converted to 267,980 shares of the Company's stock.

Also on February 14, 2006, the Company entered into an option agreement with Seth Grae, wherein the Company granted to Mr. Grae 240,000 non-qualified stock options, with a term of ten years at an exercise price of \$23.85 per share. Mr. Grae's option vested with respect to 6/48 of the total number of options on the six month anniversary of the option agreement, and the remaining options vested in equal monthly installments of 1/48 the total number of options until all of the options vested.

On October 6, 2006, the Company and Mr. Grae entered into an agreement whereby the parties cancelled an option, held by Mr. Grae, to purchase 150,000 shares of Thorium Power, Inc.'s common stock at an exercise price of \$4.00. In consideration for terminating the options above, the Company then granted to Mr. Grae a non-qualified option for the purchase of 128,139 shares of the common stock of the Company, at an exercise price of \$4.68 per share. The pricing and amount of shares granted to Mr. Grae was determined using the Black-Scholes option pricing model, so that the value of the cancelled and newly granted shares was the same. On July 16, 2010, Mr. Grae exercised these options and as a result of this option exercise, 28,710 shares were issued to the officer and 28,710 shares were purchased from the officer for \$243,552 the fair value of the stock at the date of the option exercise, to cover the income tax obligations resulting from the stock option exercise. This stock purchase was recorded by the Company as treasury stock, which was immediately retired upon purchase.

In December 2006, the Board of Directors granted to Mr. Grae 100,000 shares of the Company's common stock as a year end 2006 bonus. The Company redeemed 40,000 of these shares, for tax withholding to federal and state taxing authorities.

On December 5, 2007, the Compensation Committee of the Board of Directors granted to Mr. Grae 12,104 shares of the Company's common stock as part of its annual equity compensation to employees. The Company redeemed 4,841 of these shares, for tax withholding to federal and state taxing authorities. Additionally on December 5, 2007, the Compensation Committee granted to Mr. Grae two separate incentive stock options to purchase the Company's common stock. The first option is a 10 year option to purchase 36,311 shares of the Company's common stock, which vested in equal monthly installments over a three year period with an exercise price of \$10.50. The second option is an 8 year option to purchase 166,667 shares of the Company's common stock, which vested in equal monthly installments over a two year period with an exercise price of \$13.50.

On July 14, 2009, the Compensation Committee of the Board of Directors granted to Mr. Grae 33,663 shares of the Company's common stock as part of its annual equity compensation to employees, which vest 1/3 on each anniversary of the grant date, over three years. Additionally on July 14, 2009, the Compensation Committee granted to Mr. Grae a non-qualified stock option for the purchase of 112,868 shares of the common stock of the Company, at an exercise price of \$5.70 per share.

On March 11, 2010, the Compensation Committee of the Board of Directors granted to Mr. Grae 22,169 shares of the Company's common stock as part of its annual equity compensation to employees, which vest 1/3 on each anniversary of the grant date, over three years. Additionally on March 11, 2010, the Compensation Committee granted to Mr. Grae a non-qualified stock option for the purchase of 66,638 shares of the common stock of the Company, at an exercise price of \$8.65 per share.

In addition to common shares of the Company's stock held prior to Mr. Grae's employment with the Company, and stock compensation granted to Mr. Grae over the term of his employment, Mr. Grae indirectly owns 3,200 shares of the Company's stock that he purchased in the name of his wife.

On July 27, 2006, the Company granted to Mr. Graham, pursuant to the Company's Second Amended and Restated 2006 Stock Plan, a non-qualified ten-year option for the purchase of 50,000 shares of the common stock of the Company, at an exercise price of \$14.70 per share. Mr. Graham's option vested with respect to 1/36 of the total number of shares on the date of grant, and the remaining shares vested in equal monthly installments of 1/36 the total number of shares until all shares underlying the Option vested

On July 5, 2007, the Company granted to Mr. Graham, pursuant to the Company's Second Amended and Restated 2006 Stock Plan, a non-qualified ten-year option for the purchase of 50,000 shares of the common stock of the Company, at an exercise price of \$8.10 per share. Mr. Graham's option vested with respect to 1/36 of the total number of shares on the date of grant, and the remaining shares vested in equal monthly installments of 1/36 the total number of shares until all shares underlying the Option vested

On December 5, 2007, the Compensation Committee of the Board of Directors granted to Mr. Graham 3,205 shares of the Company's common stock as part of its annual equity compensation to employees. Additionally on December 5, 2007, the Compensation Committee granted to Mr. Graham a 10 year incentive stock option to purchase 9,614 shares of the Company's common stock, which vested in equal monthly installments over a three year period with an exercise price of \$10.50.

On July 22, 2009, the Compensation Committee of the Board of Directors granted to Mr. Graham 5,402 shares of the Company's common stock as part of its annual equity compensation to employees, which vested over one year.

Additionally, Mr. Graham is the beneficial owner of 58,592 shares of common stock which he purchased and holds in street name.

On October 23, 2007, the Company entered into an employment agreement with Mr. Guerra pursuant to which the Company agreed to pay Mr. Guerra an annual salary of \$222,600, as consideration for performance of his duties as Chief Financial Officer, Treasurer and Executive Vice President. In addition, the Company issued to Mr. Guerra, pursuant to the Company's 2006 Stock Plan (i) 33,333 shares of common stock of the Company, which vest in equal monthly installments over a three year term with accelerated vesting upon a change of control, termination of Mr. Guerra by the Company without cause or the cessation of Mr. Guerra's employment with the Company for good reason and (ii) a ten-year non-qualified option for the purchase of 33,333 shares of the common stock of the Company, at an exercise price of \$7.05 per share. The terms of the October 23, 2007 agreement continue to set forth the terms and compensation with regard to Mr. Guerra's employment following the appointment of Mr. Guerra as the Company's Chief Operating Officer on November 14, 2008. In 2009, Mr. Guerra's salary was increased to \$262,000 and that increase was made retroactive to November 14, 2008. On March 17, 2010, Mr. Guerra's salary was increased to \$269,598.

On December 5, 2007, the Compensation Committee of the Board of Directors granted to Mr. Guerra 372 shares of the Company's common stock as part of its annual equity compensation to employees. Additionally on December 5, 2007, the Compensation Committee granted to Mr. Guerra a 10 year incentive stock option to purchase 1,862 shares of the Company's common stock, vesting in equal monthly installments over a three year period with an exercise price of \$10.50.

On July 14, 2009, the Compensation Committee of the Board of Directors granted to Mr. Guerra 9,825 shares of the Company's common stock as part of its annual equity compensation to employees, which vest 1/3 on each anniversary of the grant date, over three years. Additionally on July 14, 2009, the Compensation Committee granted to Mr. Guerra a non-qualified stock option for the purchase of 32,942 shares of the common stock of the Company, at an exercise price of \$5.70 per share.

On March 11, 2010, the Compensation Committee of the Board of Directors granted to Mr. Guerra 6,470 shares of the Company's common stock as part of its annual equity compensation to employees, which vest 1/3 on each anniversary of the grant date, over three years. Additionally on March 11, 2010, the Compensation Committee granted to Mr. Guerra a non-qualified stock option for the purchase of 19,449 shares of the common stock of the Company, at an exercise price of \$8.65 per share.

On April 8, 2010, the Compensation Committee of the Board of Directors granted to Mr. Guerra 19,448 shares of the Company's common stock which Mr. Guerra had agreed to accept as bonus compensation for 2009, in lieu of cash.

Additionally, Mr. Guerra is the beneficial owner of 3,334 shares of common stock which he purchased and holds in street name.

#### **Outstanding Equity Awards at Fiscal Year End**

The following table sets forth all outstanding equity awards to our named executive officers as of December 31, 2010.

Name	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable <sup>(1)</sup>	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)	
Seth Grae, President, CEO and Director	240,000 36,311 166,667 37,623 22,213	— — — 75,245 44,425	— — — — —	\$ 23.85 \$ 10.50 \$ 13.50 \$ 5.70 \$ 8.65	02/14/16 12/05/17 12/05/15 07/14/19 03/11/20	— — — 22,442 14,779	— — — \$ 120,289 \$ 79,215	— — — — —	— — — — —	
Thomas Graham, Chairman and Corporate Secretary	50,000 9,615 50,000	— — —	— — —	\$ 14.70 \$ 10.50 \$ 8.10	07/27/16 12/05/17 07/05/17	— — —	— — —	— — —	— — —	
James Guerra, CFO, COO	30,556 1,863 10,981 6,483	2,778 — 21,961 12,966	— — — —	\$ 7.05 \$ 10.50 \$ 5.70 \$ 8.65	10/29/17 12/05/17 07/14/19 03/11/20	— — 6,550 4,313	— — \$ 35,108 \$ 23,118	— — — —	— — — —	

Narrative to outstanding equity awards table

This information is located in the narrative to the summary compensation table above.

**Director Compensation**

The following table sets forth certain information concerning the compensation paid to our directors for services rendered to us during the fiscal year ending December 31, 2010. Neither Mr. Grae nor Mr. Graham were compensated for their service as directors in 2010.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Total (\$)
Victor Alessi	38,000		-	38,000
Jack Ladd	20,000	20,000	-	40,000
Daniel Magraw	19,000	19,000	-	38,000

(1) Each of Messrs. Alessi, Ladd and Magraw individually had an aggregate of 19,461 option awards outstanding as of December 31, 2010.

Narrative to director compensation table

We currently have three independent directors: Victor Alessi, Jack Ladd and Daniel Magraw. Mr. Alessi became a director of the Company on August 21, 2006. Pursuant to the Independent Director Contract between Mr. Alessi and the Company, Mr. Alessi receives \$38,000 in cash per year for acting as a director of the Company. Messrs. Ladd and Magraw became directors of the Company on October 23, 2006. Pursuant to their respective Independent Director Contracts with the Company, Mr. Ladd receives \$20,000 in cash per year and \$20,000 worth of the Company's common stock per year for serving on the board of directors of the Company. Mr. Magraw receives \$19,000 in cash per year and \$19,000 worth of the Company's common stock per year for serving on the board of directors of the Company.

Additionally, each of Messrs. Alessi, Ladd and Magraw were granted non-qualified options to purchase up to 16,667 shares of the common stock of the Company which vested with respect to 1/36 of the total number of shares on the one month anniversary of the date of grant; the remaining shares subsequently vested 1/36 on the first day of each month thereafter until all options vested

Except for Messrs. Alessi, Ladd and Magraw, all of our current directors are also our officers and are compensated for the services that they provide to us in their capacity as officers. Other than Messrs. Alessi, Ladd and Magraw, our current directors do not receive any additional compensation for the services they provide to us as directors. Directors are reimbursed for out of pocket expenses incurred as a result of their participation on our board.

On December 5, 2007, the Compensation Committee of the Board of Directors granted to each of Messrs. Alessi, Ladd and Magraw 931 shares of the Company's common stock as part of its annual equity compensation to employees. Additionally on December 5, 2007, the Compensation Committee granted to each of Messrs. Alessi, Ladd and Magraw a 10 year incentive stock option to purchase 2,794 shares of the Company's common stock, which vested in equal monthly installments over a three year period with an exercise price of \$10.50.

On July 22, 2009, the Compensation Committee of the Board of Directors granted to each of Messrs. Alessi, Ladd and Magraw 5,402 shares of restricted stock, which vested over one year.

### Changes in Control

There are currently no arrangements which may result in a change in control of the Company.

### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information known to us with respect to the beneficial ownership of our Common Stock as of February 25, 2011 for: (i) each person known by us to beneficially own more than 5% of our voting securities, (ii) each executive officer, (iii) each of our directors and nominees, and (iv) all of our executive officers and directors as a group.

Unless otherwise specified, the address of each of the persons set forth below is in care of Lightbridge Corporation, 1600 Tysons Boulevard, Suite 550, McLean, Virginia, 22102 USA.

Name and Address of Beneficial Owner <sup>(1)</sup>	Title	Amount and Nature of Beneficial Ownership <sup>(1) (2)</sup>	Percent of Common Stock <sup>(3)</sup>
<b>Officers and Directors</b>			
Seth Grae	President, CEO and Director	1,080,166	8.19%
Thomas Graham, Jr.	Chairman	176,814	1.41%
James Guerra	COO and CFO Executive VP – International	119,194	*
Andrey Mushakov	Nuclear Operations	170,853	1.37%
Dan Magraw	Director	54,568	*
Victor Alessi	Director	25,795	*
Jack Ladd	Director	38,885	*
Directors and Officers as a Group (seven people)		1,666,275	12.25%
<b>5% Shareholders</b>			
Seth Grae	President, CEO and Director	1,080,166	8.19%
Austin Marx <sup>(4)</sup>		1,677,938 <sup>(4)</sup>	13.75% <sup>(4)</sup>
David Greenhouse <sup>(4)</sup>		1,677,938 <sup>(4)</sup>	13.75% <sup>(4)</sup>

\* Denotes less than 1% of the outstanding shares of Common Stock.

- (1) The number of shares beneficially owned is determined under SEC rules, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under those rules, beneficial ownership includes any shares as to which the individual has sole or shared voting power or investment power, and also any shares which the individual has the right to acquire within 60 days of the Record Date, through the exercise or conversion of any stock option, convertible security, warrant or other right (a “Presently Exercisable” security). Including those shares in the table does not, however, constitute an admission that the named shareholder is a direct or indirect beneficial owner of those shares.
- (2) Unless otherwise indicated, each person or entity named in the table has sole voting power and investment power (or shares that power with that person’s spouse) with respect to all shares of common stock listed as owned by that person or entity.
- (3) A total of 12,346,147 shares of the Company’s common stock are considered to be outstanding pursuant to Rule 13d-3(d)(1) under the Securities Exchange Act of 1934. For each beneficial owner above, any options exercisable within 60 days have been included in the denominator.
- (4) Austin Marx and David Greenhouse share voting and investment control over all securities owned by Special Situations Fund III QP, L.P (QP), Special Situations Cayman Fund, L.P. (Cayman) and Special Situations Private Equity Fund, LP (PE). QP owns 764,932 shares of the Company’s common stock and warrants to purchase 284, 091 shares of the Company’s common stock. Cayman owns 254,977 shares of the Company’s common stock and warrants to purchase 94,697 shares of the Company’s common stock. PE owns 203,983 shares of the Company’s common stock and warrants to purchase 75,758 shares of the Company’s common stock. All of the warrants owned by QP, Cayman and PE have an exercise price of \$9.00 per share.

**TRANSACTIONS WITH RELATED PERSONS,  
PROMOTERS AND CERTAIN CONTROL PERSONS**

None of our directors, director nominees or executive officers has been involved in any transactions with us or any of our directors, executive officers, affiliates or associates which are required to be disclosed pursuant to the rules and regulations of the SEC.

## PROPOSAL 1

### ELECTION OF DIRECTORS

The Board of Directors is responsible for establishing broad corporate policies and monitoring the overall performance of the Company. It selects the Company's executive officers, delegates authority for the conduct of the Company's day-to-day operations to those officers, and monitors their performance. Members of the Board keep themselves informed of the Company's business by participating in Board and Committee meetings, by reviewing analyses and reports, and through discussions with the Chairman and other officers.

See "Governance and Nominating Committee" above for a discussion of the process for selecting directors.

There are currently five directors serving on the Board. At the Meeting, five directors will be elected. The individuals who have been nominated for election to the Board at the Meeting are listed in the table below. Each of the nominees is a current director of the Company.

If, as a result of circumstances not now known or foreseen, any of the nominees is unavailable to serve as a nominee for director at the time of the Meeting, the holders of the proxies solicited by this Proxy Statement may vote those proxies either (i) for the election of a substitute nominee who will be designated by the proxy holders or by the present Board or (ii) for the balance of the nominees, leaving a vacancy. Alternatively, the size of the Board may be reduced accordingly. The Board has no reason to believe that any of the nominees will be unwilling or unable to serve, if elected as a Director. The five nominees for election as directors are uncontested. In uncontested elections, directors are elected by plurality of the votes cast at the meeting. **Proxies submitted on the accompanying proxy card will be voted for the election of the nominees listed below, unless the proxy card is marked otherwise .**

**The Board of Directors recommends a vote FOR the election of the nominees listed below.**

#### NOMINEES

The names, the positions with the Company and the ages as of the Record Date of the individuals who are our nominees for election as directors are:

Name	Age	Position with the Company	Term as Director of Company
Seth Grae	48	President, CEO and Director	April 2006 – Present
Thomas Graham, Jr.	77	Chairman and Corporate Secretary	April 2006 – Present
Victor E. Alessi	71	Director	August 2006 – Present
Jack. D. Ladd	61	Director	October 2006 – Present
Daniel B. Magraw	64	Director	October 2006 – Present

#### Director Qualifications

Directors are responsible for overseeing the Company's business consistent with their fiduciary duty to shareowners. This significant responsibility requires highly-skilled individuals with various qualities, attributes and professional experience. The Board believes that there are general requirements for service on the Company's Board of Directors that are applicable to all Directors and that there are other skills and experience that should be represented on the Board as a whole but not necessarily by each Director. The Board and the Governance and Nominating Committee of the Board consider the qualifications of Directors and Director candidates individually and in the broader context of the Board's overall composition and the Company's current and future needs.

#### *Qualifications for All Directors*

In its assessment of each potential candidate, including those recommended by shareowners, the Governance and Nominating Committee considers the nominee's judgment, integrity, experience, independence, understanding of the Company's business or other related industries and such other factors the Governance and Nominating Committee determines are pertinent in light of the current needs of the Board. The Governance and Nominating Committee also takes into account the ability of a Director to devote the time and effort necessary to fulfill his or her responsibilities to the Company.

The Board and the Governance and Nominating Committee require that each Director be a recognized person of high integrity with a proven record of success in his or her field. Each Director must demonstrate innovative thinking, familiarity with and respect for corporate governance requirements and practices, an appreciation of multiple cultures and a commitment to sustainability and to dealing responsibly with social issues. In addition to the qualifications required of all Directors, the Board assesses intangible qualities including the individual's ability to ask difficult questions and, simultaneously, to work collegially.

The Board does not have a specific diversity policy, but considers diversity of race, ethnicity, gender, age, cultural background and professional experiences in evaluating candidates for Board membership. Diversity is important because a variety of points of view contribute to a more effective decision-making process.

### ***Qualifications, Attributes, Skills and Experience to be Represented on the Board as a Whole***

The Board has identified particular qualifications, attributes, skills and experience that are important to be represented on the Board as a whole, in light of the Company's current needs and business priorities. The Company's services are performed in various countries around the world and significant areas of future growth are located outside of the United States. The Company's business is truly global and multicultural. Therefore, the Board believes that international experience or specific knowledge of key geographic growth areas and diversity of professional experiences should be represented on the Board. The Company's business is multifaceted and involves complex financial transactions in various countries. Therefore, the Board believes that the Board should include some Directors with a high level of financial literacy and some Directors who possess relevant business experience as a Chief Executive Officer or President. Our business involves complex technologies in a highly specialized industry. Therefore, the Board believes that extensive knowledge of the Company's business and the nuclear industry should be represented on the Board. The Company's business also requires compliance with a variety of regulatory requirements across a number of countries and relationships with various governmental entities. Therefore, the Board believes that governmental, political or diplomatic expertise should be represented on the Board.

### ***Summary of Qualifications of 2011 Nominees for Director***

Set forth below is a narrative disclosure that summarizes some of the specific qualifications, attributes, skills and experiences of our directors.

#### **Seth Grae**

Mr. Grae was named the Chief Executive Officer and President of the Company on March 17, 2006, and effective April 2, 2006, became a director of the Company. Seth Grae has led the development and implementation of Lightbridge's business efforts to develop and deploy nuclear fuel technologies that enhance proliferation resistance and reduce waste, and to provide comprehensive advisory services based on non-proliferation, safety, and transparency for emerging commercial nuclear power programs.

Mr. Grae is a member of the Civil Nuclear Trade Advisory Committee to the U.S. Secretary of Commerce and he is a member of the Bulletin of the Atomic Scientists' Governing Board. He is also a member of the Nuclear Energy Institute's Trade Advocacy Task Force. Mr. Grae has served as co-chair of the American Bar Association's Arms Control and Disarmament Committee and as a member of the Board of Directors of the Lawyers Alliance for World Security. He reviews the work of the Company's principal financial and accounting officers on significant matters related to the Company's financial position and results of operations, and the presentation of its financial statements.

#### **Thomas Graham, Jr.**

Ambassador Graham became a director of the Company on April 2, 2006, and chairman of the board of directors on April 4, 2006. He is one of the world's leading experts in nuclear non-proliferation and has recently been appointed as an advisor to the International Advisory Board for the UAE Nuclear Program. Ambassador Graham has served as a senior U.S. diplomat involved in the negotiation of every major international arms control and non-proliferation agreement during the period from 1970 to 1997. Ambassador Graham is the Chairman of the Board of Mexico Energy Corporation, an oil and gas exploration company (NYSE Amex: MXC), and also served as the Chairman of the Board of the Cypress Fund for Peace and Security from 2005 to 2011. He is a member of the Kentucky, the District of Columbia and the New York Bars and is a member of the Council on Foreign Relations. He chaired the Committee on Arms Control and Disarmament of the American Bar Association from 1986-1994.

### Victor E. Alessi

Dr. Alessi became a director of the Company on August 23, 2006. Dr. Alessi holds a Ph.D. in nuclear physics and is President Emeritus of the United States Industry Coalition (“USIC”), an organization dedicated to facilitating the commercialization of technologies of the New Independent States (“NIS”) of the former Soviet Union through cooperation with its members. Victor Alessi served as President and CEO of USIC from 1999 to 2006, focusing on commercializing technologies developed in nuclear institutes in the former Soviet Union and companies in the United States to prevent the spread of nuclear weapons. Coinciding with his tenure at USIC, Dr. Alessi also served the U.S. Representative on the Governing Board of the International Science and Technology Center in Moscow since its founding in 1992 until 2011. Earlier, Dr. Alessi served as Director of the Office of Arms Control and Non-proliferation at the Department of Energy (“DOE”), where he oversaw all arms control and non-proliferation activities during the administration of President George H.W. Bush. As a senior DOE official, he played an instrumental role in implementing the U.S. unilateral nuclear initiative in 1991.

### Jack D. Ladd

Mr. Ladd became a director of the Company on October 23, 2006. Mr. Ladd has almost three decades of experience in public affairs, law, governance, and public service. Mr. Ladd is the Director of the John Ben Shepperd Leadership Institute of the University of Texas, Permian Basin. He is also the Chairman of the Texas State Securities Board. As a practicing attorney for 28 years, he has served on numerous civic, educational, religious and governmental boards and committees. As Audit Committee Chairman he reviews the work of the Company’s principal financial and accounting officers on significant matters related to the Company’s financial position and results of operations, and the presentation of its financial statements.

### Daniel B. Magraw

Mr. Magraw became a director of the Company on October 23, 2006, and is a leading expert on international environmental law and policy. Mr. Magraw is President Emeritus and Distinguished Scholar of the Center for International Environmental Law (CIEL). Mr. Magraw served as the President and CEO of CIEL from 2002-2010. From 1992-2001, he was Director of the International Environmental Law Office of the U.S. Environmental Protection Agency. He is a member of the Trade and Environment Policy Advisory Committee to the Office of the U.S. Trade Representative, a former member of the U.S. Department of State Study Group on International Business Transactions and was Chair of the 15,000-member Section of International Law and Practice of the American Bar Association. Mr. Magraw is a widely-published author in the field of international environmental law.

### **General Information**

For information as to the shares of the Common Stock held by each nominee, see “Security Ownership of Certain Beneficial Owners and Management,” above.

See “Directors and Executive Officers” above for biographical summaries for each of our director nominees.

All directors will hold office for the terms indicated, or until their earlier death, resignation, removal or disqualification, and until their respective successors are duly elected and qualified. There are no arrangements or understandings between any of the nominees, directors or executive officers and any other person pursuant to which any of our nominees, directors or executive officers have been selected for their respective positions. No nominee, member of the Board of Directors or executive officer is related to any other nominee, member of the Board of Directors or executive officer.

For information as to the shares of the Common Stock held by each nominee, see “Security Ownership of Certain Beneficial Owners and Management,” above.

See “Directors and Executive Officers” above for biographical summaries for each of our director nominees.

## PROPOSAL 2

### RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS

The Audit Committee has selected Child, Van Wagoner & Bradshaw PLLC (“Child Van Wagoner”) to serve as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2011. Child Van Wagoner was the Company’s independent registered public accounting firm for the fiscal years ending December 31, 2010, 2009, 2008, 2007 and 2006.

We are asking our stockholders to ratify the selection of Child Van Wagoner as our independent registered public accounting firm. Although ratification is not required by our bylaws or otherwise, the Board is submitting the selection of Child Van Wagoner to our stockholders for ratification as a matter of good corporate practice. In the event our stockholders fail to ratify the appointment, the Audit Committee may reconsider this appointment.

The Company has been advised by Child Van Wagoner that neither the firm nor any of its associates had any relationship with the Company other than the usual relationship that exists between independent registered public accountant firms and their clients during the last fiscal year. Representatives of Child Van Wagoner will be available via teleconference during the Meeting, at which time they may make any statement they consider appropriate and will respond to appropriate questions raised at the Meeting.

#### Independent Registered Public Accounting Firm’s Fees

The following are the fees billed to us by Child Van Wagoner during fiscal years ended December 31, 2009 and 2008:

	2010	2009
Audit Fees	\$ 55,226	\$ 53,500
Audit Related Fees	-	3,373
Tax Fees	-	-
All Other Fees	8,182	-
<b>Total</b>	<b>\$ 63,408</b>	<b>\$ 56,873</b>

*Audit Fees* consist of the aggregate fees billed for professional services rendered for the audit of our annual financial statements and the reviews of the financial statements included in our Forms 10-Q and for any other services that were normally provided by Child Van Wagoner, respectively, in connection with our statutory and regulatory filings or engagements.

*Audit Related Fees* consist of the aggregate fees billed for professional services rendered for assurance and related services that were reasonably related to the performance of the audit or review of our financial statements and were not otherwise included in Audit Fees.

*Tax Fees* consist of the aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning. Included in such Tax Fees were fees for preparation of our tax returns and consultancy and advice on other tax planning matters.

*All Other Fees* consist of the aggregate fees billed for products and services provided by Child Van Wagoner and not otherwise included in Audit Fees, Audit Related Fees or Tax Fees. Included in such Other Fees were fees for services rendered by Child Van Wagoner in connection with our private and public offerings conducted during such periods.

Our Audit Committee has considered whether the provision of the non-audit services described above is compatible with maintaining auditor independence and determined that such services are appropriate. Before auditors are engaged to provide us audit or non-audit services, such engagement is (without exception, required to be) approved by the Audit Committee of our Board of Directors.

#### Pre-Approval Policies and Procedures

Under the Sarbanes-Oxley Act of 2002, all audit and non-audit services performed by our auditors must be approved in advance by our Board to assure that such services do not impair the auditors’ independence from us. In accordance with its policies and procedures, our Board pre-approved the audit service performed by Child Van Wagoner for our consolidated financial statements as of and for the year ended December 31, 2011.

**The Board of Directors recommends a vote FOR ratification of the selection of Child Van Wagoner & Bradshaw PLLC as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011.**

## PROPOSAL 3

### ADVISORY VOTE ON EXECUTIVE COMPENSATION

The recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to vote to approve, on an advisory (nonbinding) basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules.

Our executive compensation programs are designed to attract, motivate, and retain our named executive officers, who are critical to our success. Under these programs, our named executive officers are rewarded for the achievement of specific annual, long-term and strategic goals, business unit goals, corporate goals, and the realization of increased stockholder value.

Our Compensation Committee continually reviews the compensation programs for our named executive officers to ensure they achieve the desired goals of aligning our executive compensation structure with our stockholders' interests and current market practices. We are asking our stockholders to indicate their support for our named executive officer compensation as described in this proxy statement. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this proxy statement. Accordingly, we will ask our stockholders to vote for the approval of the compensation of the named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission.

The say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or our Board of Directors. Our Board of Directors and our Compensation Committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, they will consider our stockholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

**The Board of Directors recommends a vote FOR the approval of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission.**

## **PROPOSAL 4**

### **ADVISORY VOTE ON THE FREQUENCY OF AN ADVISORY VOTE ON EXECUTIVE COMPENSATION**

The Dodd-Frank Act also enables our stockholders to indicate how frequently we should seek an advisory vote on the compensation of our named executive officers, as disclosed pursuant to the SEC's compensation disclosure rules, such as Proposal No. 3 above. By voting on this Proposal No. 4, stockholders may indicate whether they would prefer an advisory vote on named executive officer compensation once every one, two, or three years.

The Board has not made a recommendation on the frequency of holding an advisory vote on executive compensation. Stockholders may vote for having an advisory vote every year, every two years, or every three years, or they may abstain from voting on this proposal.

The option of one year, two years or three years that receives the highest number of votes cast by stockholders will be the frequency for the advisory vote on executive compensation that has been selected by stockholders. However, because this vote is advisory and not binding on the Board of Directors or the Company in any way, the Board may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by our stockholders.

## STOCKHOLDER PROPOSALS FOR THE 2011 ANNUAL MEETING

If you wish to have a proposal included in our proxy statement for next year's annual meeting in accordance with Rule 14a-8 under the Exchange Act, your proposal must be received by the Corporate Secretary of Lightbridge Corporation at 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA, no later than the close of business on December 31, 2011. A proposal which is received after that date or which otherwise fails to meet the requirements for stockholder proposals established by the SEC will not be included. The submission of a stockholder proposal does not guarantee that it will be included in the proxy statement.

### ANNUAL REPORT ON FORM 10-K

We will provide without charge to each person solicited by this Proxy Statement, on the written request of such person, a copy of our Annual Report on Form 10-K, including the financial statements and financial statement schedules, as filed with the SEC for our most recent fiscal year. Such written requests should be directed to Lightbridge Corporation, c/o Corporate Secretary, 1600 Tysons Boulevard, Suite 550, McLean, Virginia 22102 USA. A copy of our Annual Report on Form 10-K is also made available on our website after it is filed with the SEC.

### OTHER MATTERS

As of the date of this Proxy Statement, the Board of Directors has no knowledge of any business which will be presented for consideration at the Meeting other than the election of directors and the ratification of the appointment of the accountants of the Company. Should any other matters be properly presented, it is intended that the enclosed proxy card will be voted in accordance with the best judgment of the persons voting the proxies.

February 28, 2011

By Order of the Board of Directors

/s/ Thomas Graham  
Thomas Graham, Jr.  
Chairman and Corporate Secretary

## APPENDIX A

### REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Board is comprised of three non-employee Directors, each of whom has been determined by the Board to be “independent” under the meaning of Rule 10A-3(b)(1) under the Exchange Act. The Board has determined, based upon an interview of Jack D. Ladd and a review of Mr. Ladd’s responses to a questionnaire designed to elicit information regarding his experience in accounting and financial matters, that Mr. Ladd shall be designated as an “Audit Committee financial expert” within the meaning of Item 401(e) of SEC Regulation S-K, as Mr. Ladd has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in his financial sophistication. The Audit Committee assists the Board’s oversight of the integrity of the Company’s financial reports, compliance with legal and regulatory requirements, the qualifications and independence of the Company’s independent registered public accounting firm, the audit process, and internal controls. The Audit Committee operates pursuant to a written charter adopted by the Board. The Audit Committee is responsible for overseeing the corporate accounting and financing reporting practices, recommending the selection of the Company’s registered public accounting firm, reviewing the extent of non-audit services to be performed by the auditors, and reviewing the disclosures made in the Company’s periodic financial reports. The Audit Committee also reviews and recommends to the Board that the audited financial statements be included in the Company’s Annual Report on Form 10-K.

Following the end of the fiscal year ended December 31, 2010, the Audit Committee (1) reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2010 with Company management; (2) discussed with the independent auditors the matters required to be discussed by SAS 61 (Codification of Statements on Auditing Standards), as may be modified or supplemented; and (3) received the written disclosures and the letter from the independent accountants required by Independence Standards Board Standard No. 1 (Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees), as may be modified or supplemented, and has discussed with the independent accountant its independence.

Based on the review and discussions referred to above, the Audit Committee had recommended to the Board of Directors that the audited financial statements be included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2010 for filing with the SEC.

/s/ The Audit Committee

*Jack D. Ladd*

*Victor E. Alessi*

*Daniel B. Magraw*

---

**LIGHTBRIDGE CORPORATION  
ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON APRIL 15, 2011**

**This Proxy is Solicited on Behalf of the Board of Directors**

The undersigned stockholder of Lightbridge Corporation, a Nevada corporation (the "Company"), acknowledges receipt of the Notice of Annual Meeting of Stockholders and Proxy Statement, dated February 28, 2011, and hereby constitutes and appoints Seth Grae and Thomas Graham, Jr., or either of them acting singly in the absence of the other, with full power of substitution in either of them, the proxies of the undersigned to vote with the same force and effect as the undersigned all shares of the Company's Common Stock which the undersigned is entitled to vote at the 2011 Annual Meeting of Stockholders to be held on April 15, 2011, and at any adjournment or adjournments thereof, hereby revoking any proxy or proxies heretofore given and ratifying and confirming all that said proxies may do or cause to be done by virtue thereof with respect to the following matters:

The undersigned hereby instructs said proxies or their substitutes:

1. Elect as Directors the nominees listed below:

Seth Grae  
Thomas Graham, Jr.  
Victor E. Alessi  
Jack D. Ladd  
Daniel B. Magraw

Withhold authority for the following:

Seth Grae  
 Thomas Graham, Jr.  
 Victor E. Alessi  
 Jack D. Ladd  
 Daniel B. Magraw

2. Approve the ratification of Child, Van Wagoner & Bradshaw PLLC as the Company's accountant for fiscal year 2011.

**FOR**  **AGAINST**  **ABSTAIN**

3. Advisory vote for the approval of the Company's executive compensation.

**FOR**  **AGAINST**  **ABSTAIN**

4. Advisory vote on the frequency of holding an advisory vote to approve the Company's executive compensation.

**ONE YEAR**   
**TWO YEARS**   
**THREE YEARS**   
**ABSTAIN**

5. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Meeting, and any adjournment or adjournments thereof.
-

**THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED; IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR ALL NOMINEES, FOR THE RATIFICATION OF THE SELECTION OF CHILD, VAN WAGONER & BRADSHAW PLLC, AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS, AND FOR THE APPROVAL OF THE COMPANY'S EXECUTIVE COMPENSATION. IN THEIR DIRECTION, THE PROXIES ARE ALSO AUTHORIZED TO VOTE UPON SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING, INCLUDING THE ELECTION OF ANY PERSON TO THE BOARD OF DIRECTORS WHERE A NOMINEE NAMED IN THE PROXY STATEMENT DATED FEBRUARY 28, 2011 IS UNABLE TO SERVE OR WILL NOT SERVE.**

I (we) acknowledge receipt of the Notice of Annual Meeting of Stockholders and the Proxy Statement dated February 28, 2011, and the 2010 Annual Report to Stockholders and ratify all that the proxies, or either of them, or their substitutes may lawfully do or cause to be done by virtue hereof and revoke all former proxies.

**Please sign, date and mail this proxy immediately in the enclosed envelope.**

Name \_\_\_\_\_

Name *(if joint)* \_\_\_\_\_

Date \_\_\_\_\_, 2011

Please sign your name exactly as it appears hereon. When signing as attorney, executor, administrator, trustee or guardian, please give your full title as it appears hereon. When signing as joint tenants, all parties in the joint tenancy must sign. When a proxy is given by a corporation, it should be signed by an authorized officer and the corporate seal affixed. No postage is required if returned in the enclosed envelope.

---