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ACADEMY EXPLORATIONS LIMITED

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD ON
SEPTEMBER 5, 2018**

- AND -

MANAGEMENT INFORMATION CIRCULAR

ACADEMY EXPLORATIONS LIMITED

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the annual general and special meeting (the "**Meeting**") of shareholders (the "**Shareholders**") of Academy Explorations Limited (the "**Company**") will be held at 1 Adelaide St. East, Suite 801, Toronto, Ontario on September 5, 2018 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited annual financial statements of the Company for the years ended April 30, 2017 and 2018, together with the report of the auditor thereon;
2. to re-appoint Zeifmans LLP as auditor of the Company for the ensuing year and to authorize the board of directors of the Company (the "**Board**") to fix the auditor's remuneration;
3. to fix the number of directors at three (3);
4. to elect an interim Board that will hold office until the completion of the proposed reverse takeover of the Company by Dixie Brands, Inc. ("**Dixie**"), whereby the Company will acquire from Dixie 100% of the issued and outstanding securities of Dixie (the "**RTO**");
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to repeal all previous By-Laws of the Company and to replace it in its entirety with the new By-Law No. 1;
6. to consider and, if deemed advisable, to pass, with or without variation, a special resolution empowering the Board to determine from time to time the number of directors within the minimum and maximum numbers provided in the articles of the Company;
7. subject to completion of the RTO, to fix the number of directors at seven (7);
8. subject to completion of the RTO, to elect a new Board to hold office following the RTO;
9. subject to completion of the RTO, to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing and approving the consolidation of the issued and outstanding common shares in the capital of the Company ("**Common Shares**") on the basis of one (1) post-consolidation Common Share for a minimum of every existing three (3) pre-consolidation Common Shares and a maximum of eight (8) pre-consolidation Common Shares issued and outstanding immediately prior to the consolidation;
10. subject to completion of the RTO, to consider and, if deemed advisable, to pass, with or without variation, a special resolution approving a change in the name of the Company to "Dixie Brands Inc." or such other name as is directed by Dixie;
11. subject to completion of the RTO, to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution confirming and approving the stock option plan of the Company;
12. subject to completion of the RTO, to consider and, if thought advisable, to pass, with or without variation, a special resolution approving the amendment to the current Articles of Incorporation of the Company to (i) create a new class of "Non-Participating Voting Shares"; (ii) to amend the terms of and re-designate the existing common shares as "Subordinate Voting Shares"; and (iii) to eliminate the existing non-voting special shares (the "**Articles of Amendment Resolution**");
13. subject to completion of the RTO, to appoint a new auditor chosen by Dixie; and
14. to transact such other business as may be properly brought before the Meeting or any adjournment(s) thereof.

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the accompanying Management Information Circular of the Company dated August 7, 2018 (the "**Information Circular**").

Registered holders of Common Shares have the right to dissent with respect to the Articles of Amendment Resolution if the Articles of Amendment Resolution becomes effective and to be paid the fair value of their Common Shares in accordance with Section 185 of *Business Corporations Act* (Ontario) (the "**OBCA**"). A registered shareholder's right to dissent is more particularly described in Schedule "A" attached to the Information Circular, which sets forth the complete text of Section 185 of the OCBA. A dissenting shareholder must deliver to the Company at the Company's head office at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9, Attention: CEO, a written objection to the Articles of Amendment Resolution, at or prior to the Meeting or any adjournment thereof in order to be effective.

Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting must complete, date and execute the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the voting instruction form and in the Information Circular to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are not a registered shareholder.

DATED at Toronto, Ontario, August 7, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ "Binyomin Posen"

**Binyomin Posen
Chief Executive Officer and Director**

MANAGEMENT INFORMATION CIRCULAR

as at August 7, 2018

This Management Information Circular (the "Information Circular") is furnished in connection with the solicitation of proxies by the management of Academy Explorations Limited (the "Company") for use at the annual general and special meeting (the "Meeting") of its shareholders to be held on September 5, 2018 at the time and place and for the purposes set forth in the accompanying notice of the meeting ("Notice of Meeting").

In this Information Circular, references to "the Company", "we" and "our" refer to Academy Explorations Limited "Common Shares" means common shares without par value in the capital of the Company, "Beneficial Shareholders" means shareholders who do not hold Common Shares in their own name, and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

The Company will not be sending proxy-related materials to registered holders or beneficial owners using notice-and-access.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy (and striking out the names now designated) or by completing and delivering another suitable form of proxy.** For instructions regarding the delivery of instruments of proxy, see below under the heading "Registered Shareholders".

Voting by Proxyholders

The persons named in the Proxy will vote or withhold from voting the common shares in the capital of the Company ("**Common Shares**") represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein, and
- (iii) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy FOR the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.

Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Heritage Transfer Agency Inc. ("**Heritage**") at 10 a.m. at least 48 hours prior to the time of the Meeting.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The voting instruction form ("**VIF**") supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the VIF provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it by:

- (i) executing a proxy bearing a later date or by executing an instrument or act in writing, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Heritage at 80 Richmond St W #501, Toronto, ON, M5H 2A4, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (ii) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting at the close of business on August 14, 2018 (the "**Record Date**"). Shareholders of the Company of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date.

The quorum for the transaction of business at a meeting of shareholders is two person present in person or by proxy and each entitled to vote thereat.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or senior officer of the Company or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The voting securities of the Company consist of Common Shares. The Company is authorized to issue an unlimited number of Common Shares. As of August 7, 2018, being the effective date of this Information Circular (the "**Effective Date**"), 26,567,234 Common Shares were issued and outstanding, each such share carrying the right to one (1) vote at the Meeting.

Other than as disclosed below, as at the Effective Date, to the knowledge of the Company, and based on the Company's review of the records maintained by Heritage, electronic filings with System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of any class of voting securities of the Company, on a non-diluted basis.

Name	Aggregate Number of Common Shares	Percentage of Outstanding Common Shares
Shimcity Inc.	4,100,768	15.44%

VOTES NECESSARY TO PASS RESOLUTIONS

To approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "ordinary resolution") unless the motion requires a "special resolution" in which case a majority of 66 2/3% of the votes cast will be required. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the Ontario Securities Commission are specifically incorporated by reference into, and form an integral part of, this Information Circular: April 30, 2018 year-end financial statements, report of the auditor thereon and related management discussion and analyses. Copies of documents incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company. These documents are also available through the internet on SEDAR, which can be accessed at www.sedar.com.

CURRENCY

In this Information Circular, unless otherwise indicated, all references to "CAD\$" or "\$" refer to Canadian dollars.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

The Board is currently composed of three (3) directors: Binyomin Posen, Sruli Weinreb and Barry Polisuk.

NI 58-201 suggests that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors, within the meaning set out under National Instrument 52-110 *Audit Committees* ("NI 52-110"), which provides that a director is independent if he or she has no direct or indirect

"material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

Of the current directors, only Binyomin Posen is a current executive officer and is therefore not considered to be "independent". In assessing NI 58-101 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors. The remaining directors, Sruli Weinreb and Barry Polisuk are considered to be independent directors since they are independent of management and free from any material relationship with the Company.

The Board has a majority of independent directors. It also takes the following additional steps to facilitate its independence:

1. On matters involving discussion of management compensation, the independent directors will meet as a separate committee to enhance open discussion.
2. On operational matters of the Company involving the performance of its Chief Executive Officer, the remaining directors will meet independently.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of his or her interest to the meeting and abstain from voting on or against the approval of such participation.

Directorships

The directors and nominees for directors of the Company who currently hold directorships in other reporting issuers are: (a) Barry Polisuk, who is presently a director of Nurcapital Corporation Ltd., Applied Inventions Management Corp., and Canntab Therapeutics Limited ; (b) Binyomin Posen, who is presently a director of Agau Resources, Inc., Senternet Phi Gamma Inc., and Tova Ventures II Inc.; and (c) Sruli Weinreb, who is presently a director of Adent Capital Corp., Capricorn Business Acquisitions Inc., Senternet Phi Gamma Inc. and Findev Inc.

Orientation and Continuing Education

New board members receive an orientation package, which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's facilities and are combined with tours and presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

Ethical Business Conduct

The Board has not adopted specific guidelines. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Company proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation Committee

The compensation committee is appointed by the Board (the "**Compensation Committee**"), and meets at least annually to establish, administer and evaluate the compensation philosophy, policies and plans for non-employee directors and executive officers, to provide guidance to the Company on corporate governance matters, to make recommendations to the Board regarding director and executive compensation and to review the performance and determine the compensation of the Chief Executive Officer, based on criteria including the Company's performance and accomplishment of long-term strategic objectives, each individual corporate officer's performance and comparable compensation paid to similarly-situated officers in comparable companies. The compensation Committee is presently constituted by the entire Board. Each member of the Compensation Committee has relevant experience serving on the board of directors of public and private companies, which assists them in administering the compensation objectives of the Company.

The Company has no committees other than the Audit Committee (as defined below) and Compensation Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

Audit Committee Disclosure

Pursuant to NI 52-110, the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

Audit Committee's Charter

The Board is responsible for reviewing and approving the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. The audit committee of the Company (the "**Audit Committee**") assists the Board in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process, the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Company. The Audit Committee reports its findings to the Board for its consideration in approving the unaudited interim financial statements, and the annual audited financial statements, together with other financial information of the Company for issuance to the shareholders.

Pursuant to NI 52-110, the Audit Committee is required to have a charter. A copy of the Company's Audit Committee Charter is annexed hereto as Schedule "B" to this Information Circular.

Composition of the Audit Committee

The following are the members of the Audit Committee:

<u>Name</u>	<u>Independence</u> ⁽¹⁾	<u>Financial Literacy</u> ⁽²⁾
Binyomin Posen	Not independent	Financially literate
Barry Polisuk	Independent	Financially literate
Sruli Weinreb	Independent	Financially literate

Notes:

1. Within the meaning of subsection 6.1.1(3) of NI 52-110, which requires a majority of the members of an audit committee of a venture issuer not to be executive officers, employees or control persons of the venture issuer or of an affiliate of the venture issuer.
2. Within the meaning of subsection 1.6 of NI 52-110.

Relevant Education and Experience

Sruli Weinreb – Mr. Weinreb is the founder and managing partner of Plaza Capital, where he supports many North American early stage growth companies with strategic debt placements and equity investments. He is also the Chief Executive Officer of Lake Central Air Services Inc., the world's leading modification and integration partner for the airborne geophysical survey industry. Before founding Plaza Capital in 2013, Mr. Sruli Weinreb was the CEO of eMobile Inc., a telecom arbitrage company with a specialization in international roaming which he co-founded in 2008. His entry into tech investments and finance was preceded by an extended period of academic immersion with a concentration in Judaic Theology. He received his doctorate ordination in Jerusalem in 2005 and worked in community outreach in Houston, TX, between 2005 and 2008. Mr. Weinreb is currently a director of Agau Resources Inc., Senternet Phi Gamma Inc. and Capricorn Business Acquisitions Inc.

Barry Polisuk – Mr. Polisuk is a senior partner at the law firm of Garfinkle Biderman LLP. He is a corporate and commercial lawyer, focused on financings, corporate and commercial work, including securities. He acts for public and private companies, securities dealers and financial institutions on a number of public and private financings and commercial transactions. He was called to the Ontario bar in 1988. Mr. Polisuk holds a LL.B cum laude and a Quebec Civil Law Degree, both from the University of Ottawa and a B.A in Political Science from McGill University.

Binyomin Posen – Mr. Posen is a Senior Analyst at Plaza Capital, where he focuses on corporate finance, capital markets and helping companies go public. After three and a half years of studies overseas, he returned to complete his baccalaureate degree in Toronto. Upon graduating (on the Dean's List) he began his career as an analyst at a Toronto boutique investment bank where his role consisted of raising funds for IPOs and RTOs, business development for portfolio companies and client relations.

Audit Committee Oversight

At no time since the commencement of the Company's fiscal year ended April 30, 2018 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Other than as disclosed below, at no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption from the provisions of NI 52-110. However, the Company is relying upon the exemption in Section 6.1 of NI 52-110, the exemption for venture issuers in relation to the requirement that every audit committee member be independent.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

Aggregate fees paid to the Auditor during the fiscal periods indicated were as follows:

	As At April 30, 2018	Fiscal year ended April 30, 2017
Audit Fees	\$4,000 accrual	\$5,763
Audit-related Fees ⁽¹⁾	Nil	Nil
Tax Fees ⁽²⁾	Nil	Nil
All Other Fees ⁽³⁾	Nil	Nil
Total	\$4,000	\$5,763

Notes:

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other row, including fees related to the review of the Company's Management Discussion & Analyses.

STATEMENT OF EXECUTIVE COMPENSATION

Summary Compensation Table for Named Executive Officers

The following table provides a summary of total compensation earned during the fiscal year ended April 30, 2017 and April 30, 2018 by the Company's Chief Executive Officer and Chief Financial Officer, the most highly compensated executive officer of the Company who was serving as such as at the end of the applicable fiscal year and whose total compensation was more than \$150,000 (the "**Other Executive Officer**"), if any, and each other individual who would have been an Other Executive Officer but for the fact that such individual was neither serving as an executive officer, nor acting in a similar capacity, as at the end of the applicable fiscal year, for services rendered in all capacities during such period (collectively, the "**Named Executive Officers**"). The sole Named Executive Officer of the Company for the purposes of this Information Circular is Paul Appleby. The Company does not have any pension plans or incentive plans (whether equity or non-equity based).

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)

		(\$)					
Paul Appleby ⁽¹⁾	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes

1. Mr. Appleby also served as a Director during the years ended April 30, 2017 and 2018, and his compensation in such role is disclosed in the table titled "Individual Director Compensation" below.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any Named Executive Officer by the Company or its subsidiaries during the financial years ended April 30, 2017 or April 30, 2018 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Exercise of Compensation Securities by Named Executive Officers

There were no options exercised by a Named Executive Officer during the financial years ended April 30, 2017 and 2018.

Compensation of Directors

Individual Director Compensation

The following table provides a summary of all amounts of compensation provided to the directors of the Company during the financial years ended April 30, 2017 and 2018.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation⁽¹⁾	Total compensation (\$)
		(\$)				(\$)	
Rae Appleby, President and Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Paul Appleby, President, Secretary and Director	2018	\$24,000	Nil	Nil	Nil	Nil	\$24,000
	2017	\$24,000	Nil	Nil	Nil	Nil	\$24,000
Eric Fieldbloom, Director	2018	Nil	Nil	\$500	Nil	Nil	\$500
	2017	Nil	Nil	\$500	Nil	Nil	\$500
Jon Hussman, Director	2018	Nil	Nil	\$500	Nil	Nil	\$500
	2017	Nil	Nil	\$500	Nil	Nil	\$500

Director Outstanding Option-Based Awards

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any director by the Company or its subsidiaries during the financial years ended April 30, 2018 and 2017 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Exercise of Compensation Securities by Directors

There were no options exercised by a director during the financial years ended April 30, 2018 and 2017.

Compensation Discussion and Analysis

Introduction

The Compensation Discussion and Analysis section of this Information Circular sets out the objectives of the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements.

When determining the compensation arrangements for the Named Executive Officers and directors, the Board considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

Benchmarking

In determining the compensation level for each executive, the Board looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by other companies in the same industry as the Company, and pay equity considerations.

Elements of Compensation

The compensation paid to the Named Executive Officers and directors in any year consists of two (2) primary components:

base salary; and

incentive bonuses.

The Company believes that making a significant portion of the Named Executive Officers' and directors' compensation based on a base salary, long-term incentives and incentive bonuses supports the Company's executive compensation philosophy, as these forms of compensation allow those most accountable for the Company's long-term success to acquire and hold the Company's shares. The key features of these three primary components of compensation are discussed below:

1. Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers and directors are reviewed annually. Any change in the base salary of a Named Executive Officer or a director is generally determined by an assessment of such executive's performance, a consideration of competitive compensation

levels in companies similar to the Company and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

2. Incentive Bonuses

Any bonuses paid to the Named Executive Officers and directors are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations.

The Company does not have any policies which permit or prohibit a Named Executive Officer or director to purchase financial instruments.

Termination and Change of Control Benefits and Management Contracts

There are no contracts, agreements, plans or arrangements that provide for payments to a Named Executive Officer or director at, following or in connection with respect to change of control of the Company, or severance, termination or constructive dismissal of or a change in a Named Executive Officer's or director's responsibilities.

Securities Authorized for Issuance under Equity Compensation Plans

No option-based awards or share-based awards were granted, vested or earned during the most recently completed financial year to any director. There are presently no outstanding option-based or share-based awards.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company are indebted to the Company as of the date hereof or were indebted to the Company at any time during the fiscal year ended April 30, 2018.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed below and elsewhere in this Information Circular (including the documents incorporated by reference herein), management of the Company is not aware of any material interest, direct or indirect, of any informed person of the Company, or any associate or affiliate of any such informed person, in any transaction since the commencement of the Company's fiscal year ended April 30, 2018 or in any proposed transaction, that has materially affected or would materially affect the Company or any of its subsidiaries.

Shimcity Inc. ("**Shimcity**") is a corporation controlled by Shimmy Posen of Toronto, Ontario, the Secretary of the Company, with its head office located at 1 Adelaide Street East, Suite 801, Toronto, Ontario. Shimcity has a material equity interest in the Company because it owns 15.44% of the Company's outstanding Common Shares, purchased in the Company's private placement that closed July 5, 2018 of 25,000,000 Common Shares at a price of \$0.02 per Common Share for gross proceeds of \$500,000 (the "**Private Placement**"). Further details on the Private Placement can be found in the Company's news release dated July 5, 2018. Shimcity also has a material interest in the proposed RTO as a result of its ownership interest in the Company. Further details pertaining to the RTO are disclosed under "Particulars of Matters to Be Acted Upon" below and in the Company's news release dated July 26, 2018.

PARTICULARS OF MATTERS TO BE ACTED UPON

As announced by way of press release dated July 26, 2018, the Company intends to complete a reverse takeover with Dixie, whereby the Company will acquire from Dixie 100% of the issued and outstanding securities of Dixie pursuant to an acquisition agreement to be entered into in due course (the "RTO")

Dixie is a marketing, intellectual property and product development company designed to build and manage the expansion of the Dixie cannibals-related product portfolio worldwide. What started as a Dixie Elixir beverage in 2010, as part of the legal medical marijuana market in Colorado, has grown to be the first true national consumer package goods company in the cannabis industry. Dixie has three subsidiaries: Dixie Elixirs & Edibles, Aceso Wellness (hemp-derived CBD based human dietary supplement), and Therabis (hemp-derived CBD based pet food supplement). Dixie currently operates in four U.S. states with an aggressive expansion plan for 2019. Dixie has also executed a license agreement with Auxly Cannabis Group Inc. (formerly, Cannabis Wheaton Income Corp. "Auxly") in May of 2018. This agreement permits Auxly to exclusively produce and distribute Dixie branded products throughout Canada.

Certain matters to be acted upon at the Meeting will be contingent upon the completion of the RTO. In particular, the fixing of the number of post-RTO directors at seven (7), the election of the Post-RTO Board (as defined below), the approval of the Name Change (as defined below), the approval of the Consolidation (as defined below), the approval of the Articles of Amendment (as defined below), the approval of the Proposed Option Plan (as defined below), and the appointment of Dixie's auditor to become the Company's auditor will all be contingent upon the successful completion of the RTO.

1. Financial Statements

The audited financial statements of the Company for the year ended April 30, 2017 and 2018 and the report of the auditors thereon will be received at the Meeting. The audited financial statements of the Company and the report of the auditors have been provided to each Shareholder entitled to receive a copy of the Notice of Meeting and this Information Circular and who requested a copy of the audited financial statements and the report of the auditors thereon. The financial statements are also available on SEDAR at www.sedar.com.

2. Reappointment of Academy Auditors

The directors propose to nominate Zeifmans LLP, the present auditors, as the auditors of the Company to hold office until the earlier of the close of the next annual meeting of shareholders or completion of the RTO. Zeifmans LLP was first appointed as auditor of the Company on June 24, 2015.

In the past, the directors have negotiated with the auditors of the Company on an arm's length basis in determining the fees to be paid to the auditors. Such fees have been based on the complexity of the matters in question and the time incurred by the auditors. The directors believe that the fees negotiated in the past with the auditors of the Company were reasonable and in the circumstances would be comparable to fees charged by other auditors providing similar services.

Shares represented by proxies in favour of the management nominees will be voted in favour of appointing of Zeifmans LLP as auditor of the Company until the earlier of the close of the next annual meeting of shareholders or completion of the RTO and authorizing the Board to fix the auditor's remuneration, unless a shareholder has specified in his proxy that his shares are to be withheld from voting.

3. Fix Number of Pre-RTO Directors

The term of office for each director is from the date of the Meeting at which he is elected until the annual meeting next following or until his successor is elected or appointed. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve a special resolution fixing the number of directors to be elected at the Meeting at three (3).

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of fixing of the size of the Board at three (3).

4. Pre-RTO Board

At the Meeting, a board of three directors will be proposed to be elected for a term that will expire upon the earlier of the next annual meeting of shareholders or upon completion of the RTO (the "**Pre-RTO Board**"). Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table sets forth certain information regarding the Pre-RTO Board, their respective positions with the Company, principal occupations or employment during the last five years, the dates on which they became directors of the Company and the approximate number of Common Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of the Effective Date.

Name of Nominee, Current Position with the Company, and Province/State and Country of Residence	Occupation, Business or Employment⁽¹⁾	Director Since	Number of Voting Securities⁽²⁾
Barry Polisuk ⁽³⁾⁽⁵⁾ Director Ontario, Canada	Mr. Polisuk is a senior partner at the law firm of Garfinkle Biderman LLP. He is a corporate and commercial lawyer, focused on financings, corporate and commercial work, including securities. He acts for public and private companies, securities dealers and financial institutions on a number of public and private financings and commercial transactions. He was called to the Ontario bar in 1988. Mr. Polisuk holds a LL.B cum laude and a Quebec Civil Law Degree, both from the University of Ottawa and a B.A in Political Science from McGill University.	June 25, 2018	Nil
Binyomin Posen ⁽³⁾ Director, Chief Executive Officer and Chief Financial Officer Ontario, Canada	Mr. Posen is a Senior Analyst at Plaza Capital, where he focuses on corporate finance, capital markets and helping companies go public. After three and a half years of studies overseas, he returned to complete his baccalaureate degree in Toronto. Upon graduating (on the Dean's List) he began his career as an analyst at a Toronto boutique investment bank where his role consisted of raising funds for IPOs and RTOs, business development for portfolio companies and client relations.	June 25, 2018	Nil

Name of Nominee, Current Position with the Company, and Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director Since	Number of Voting Securities ⁽²⁾
Sruli Weinreb ⁽³⁾⁽⁴⁾ Director Ontario, Canada	Mr. Weinreb is the founder and managing partner of Plaza Capital Limited ("Plaza Capital"). Plaza Capital supports many North American early stage growth companies with strategic debt placements and equity investments. He is currently the CEO of Findev Inc., a publically traded real estate investment company that is focused on providing debt and equity financing to residential and retail development projects in the GTA. He is also the Chief Executive Officer of Lake Central Air Services Inc., the world's leading modification and integration partner for the airborne geophysical survey industry.	June 25, 2018	Nil

Notes:

1. Information furnished by the respective director nominees.
2. Voting securities of the Company beneficially owned, or controlled or directed, directly or indirectly as of the Effective Date. Information regarding voting securities held does not include voting securities issuable upon the exercise of options, warrants or other convertible securities of the Company. Information in the table above is derived from the Company's review of insider reports filed with System for Electronic Disclosure by Insiders (SEDI) and from information furnished by the respective director nominees.
3. Member of the Audit Committee and Compensation Committee for the upcoming fiscal year.
4. Chair of the Compensation Committee.
5. Chair of the Audit Committee.

Corporate Cease Trade Orders or Bankruptcies

No member of the Pre-RTO Board is, or has been, within the past 10 years before the date hereof, a director or executive officer of any issuer that, while that person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted, after the person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days.

No member of the Pre-RTO Board is, or has been, within the past 10 years before the date hereof, a director or executive officer of any issuer that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No member of the Pre-RTO Board has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Penalties or Sanctions

No member of the Pre-RTO Board has: (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, other than penalties for late filing of insider reports; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of each of the members of the Pre-RTO Board specified above as directors of the Company, to serve for a term that will expire upon the earlier of the next annual meeting of shareholders or upon completion of the RTO. If, prior to the Meeting, any vacancies occur in the proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Company and FOR each of the remaining proposed nominees.

5. Approval of By-Law No. 1 and the repeal of all other By-Laws of the Company

On August 7, 2018, the Board approved a new By-Law No. 1, repealing and replacing all previous By-Laws of the Company. The Company asks that all shareholders refer to the new By-Law No. 1, the full text of which is provided in Schedule "C" of this Information Circular, in their consideration of the repeal of all the previous By-Laws of the Company to be replaced in its entirety by By-Law No. 1.

At the Meeting, shareholders will be asked to approve an ordinary resolution repealing all previous By-Laws of the Company and replacing it in its entirety with By-Law No. 1 (the "**By-Law No. 1 Resolution**"), the text of which is as follows:

"BE IT RESOLVED, as an ordinary resolution of the shareholders of the Academy Explorations Limited (the "**Company**"), that:

1. By-Law No. 1, in the form attached as Schedule "C" to this Information Circular, is hereby adopted and confirmed as a by-law of the Company;
2. All previous By-Laws of the Company is hereby repealed as of the coming into force of By-Law No. 1;
3. any one officer or director of the Company be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolutions; and
4. the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order for the By-Law No. 1 Resolution to be passed, it must be approved by a simple majority of the votes cast by shareholders who vote in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of management to vote proxies in favour of the By-Law No. 1 Resolution.**

6. Empowering the Directors to Determine the Number of Directors

Under the *Business Corporations Act* (Ontario) (the "**OBCA**"), the number of directors of a corporation is the number set out in its articles. Where a minimum and maximum number of directors is provided for in its articles, the number of directors of the corporation and the number of directors to be elected at the annual meeting of shareholders is the number determined from time to time by special resolution of the shareholders, or if the special resolution empowers the directors to determine the number, by resolution of the directors. Where such a special resolution so empowers the directors to determine the number of directors within the minimum and maximum number of directors provided for in the articles, the directors may appoint one or more additional directors if, after

such appointment, the total number of directors would not then be greater than one and one-third times the number of directors required to have been elected at the annual meeting of shareholders.

At the Meeting, shareholders will be asked to approve a special resolution empowering the directors to determine the number of directors of the Company within the minimum and maximum number provided for in the articles of the Company and to appoint additional directors in accordance with the provisions of the OBCA (the "**Director Range Resolution**"), the text of which is as follows:

"BE IT RESOLVED THAT, AS A SPECIAL RESOLUTION:

1. the directors of the Company are hereby empowered to determine from time to time the number of directors of the Company, subject to the limitations established by the articles of the Company and the provisions of the *Business Corporations Act* (Ontario); and
2. any director or officer of the Company be and he or she is hereby authorized and directed, on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

Shares represented by proxies in favour of the management nominees will be voted in favour of the Director Range Resolution unless a shareholder has specified in his proxy that his shares are to be voted against the Director Range Resolution.

7. Fix the Number of Post-RTO Directors

Upon completion of the RTO, Dixie intends to re-constitute to Company's Board such that it is comprised of seven (7) directors nominated by Dixie (the "**Post-RTO Board**"), which will replace the Pre-RTO Board. Accordingly, shareholders will be asked to consider and, if thought fit, approve a special resolution fixing the number of directors to serve upon completion of the RTO at seven (7).

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of fixing the size of the Board at seven (7) upon completion of the RTO.

8. Election of Post-RTO Directors

Upon completion of the RTO, the seven (7) proposed members of the Post-RTO Board listed below are intended to replace the Pre-RTO Board immediately.

The following table sets forth certain information regarding the Post-RTO Board, their respective positions with the Company, principal occupations or employment during the last five years, the dates on which they became directors of the Company and the approximate number of Common Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of the Effective Date.

Name of Nominee, Position with the Company, and Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director Since	Number of Voting Securities ⁽²⁾
Charles Smith No current position with the Company Denver, Colorado	Director, President and Chief Executive Officer, USA Inc. President, Bella Terra Realty Holdings President, Sagebrush Realty Development	N/A	Nil

Name of Nominee, Position with the Company, and Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director Since	Number of Voting Securities ⁽²⁾
<p>Brian Graham</p> <p>No current position with the Company</p> <p>Atlanta, Georgia</p>	<p>Director, USA Inc.</p> <p>Founder, Rise Investments International</p> <p>President of Asheville Distilling Company</p> <p>Co-Manager, Hawaii Sea Spirits Board Member, Georgia Chamber</p> <p>Board Member and Treasurer, Professional Beauty Association</p> <p>President, Manufacture's Leadership Council</p>	N/A	Nil
<p>Melvin Yellin</p> <p>No current position with the Company</p> <p>New York, New York</p>	<p>Director, USA Inc.</p> <p>Founder, Acreage Holdings</p> <p>Partner, Tandem Global Partners</p> <p>Partner, Executive Vice president and General Counsel, Bankers Trust Company Director, Symbols Technologies, Inc.</p> <p>President, National Association of Corporate Directors (New York Chapter)</p> <p>Member, New York Clearing House GC Committee</p>	N/A	Nil
<p>Devin Binford</p> <p>No current position with the Company</p> <p>New York, New York</p>	<p>Director, USA Inc.</p> <p>Managing Member, Acreage Holdings</p> <p>Director, Tandem Global Partners (Investment Banking Division)</p> <p>Manager, The Blackstone Group (Corporate Finance Group)</p>	N/A	Nil
<p>Vincent "Tripp" Keber, III</p> <p>No current position with the Company</p> <p>Denver, Colorado</p>	<p>Consultant, USA Inc.</p> <p>Founder, Dixie Elixirs and Edibles</p> <p>Board Member, National Cannabis Industry Association</p> <p>Board Member, Marijuana Policy Project</p> <p>Advisory Board Member, Medical Marijuana Industry Group</p> <p>Chief Operating Officer, Bella Terra Resort Development Company</p> <p>Executive Vice President, Sagebrush Realty Development (Business Development)</p>	N/A	Nil
<p>Michael Lickver</p> <p>No current position with the Company</p> <p>Toronto, Ontario</p>	<p>Executive Vice President, Auxly Cannabis Group Inc.</p> <p>Lawyer, Bennett Jones LLP</p> <p>Canadian Editor, International Cannabis Law Journal</p> <p>Adjunct Professor, Western Law</p> <p>Director, UJA Federation of Greater Toronto (Arts and Culture Committee)</p>	N/A	Nil

Name of Nominee, Position with the Company, and Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director Since	Number of Voting Securities ⁽²⁾
Hugo Alves No current position with the Company Toronto, Ontario	President, Auxly Cannabis Group Inc. Partner, Bennett Jones LLP Director, Canadians for Fair Access to Medical Marijuana	N/A	Nil

Notes:

1. Information furnished by the respective director nominees.
2. Voting securities of the Company beneficially owned, or controlled or directed, directly or indirectly as of the Record Date. Information regarding voting securities held does not include voting securities issuable upon the exercise of options, warrants or other convertible securities of the Company. Information in the table above is derived from information furnished by the respective director nominees.

Corporate Cease Trade Orders or Bankruptcies

No member of the Post-RTO Board is, or has been, within the past 10 years before the date hereof, a director or executive officer of any issuer that, while that person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted, after the person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation for a period of more than 30 consecutive days.

No member of the Post-RTO Board is, or has been, within the past 10 years before the date hereof, a director or executive officer of any issuer that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than Charles Smith who acted as an independent director of CannaSecurity America ("**CannaSecurity**"), a U.S. issuer that filed for bankruptcy protection under Chapter 7 of the Title 11 of the United States Code on April 30, 2018. Mr. Smith stepped in as a Director at a time when CannaSecurity was financially struggling. He worked with management in an attempt to restructure the company but market conditions did not allow the company to recover.

Personal Bankruptcies

No member of the Post-RTO Board has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Penalties or Sanctions

No member of the Post-RTO Board has: (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, other than penalties for late filing of insider reports; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of each of the proposed members of the Post-RTO Board specified above as directors of the Company immediately following the completion of the RTO. If, prior to the Meeting, any vacancies occur in the proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Company and FOR each of the remaining proposed nominees.

9. Approval of Share Consolidation

It is anticipated that a condition to the proposed RTO will be that the Company undertake a consolidation of its existing Common Shares. As a result, the shareholders of the Company will be asked to consider, and, if thought advisable, to approve a special resolution authorizing the Board to amend the Articles of the Company to consolidate the Company's Common Shares on the basis of one (1) post-consolidation Common Share for a minimum of every existing three (3) pre-consolidation Common Shares and a maximum of eight (8) pre-consolidation Common Shares (the "**Consolidation**"), with the timing and exact ratio of the Consolidation to be determined by the Board at a later date. Such determination will be subject to completion of the Consolidation within twelve (12) months of the date of such approval. All outstanding options and any other securities granting rights to acquire Common Shares of the Company will be affected by the Consolidation in accordance with the adjustment provisions contained in the instruments giving rise to the issuance of such securities. The Board would like the consent of the shareholders to not proceed with the Consolidation in the event that the special resolution is passed by the shareholders at the Meeting and the Board subsequently concludes that it would not be in the best interests of the Company to proceed with the Consolidation. In the event the Board does proceed, the Board will set a record date for the Consolidation and announce details of the consolidation process by way of press release.

The shareholders of the Company will be asked to consider, and if thought advisable, to approve a special resolution to amend the Articles of the Company with respect to the Consolidation.

The Consolidation is an anticipated condition to the completion of the RTO. If the Consolidation is not approved at the Meeting, the Company may not be able to proceed with the RTO. The Board believes that the Consolidation is in the best interests of the Company and therefore unanimously recommends that shareholders vote in favour of the special resolution approving the Consolidation.

The text of the special resolution to be voted on at the Meeting by the shareholders is set forth below.

"BE IT RESOLVED, as a special resolution of the shareholders of Academy Explorations Limited (the "**Company**") that:

1. the Company's common shares (the "**Common Shares**") be consolidated on the basis of one (1) post-consolidation Common Share for a minimum of every existing three (3) pre-consolidation Common Shares and a maximum of eight (8) pre-consolidation Common Shares (the "**Consolidation**"), with the timing and exact ratio of the Consolidation to be determined by the Board at a later date. Such determination will be subject to completion of the Consolidation within twelve (12) months of the date of this special resolution;
2. shareholders shall not receive fractional shares as a result of the Consolidation and the number of Common Shares held by each shareholder at the time of the Consolidation shall be rounded to the nearest whole number of Common Shares;
3. the Articles of the Company be amended to effect the Consolidation;
4. the Board of Directors may, at its sole discretion, decide to not act on this special resolution without further approval or authorization from the shareholders of the Company; and
5. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things

(whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this special resolution."

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of the special resolution authorizing the Consolidation.

10. Approval of Name Change

Upon the completion of the RTO, the Company will carry on the business currently carried on by Dixie, and accordingly, the Board is recommending that the corporate name be changed to "Dixie Brands Inc." or such other name as management and Dixie agree (the "**Name Change**").

The text of the special resolution to be voted on at the Meeting by the shareholders is set forth below.

"BE IT RESOLVED, as a special resolution of the shareholders of Academy Explorations Limited (the "**Company**") that:

1. the Company is hereby authorized to amend its articles to change the Company's name to "Dixie Brands Inc." or such other name as management and Dixie agree; and
2. any one (or more) director(s) or officer(s) of the Company be and is hereby authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this resolution."

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of the special resolution authorizing the Name Change.

11. Approval of Equity Incentive Plan

In connection with the RTO, the Board adopted an equity incentive plan (the "**Proposed Incentive Plan**") on August 7, 2018.

The objective of the Proposed Incentive Plan is to permit the directors, executive officers, employees, consultants and persons providing investor relation services to participate in the growth and development of the Company through the grant of options to purchase Common Shares ("**Options**"). It also allows the Company to reduce the proportion of executive compensation otherwise paid in cash and reallocate those funds to other corporate initiatives.

Set forth below is a summary of the Proposed Incentive Plan. The following summary is qualified in all respects by the provisions of the Proposed Incentive Plan. Reference should be made to the Proposed Incentive Plan for the complete provisions thereof.

Summary of Proposed Incentive Plan

The principal features of the Proposed Incentive Plan (the "**Plan**") are summarized below.

Purpose

The purpose of the Plan is to assist the Company and its affiliates in attracting and retaining individuals to serve as directors, employees, consultants or advisors of the Company who are expected to contribute to the Company's success and to achieve long-term objectives that will inure to the benefit of all stockholders of the Company through the additional incentives inherent in the Awards (as defined below) hereunder.

The Plan permits the grant of (i) nonqualified stock options ("NQSOs") and incentive stock options ("ISOs") (collectively, "Options"), (ii) restricted stock Awards, (iii) other stock units ("OSUs"), (iv) stock appreciation rights ("SARs"), and (v) performance compensation awards, which are referred to herein collectively as "Awards," as more fully described below.

Eligibility

Any of the Company's employees, officers, directors, consultants (who are natural persons) are eligible to participate in the Plan if selected by the Committee of the Company (the "Participants"). The Committee will consist of the Board, or a committee designated by the Board, which Committee will be constituted in compliance with applicable laws. The basis of participation of an individual under the Plan, and the type and amount of any Award that an individual will be entitled to receive under the Plan, will be determined by the Committee based on its judgment as to the best interests of the Company and its shareholders, and therefore cannot be determined in advance.

The maximum number of Subordinate Voting Shares that may be issued under the Plan shall be determined by the Board from time to time, but in no case shall exceed, in the aggregate, 20% of the number of Subordinate Voting Shares then outstanding (on a fully diluted basis). Any shares subject to an Award under the Plan that are forfeited, cancelled, expire unexercised, are settled in cash, or are used or withheld to satisfy tax withholding obligations of a Participant shall again be available for Awards under the Plan.

In the event of any dividend, recapitalization, forward or reverse stock split, reorganization, merger, amalgamation, consolidation, split-up, split-off, combination, repurchase or exchange of Subordinate Voting Shares or other securities of the Company, issuance of warrants or other rights to acquire Subordinate Voting Shares or other securities of the Company, or other similar corporate transaction or event, which affects the Subordinate Voting Shares, or unusual or nonrecurring events affecting the Company, or the financial statements of the Company, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, the Committee may make such adjustment, which is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, to (i) the number and kind of shares which may thereafter be issued in connection with Awards, (ii) the number and kind of shares issuable in respect of outstanding Awards, (iii) the purchase price or exercise price relating to any Award or, if deemed appropriate, make provision for a cash payment with respect to any outstanding Award, and (iv) any share limit set forth in the Plan.

Awards

Options

The Committee is authorized to grant Options to purchase Subordinate Voting Shares that are either ISOs meaning they are intended to satisfy the requirements of Section 422 of the Internal Revenue Code of 1986 (the "Code") or NQSOs, meaning they are not intended to satisfy the requirements of Section 422 of the Code. Options granted under the Plan will be subject to the terms and conditions established by the Committee. Under the terms of the Plan, unless the Committee determines otherwise in the case of an Option substituted for another Option in connection with a corporate transaction, the exercise price of the Options will not be less than the fair market value (as determined under the Plan) of the shares at the time of grant. Options granted under the Plan will be subject to such terms, including the exercise price and the conditions and timing of exercise, as may be determined by the Committee and specified in the applicable Award agreement. The maximum term of an option granted under the Plan will be ten years from the date of grant (or five years in the case of an ISO granted to a 10% shareholder). Payment in respect of the exercise of an Option may be made, among other methods, in cash or by check, by surrender of unrestricted shares (at their fair market value on the date of exercise) or by such other method as the Committee may determine to be appropriate.

Restricted Stock

A restricted stock Award is a grant of Subordinate Voting Shares, which are subject to forfeiture restrictions during a restriction period. The Committee will determine the price, if any, to be paid by the Participant for each

Subordinate Voting Share subject to a restricted stock Award. The terms of any restricted stock Award granted under the Plan will be set forth in a written Award agreement which may contain such provisions as determined by the Committee, which is not inconsistent with the Plan. Except as otherwise provided in the Award agreement, beginning on the date of grant of the restricted stock Award and subject to execution of the Award agreement, the Participant will become a stockholder of the Company with respect to all Subordinate Voting Shares subject to the Award agreement and shall have all of the rights of a shareholder, including the right to vote such Subordinate Voting Shares and the right to receive distributions made with respect to such Subordinate Voting Shares; provided, however, that any Subordinate Voting Shares or any other property (other than cash) distributed as a dividend or otherwise with respect to any restricted stock Award, as to which the restrictions have not yet lapsed, shall be subject to the same restrictions as such restricted shares. If a Participant holds unvested restricted stock awards on the date his or her continuous status as an employee, director or consultant terminates for any reason, the unvested restricted stock Awards will expire and the Subordinate Voting Shares covered by the unvested restricted stock Awards will revert to the Plan, unless otherwise set forth in the Award agreement, in an employment agreement between the Company or an affiliate and the Participant (if any) or as determined by the Committee. The Committee may determine in its sole discretion that such unvested restricted stock Awards will become vested at such times and on such terms as the Committee may determine in its sole discretion.

OSUs

Other Awards of shares and other Awards that are valued in whole or in part by reference to, or are otherwise based on, Subordinate Voting Shares or other property (“OSUs”) may be granted to Participants, either alone or in addition to other Awards granted under the Plan, and such OSU Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan. OSU Awards shall be paid in Subordinate Voting Shares or cash. Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Participants to whom and the time or times at which such OSU Awards shall be made, the number of Subordinate Voting Shares or the amount of cash or other property to be granted pursuant to such Awards, and all other conditions of the Awards. The provisions of OSU Awards need not be the same with respect to each recipient. Subject to requirements of applicable law, the Committee has absolute discretion to determine whether any consideration (other than services) is to be received by the Company or any affiliate as a condition precedent to the issuance of Subordinate Voting Shares (including securities convertible into Subordinate Voting Shares). The terms of any OSU Awards granted under the Plan will be set forth in a written Award agreement which will contain provisions determined by the Committee and not inconsistent with the Plan. If a Participant holds unvested OSU Awards on the date his or her continuous status as an employee, director or consultant terminates for any reason, the unvested OSU Awards will expire and the Subordinate Voting Shares covered by the unvested OSU Awards will revert to the Plan, unless otherwise set forth in the Award agreement, in an employment agreement between the Company or an affiliate and the Participant (if any), or as determined by the Committee. The Committee may determine in its sole discretion that such unvested OSU Awards will become vested at such times and on such terms as the Committee may determine in its sole discretion.

Stock Appreciation Rights

A SAR entitles the recipient to receive, upon exercise of the SAR, subject to certain exceptions, the increase in the fair market value of a specified number of Subordinate Voting Shares from the date of the grant of the SAR and the date of exercise payable in Subordinate Voting Shares. Any grant may specify a vesting period or periods before the SAR may become exercisable and permissible dates or periods on or during which the SAR shall be exercisable. No SAR may be exercised more than ten years from the grant date. Upon a Participant's termination of service, death or disability, the same general conditions applicable to Options as described above would be applicable to the SAR.

General

The Committee may impose restrictions on the grant, exercise or payment of an Award as it determines appropriate. Generally, Awards granted under the Plan shall be nontransferable except by will or by the laws of descent and distribution. No Participant shall have any rights as a shareholder with respect to Subordinate Voting Shares covered by Options, SARs, restricted stock Awards, or OSUs, unless and until such Awards are settled in Subordinate Voting Shares.

No Option (or, if applicable, SARs) shall be exercisable, no Subordinate Voting Shares shall be issued, no certificates for Subordinate Voting Shares shall be delivered and no payment shall be made under the Plan except in compliance with all applicable laws.

The Company's Board may amend, alter, suspend, discontinue or terminate the Plan and the Committee may amend any outstanding Award at any time; provided that (i) such amendment, alteration, suspension, discontinuation, or termination shall be subject to the approval of the Company's shareholders if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including, without limitation, as necessary to comply with any rules or requirements of applicable securities exchange), and (ii) no such amendment or termination may adversely affect Awards then outstanding without the Award holder's permission.

In the event of any merger, reorganization, consolidation, recapitalization, dividend or distribution (whether in cash, shares or other property), stock split, reverse stock split, spin-off, rights offering or any other event that constitutes an "equity restructuring" within the meaning of the Financial Accounting Standards Board Accounting Standard Codification Section 718, Compensation—Stock Compensation (FASB ASC 718), or similar transaction or other change in corporate structure affecting the Subordinate Voting Shares or the value thereof, such adjustments and other substitutions shall be made to the Plan and to Awards as the Committee, in its sole discretion, deems equitable or appropriate to prevent dilution or enlargement of rights immediately resulting from such event or transaction, including such adjustments in the aggregate number, class and kind of securities that may be delivered under the Plan and, in the aggregate or to any one Participant, in the number, class, kind and option or exercise price of securities subject to outstanding Awards granted under the Plan (including, if the Committee deems appropriate, the substitution of similar options to purchase the shares of, or other Awards denominated in the shares of, another company) as the Committee may determine to be appropriate in its sole discretion, provided, however, that the number of Subordinate Voting Shares subject to any Award must always be a whole number.

Tax Withholding

The Company may take such action as it deems appropriate to ensure that all applicable federal, state, local and/or foreign payroll, withholding, income or other taxes, which are the sole and absolute responsibility of a Participant, are withheld or collected from such Participant.

Shareholder Approval of the Proposed Incentive Plan

At the Meeting, shareholders will be asked to approve an ordinary resolution approving the Proposed Incentive Plan as the Company's equity incentive plan (the "**Incentive Plan Resolution**"), the text of which is as follows:

"BE IT RESOLVED, as an ordinary resolution of the shareholders of Academy Explorations Limited (the "**Company**") that:

1. the equity incentive plan of the Company (the "**Proposed Incentive Plan**") be and is hereby approved as the equity incentive plan of the Company upon closing of the RTO;
2. the form of the Proposed Incentive Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. all issued and outstanding stock options previously granted are hereby continued under and governed by the Proposed Incentive Plan; and
4. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of the special resolution authorizing the Equity Plan Resolution.

12. Amendment to Current Articles

In connection with the RTO, the Board is proposing amendments to the Company's current Articles of Incorporation (the "**Articles of Amendment**") in order to:

- i. amend and re-designate the Company's existing Common Shares as "Subordinate Voting Shares";
- ii. create a new class of "Non-Participating Voting"; and
- iii. eliminate the existing classes of non-voting special shares.

Approval of the special resolution by holders of Common Shares would give the Board authority to implement the Articles of Amendment at any time subject to any required regulatory approvals. Notwithstanding the approval of the Shareholders, the Board may, in its sole discretion and without further Shareholder action, not proceed with the Articles of Amendment.

The following is a summary of the rights, privileges, restrictions and conditions attaching to the Non-Participating Voting Shares and the Subordinate Voting Shares and is qualified in its entirety by reference to the full text of such rights, privileges, restrictions and conditions which are attached to this Circular as Schedule "D".

Rank

The Non-Participating Voting Shares shall be subject to and subordinate to the rights, privileges, restrictions and conditions attaching to any class ranking senior to the Non-Participating Voting Shares. The holders of Subordinate Voting Shares (not holders of the Non-Participating Voting Shares) shall, subject always to the rights of the holders of shares of any class ranking senior to the Subordinate Voting Shares

Dividends

The Non-Participating Voting Shares will have no right to receive dividends or to receive the remaining property and assets of the Corporation on the liquidation, dissolution or winding-up of the Corporation, whether voluntarily or involuntarily, or any other distribution of assets of the Corporation among its shareholders for the purposes of winding up its affairs.

The Subordinate Voting Shares will be entitled to receive (i) such dividends as the board of directors of the Corporation shall determine, and (ii) in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntarily or involuntarily, or any other distribution of assets of the Corporation among its shareholders for the purposes of winding up its affairs, the remaining property and assets of the Corporation, provided, however, that in the event of a payment of a dividend in the form of shares of the Corporation, holders of Non-Participating Voting Shares shall receive a proportionate number Non-Participating Voting Shares (based on voting) and holders of Subordinate Voting Shares shall receive Subordinate Voting Shares, unless otherwise determined by the board of directors of the Corporation.

Voting Rights

Each holder of Non-Participating Voting Shares and each holder of Subordinate Voting Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except meetings at which only holders of a particular class or series shall have the right to vote pursuant to the OBCA. At each such meeting, each Non-Participating Voting Share shall entitle the holder thereof to one hundred (100) votes and each Subordinate Voting Share shall entitle the holder thereof to one vote, voting together as a single class, except as otherwise expressly provided herein or as provided by law.

Conversion

Voluntary Conversion: The Subordinate Voting Shares cannot be converted into any other class of shares. Each outstanding Non-Participating Voting Share may at any time, at the option of the holder, be converted into one (1) fully paid and non-assessable Subordinate Voting Share.

Automatic Conversion: Upon the first date that a Non-Participating Voting Share is Transferred by a holder of Non-Participating Voting Shares, other than to a Permitted Holder or from any such Permitted Holder back to such holder of Non-Participating Voting Shares and/or any other Permitted Holder of such holder of Non-Participating Voting Shares, the holder thereof, without any further action, shall automatically be deemed to have exercised his, her or its rights to convert such Non-Participating Voting Share into one (1) fully paid and non-assessable Subordinate Voting Shares.

Subdivision or Consolidation

No subdivision or consolidation of the Non-Participating Voting Shares or the Subordinate Voting Shares shall be carried out unless, at the same time, the Subordinate Voting Shares or the Non-Participating Voting Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis.

Certain Amendments

Neither the holders of the Non-Participating Voting Shares nor the holders of the Subordinate Voting Shares shall be entitled to vote separately as a class upon a proposal to amend the articles of the Corporation in the case of an amendment referred to in paragraph (a) or (e) of subsection 170(1) of the OBCA. Neither the holders of the Non-Participating Voting Shares nor the holders of the Subordinate Voting Shares shall be entitled to vote separately as a class upon a proposal to amend the articles of the Corporation in the case of an amendment referred to in paragraph (b) of subsection 170(1) of the OCBA unless such exchange, reclassification or cancellation: (X) affects only the holders of that class; or (Y) affects the holders of Non-Participating Voting Shares and Subordinate Voting Shares differently, on a *per* share basis, and such holders are not otherwise entitled to vote separately as a class under any applicable law or the Change of Control provisions in respect of such exchange, reclassification or cancellation.

Change of Control Transactions

Subject to voting rights of each class of shares, in connection with any Change of Control Transaction (as defined below) requiring approval of the holders of Non-Participating Voting Shares and Subordinate Voting Shares under the OBCA, holders of Non-Participating Voting Shares and Subordinate Voting Shares shall be treated equally and identically, on a per share basis, unless different treatment of the shares of each such class is approved by a majority of the votes cast by the holders of outstanding Non-Participating Voting Shares who voted in respect of that resolution and by a majority of the votes cast by the holders of outstanding Subordinate Voting Shares who voted in respect of that resolution, each voting separately as a class at a meeting of the holders of that class called and held for such purpose.

"Change of Control Transaction" means

- (a) The direct or indirect acquisition by an unrelated "Person" or "Group" of "Beneficial Ownership" (as such terms are defined below) of more than 50% of the voting power of the issued and outstanding voting securities of the Corporation in a single transaction or a series of related transactions;
- (b) The direct or indirect sale or transfer by the Corporation of substantially all of its assets to one or more unrelated Persons or Groups in a single transaction or a series of related transactions;
- (c) The amalgamation, arrangement, consolidation or reorganization of the Corporation with or into another corporation or other entity in which the Beneficial Owners (as such term is defined below) of more than 50% of the voting power of the issued and outstanding voting securities of the Corporation immediately before such merger or consolidation do not own more than 50% of the

voting power of the issued and outstanding voting securities of the surviving corporation or other entity immediately after such merger, consolidation or reorganization; or

- (d) During any consecutive 12-month period, individuals who at the beginning of such period constituted the board of directors of the Corporation (together with any new directors whose election to such board or whose nomination for election by the shareholders of the Corporation was approved by a vote of a majority of the directors of the Corporation then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors of the Corporation thereafter in office.

Shareholder Dissent Rights

Registered shareholders of the Company that oppose the Articles of Amendment Resolution (as defined below), may, subject to compliance with certain conditions, dissent from the Articles of Amendment Resolution and be entitled to be paid the fair value for their Common Shares in accordance with section 185 of the OBCA. The full text of section 185 of the OBCA is set out in Schedule "A" to this Information Circular.

Under the OBCA, a registered shareholder of the Company is entitled, in addition to any other right such shareholder may have, to dissent and to be paid by the Company the fair value of the Common Shares held by it in respect of which it dissents, determined as of the close of business on the last business day before the day which the Articles of Amendment Resolution from which it dissents is adopted and not rescinded. A shareholder of the Company may dissent only with respect to all of the Common Shares of the Company held by such shareholder or on behalf of any one beneficial owner and registered in its name. Persons who are beneficial owners of the Company's Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered owner of such shares is entitled to dissent. A shareholder who beneficially owns Common Shares but is not the registered holder thereof, should contact the registered holder for assistance.

A dissenting shareholder is required to send a written objection (a "**Dissent Notice**") to the Articles of Amendment Resolution to the Company at or prior to the Meeting. The deposit of a Dissent Notice does not deprive a shareholder of the right to vote; however, a shareholder who has submitted a Dissent Notice and who votes in favour of the Articles of Amendment Resolution will, in effect, no longer be considered to be dissenting. A vote against the Articles of Amendment Resolution or an abstention does not constitute a Dissent Notice. If the Articles of Amendment Resolution is passed, either the Company or any shareholder who has delivered a Dissent Notice may apply to the court to fix the fair value of the Common Shares of the dissenting shareholder. If such an application is made, and unless the court orders otherwise, at least 10 days before the date on which the application is returnable (if the Company is the applicant) or within 10 days after the Company is served with the originating notice for the application (if the dissenting shareholder is the applicant), the Company will send to each dissenting shareholder who has delivered a Dissent Notice that is not withdrawn prior to 5:00 pm. (Toronto time) on the business day immediately preceding the effective date of the Articles of Amendment, a written offer to pay for the Common Shares (an "**Offer to Purchase**"), in an amount considered by the Board to be the fair value of the Common Shares, accompanied by a statement showing how the fair value was determined. Every Offer to Purchase in respect of Common Shares will be on the same terms.

Dissenting Shareholders who are ultimately entitled to receive payment for their Common Shares under section 185 of the OBCA will cease to have any rights as a shareholder other than the right to be paid the fair value of the Common Shares in the amount agreed to between the Company and the shareholder or in the amount of a court judgment, as the case may be.

All Dissent Notices to the Company pursuant to the provisions of section 185 of the OBCA must be addressed to the Company at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9, and be received at such location by delivery or by registered or certified mail at or before the Meeting.

The foregoing is only a summary of the provisions of section 185 of the OBCA, which provisions are technical and complex. It is suggested that any shareholder wishing to exercise dissent rights seek legal advice as failure to comply strictly with the provisions of the OBCA may prejudice such shareholder's dissent rights.

Articles of Amendment Resolution

At the Meeting, the shareholders will be asked to consider, and if thought appropriate, approve a special resolution (the "**Articles of Amendment Resolution**") substantially in the following form to permit the Articles of Amendment:

"BE IT RESOLVED, as a special resolution of the shareholders of Academy Explorations Limited (the "**Company**") that:

1. the Company is hereby authorized to amend its current Articles, but only in connection with closing the RTO, to provide that:
 - a. the common shares of the Company be reclassified as "Subordinate Voting Shares", and the Subordinate Voting Shares shall have attached thereto the rights, privileges, restrictions and conditions attached to the Company's Management Information Circular dated August 7, 2018 (the "**Information Circular**");
 - b. a new class of shares of the Company designated "Non-Participating Voting Shares" be created, and to provide that the Non-Participating Voting Shares shall have attached thereto the rights, privileges, restrictions and conditions attached to the Information Circular; and
 - c. the existing non-voting special shares be eliminated;
2. any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this special resolution including, without limitation, to determine the timing for delivery and effect the delivery of articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and
3. notwithstanding that this special resolution has been passed by the shareholders of the Company, the board of directors be and is hereby authorized and empowered, without further approval of the shareholders of the Company, to revoke this resolution at any time before the certificate of amendment to be issued by the Director upon receipt of such articles of amendment becomes effective."

Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of the special resolution authorizing the Option Plan Resolution.

13. Appointment of Dixie Auditors

Upon completion of the RTO, it is expected that MNP LLP, 111 Richmond Street West, Suite 300, Toronto, ON M5H 2G4, auditors of Dixie, are to be appointed as auditors of the Company. Given MNP LLP's familiarity with the cannabis business of Dixie, which the Company will carry on following the completion of the RTO, the Board expects that the appointment of MNP LLP will facilitate the change in business of the Company following the RTO.

Shares represented by proxies in favour of the management nominees will be voted in favour of appointing MNP LLP as auditor of the Company upon completion of the RTO and authorizing the Board to fix the auditor's remuneration, unless a shareholder has specified in his proxy that his shares are to be withheld from voting on the appointment of the auditor.

INDICATION OF OFFICER AND DIRECTORS

All of the directors and executive officers of the Company have indicated that they intend to vote their Common Shares in favour of each of the above resolutions. In addition, unless authority to do so is indicated otherwise, the persons named in the enclosed form of proxy intend to vote the Common Shares represented by such proxies in favour of each of the above resolutions.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9, Attention: CEO, to request copies without charge of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for the fiscal years ended April 30, 2018 and 2017 which are filed on SEDAR.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Toronto, Ontario, August 7, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ " Binyomin Posen "

Binyomin Posen
Chief Executive Officer and Director

SCHEDULE "A"
DISSENT RIGHTS

See attached.

Rights of dissenting shareholders

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3), a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
- (b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether

before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24)

SCHEDULE "B"
AUDIT COMMITTEE CHARTER

See attached.

CHARTER OF THE AUDIT COMMITTEE OF ACADEMY EXPLORATIONS LIMITED

GENERAL

1. PURPOSE AND RESPONSIBILITIES OF THE COMMITTEE

1.1 Purpose

The primary purpose of the Committee is to assist Board oversight of:

- (a) the integrity of the Corporation's financial statements;
- (b) the Corporation's compliance with legal and regulatory requirements;
- (c) the External Auditor's qualifications and independence; and
- (d) the performance of the Corporation's internal audit function and the External Auditor.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In this Charter:

- (a) "**Board**" means the board of directors of the Corporation;
- (b) "**Chair**" means the chair of the Committee;
- (c) "**Committee**" means the audit committee of the Board;
- (d) "**Corporation**" means Academy Explorations Limited
- (e) "**Director**" means a member of the Board; and
- (f) "**External Auditor**" means the Corporation's independent auditor.

2.2 Interpretations

The provisions of this Charter are subject to the provisions of the articles and by-laws of the Corporation and to the applicable provisions of the *Business Corporations Act* (Ontario), and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. ESTABLISHMENT AND COMPOSITION OF THE COMMITTEE

3.1 Establishment of the Audit Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.2 Appointment and Removal of Members of the Committee

- (a) *Board Appoints Members.* The members of the Committee shall be appointed by the Board, having considered the recommendation of the Nominating and Corporate Governance Committee of the Board.
- (b) *Annual Appointments.* The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.
- (c) *Vacancies.* The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office.
- (d) *Removal of Member.* Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3 Number of Members

The Committee shall consist of three or more Directors.

3.4 Independence of Members

A majority of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.5 Financial Literacy

- (a) *Financial Literacy Requirement.* At least one member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.
- (b) *Definition of Financial Literacy.* "Financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of

complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

3.6 Qualifications

The Board will appoint to the Committee at least one Director who has accounting or financial management expertise.

4. **COMMITTEE CHAIR**

4.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee who are unrelated directors (or, if it fails to do so, the members of the Committee shall appoint the Chair of the Committee from among its members).

4.2 Chair to be Appointed Annually

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. **COMMITTEE MEETINGS**

5.1 Quorum

A quorum of the Committee shall be two members.

5.2 Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least quarterly.

5.4 *In Camera Meetings*

As part of each meeting of the Committee at which the Committee recommends that the Board approve the annual audited financial statements or at which the Committee approves the quarterly financial statements, the Committee shall meet separately with each of:

- (a) management; and
- (b) the External Auditor.

5.5 Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.6 Voting

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

5.7 Invitees

The Committee may invite Directors, officers, consultants and employees of the Corporation or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee. The External Auditor shall receive notice of each meeting of the Committee and shall be entitled to attend any such meeting at the Corporation's expense.

6. AUTHORITY OF COMMITTEE

6.1 Retaining and Compensating Advisors

The Committee shall have the sole authority to engage independent counsel and any other advisors as the Committee may deem appropriate in its sole discretion and to set the compensation for any advisors employed by the audit committee. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

6.2 Funding

The Committee shall have the authority to authorize the payment of:

- (a) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation (National Instrument 52-110 – *Audit Committees* requires disclosure of fees by category paid to the External Auditor);
- (b) compensation for any advisors employed by the Committee under Section 6.1 hereof; and

- (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.3 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

6.4 Compensation

The Committee has the authority to communicate directly with External Auditors and the Internal Auditors.

7. REMUNERATION OF COMMITTEE MEMBERS

7.1 Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

7.2 Directors' Fees

No member of the Committee may earn fees from the Corporation or any of its subsidiaries other than directors' fees (which fees may include cash and/or shares or options or other in-kind consideration ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Corporation.

SPECIFIC DUTIES AND RESPONSIBILITIES

8. INTEGRITY OF FINANCIAL STATEMENTS

8.1 Review and Approval of Financial Information

(a) *Annual Financial Statements.* The Committee shall review and discuss with management and the External Auditor the Corporation's audited annual financial statements and related management's discussion and analysis ("MD&A") together with the report of the External Auditor thereon and, if appropriate, recommend to the Board that it approve the audited annual financial statements.

(b) *Interim Financial Statements.* The Committee shall review and discuss with management and, if appropriate, approve the Corporation's interim unaudited financial statements and related MD&A.

(c) *Procedures for Review.* The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of financial information

extracted or derived from the Corporation's financial statements (other than financial statements, MD&A and profit or loss or earnings press releases, which are dealt with elsewhere in this Charter) and shall periodically assess the adequacy of those procedures.

(d) *General.* The Committee shall review and discuss with management and the External Auditor:

- (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles;
- (ii) major issues as to the adequacy of the Corporation's internal controls over financial reporting and any special audit steps adopted in light of material control deficiencies;
- (iii) analyses prepared by management and/or the External Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative accounting methods on the financial statements;
- (iv) the effect on the financial statements of the Corporation of regulatory and accounting initiatives, structures, obligations (including contingent obligations) and other relationships of the Corporation with unconsolidated entities or other persons that have a material current or future effect on the financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses of the Corporation;
- (v) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;
- (vi) any financial information or financial statements in prospectuses and other offering documents;
- (vii) any other relevant reports or financial information submitted by the Corporation to any governmental body or the public; and
- (viii) pension plan financial statements, if any.

9. EXTERNAL AUDITOR

9.1 External Auditor

(a) *Authority with Respect to External Auditor.* As a representative of the Corporation's shareholders, the Committee shall be directly responsible for the appointment, compensation and oversight of the work of the External Auditor engaged for the purpose of

preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. In the discharge of this responsibility, the Committee shall:

- (i) have sole responsibility for recommending to the Board the person to be proposed to the Corporation's shareholders for appointment as External Auditor for the above-described purposes and recommending such External Auditor's compensation;
- (ii) determine at any time whether the Board should recommend to the Corporation's shareholders that the incumbent External Auditor be removed from office;
- (iii) review the terms of the External Auditor's engagement, discuss the audit fees with the External Auditor and be responsible for approving such audit fees; and
- (iv) if desired, require the External Auditor to confirm in its engagement letter each year that the External Auditor is accountable to the Board and the Committee as representatives of shareholders.

(b) *Independence.* The Committee shall satisfy itself as to the independence of the External Auditor. As part of this process the Committee shall:

- (v) unless the Committee adopts pre-approval policies and procedures, it must approve any non-audit services provided by the External Auditor, provided that the Committee may delegate such approval authority to one or more of its independent members who shall report promptly to the Committee concerning their exercise of such delegated authority; and
- (vi) review and approve the policy setting out the restrictions on the Corporation hiring partners, employees and former partners and employees of the Corporation's current or former External Auditor.

(c) *Non-Audit Services.*

- (i) The Committee shall either:
 - (A) approve any non-audit services provided by the External Auditor or the external auditor of any subsidiary of the Corporation to the Corporation (including its subsidiaries); or
 - (B) adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approval policies and procedures are detailed as to the particular service, the Committee is informed of each non-audit service and the procedures do not include delegation of the Committee's responsibilities to management.

- (ii) The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services so approved to the full Committee at its first scheduled meeting following such pre-approval.
- (iii) The Committee shall instruct management to promptly bring to its attention any services performed by the External Auditor which were not recognized by the Corporation at the time of the engagement as being non-audit services.

(d) *Evaluation of External Auditor.* The Committee shall evaluate the External Auditor each year and present its conclusions to the Board. In connection with this evaluation, the Committee shall:

- (i) obtain and review a report by the External Auditor describing:
 - (A) the External Auditor's internal quality-control procedures;
 - (B) any material issues raised by the most recent internal quality-control review, or peer review, of the External Auditor's firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the External Auditor's firm, and any steps taken to deal with any such issues; and
 - (C) all relationships between the External Auditor and the Corporation (for the purposes of assessing the External Auditor's independence);
- (ii) review and evaluate the performance of the lead partner of the External Auditor; and
- (iii) obtain the opinions of management and of the persons responsible for the Corporation's internal audit function with respect to the performance of the External Auditor.

(e) *Review of Management's Evaluation and Response.* The Committee shall:

- (i) review management's evaluation of the External Auditor's audit performance;
- (ii) review the External Auditor's recommendations, and review management's response to and subsequent follow-up on any identified weaknesses; and
- (iii) recommend to the Board whether any new material strategies presented by management should be considered appropriate and approved.

10. **INTERNAL CONTROL AND AUDIT FUNCTION**

10.1 **Internal Control and Audit**

In connection with the Corporation's internal audit function, the Committee shall:

- (a) review the terms of reference of the internal auditor and meet with the internal auditor as the Committee may consider appropriate to discuss any concerns or issues; and
- (b) periodically review with the internal auditor any significant difficulties, disagreements with management or scope restrictions encountered in the course of the work of the internal auditor.

11. **OTHER**

11.1 **Expense Accounts**

The Committee shall review and make recommendations with respect to:

- (a) the expense account summaries submitted by the Chief Executive Officer on an annual basis;
- (b) the Corporation's expense account policy, and rules relating to the standardization of the reporting on expense accounts; and
- (c) the Director Expense Policy of the Corporation, as applicable.

11.2 **Whistle Blowing**

The Committee shall put in place procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

12. **ANNUAL PERFORMANCE EVALUATION**

On an annual basis, the Committee shall follow the process established by the Board and overseen by the Nominating and Corporate Governance Committee for assessing the performance and effectiveness of the Committee.

13. **CHARTER REVIEW**

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Board any changes it deems appropriate.

Approved by the Board on August 7, 2018

SCHEDULE "C"
BY-LAW NO. 1

See attached.

ACADEMY EXPLORATIONS LIMITED

BY-LAW NO. 1

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ACADEMY EXPLORATIONS LIMITED

BY-LAW NO. 1

A by-law relating generally to the conduct of the business and affairs of Academy Explorations Limited (hereinafter called the "**Corporation**") is hereby made as follows:

ARTICLE 1 DEFINITIONS

In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:

"**Act**" means the *Business Corporations Act* (Ontario) and the regulations made thereunder, as from time to time amended, and in the case of such amendment any reference in the by-laws shall be read as referring to the amended provisions thereof;

"**board**" means the board of directors of the Corporation;

"**by-laws**" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

"**STA**" means the *Securities Transfer Act* (Ontario) and the regulations made thereunder, as from time to time amended, and in the case of such amendment any reference in the by-laws shall be read as referring to the amended provisions thereof;

All terms used in the by-laws that are defined in the Act and are not otherwise defined in the by-laws shall have the meanings given to such terms in the Act;

Words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders; and

The headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

ARTICLE 2 REGISTERED OFFICE

The Corporation shall at all times have a registered office in Ontario at the location specified in its articles. The Corporation may at any time (i) by resolution of its directors change the location of its registered office within the municipality or geographic township within Ontario specified in its articles, and (ii) by special resolution change the municipality or geographic township in which its registered office is located to another place in Ontario.

ARTICLE 3 SEAL

The directors may by resolution from time to time adopt and change a corporate seal of the Corporation.

ARTICLE 4 DIRECTORS

4.1 Number

The number of directors shall be the number fixed by the articles, or where the articles specify a variable number, the number shall not be less than the minimum and not more than the maximum number so specified, and in either case shall not be fewer than three individuals so long as the Corporation remains an "offering corporation" as defined in the Act. Where a minimum and maximum number of directors of the Corporation is provided for in its articles, the number of directors of the Corporation and the number of directors to be elected at the annual meeting of the shareholders shall be such number as shall be determined from time to time by special resolution or, if the special resolution empowers the directors to determine the number, by resolution of the directors. Subject to section 118 of the Act, at least 25% of the directors of the Corporation, or such other number of directors (if any) as may be prescribed by the Act from time to time, shall be resident Canadians. If the Corporation has less than four directors, at least one director shall be a resident Canadian. So long as the Corporation remains an "offering corporation", at least one third of the directors shall not be officers or employees of the Corporation or any of its affiliates.

4.2 Vacancies

Subject to section 124 of the Act, a quorum of directors may fill a vacancy among the directors. If there is not a quorum of directors, or if there has been a failure to elect the number of directors required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

A director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor.

4.3 Powers

The directors shall manage or supervise the management of the business and affairs of the Corporation and may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not expressly directed or required to be done in some other manner by the Act, the articles, the by-laws, any special resolution of the shareholders of the Corporation, or by statute.

4.4 Duties

Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.5 Qualification

The following persons are disqualified from being a director of the Corporation:

- (a) a person who is less than 18 years of age;
- (b) a person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

Unless the articles otherwise provide, a director of the Corporation is not required to hold shares issued by the Corporation.

4.6 Term of Office

A director's term of office (subject to any applicable provisions of the Corporation's articles and subject to the election of such director for an expressly stated term) shall be from the date such director is elected or appointed until the close of the first annual meeting of shareholders following such director's election or appointment or until a successor to such director is elected or appointed.

4.7 Election

Subject to sections 119, 120 and 124 of the Act, the shareholders of the Corporation shall, at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, elect directors to hold office for a term expiring not later than the close of the third annual meeting of shareholders following the election. A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following his or her election but, if qualified, is eligible for re-election. Notwithstanding the foregoing, if directors are not elected at a meeting of shareholders, the incumbent directors continue in office until their successors are elected.

If a meeting of shareholders fails to elect the number or the minimum number of directors required by the articles or by section 125 of the Act by reason of the disqualification, incapacity or death of any candidates, the directors elected at that meeting if they constitute a quorum, may exercise all the powers of the directors, pending the holding of a meeting of shareholders in accordance with subsection 124(3) of the Act.

4.8 Consent to Election

Subject to section 119 of the Act, the election or appointment of a director is not effective unless the person elected or appointed consents in writing before or within 10 days after the election or appointment.

4.9 Removal

Subject to sections 120 and 122 of the Act, the shareholders of the Corporation may by ordinary resolution at an annual or special meeting remove any director or directors from office before the expiration of his or her term of office and may, subject to section 124 of the Act, elect any person in his or her stead for the remainder of the director's term.

4.10 Vacation of Office

A director of the Corporation ceases to hold office when:

- (a) the director dies or, subject to subsection 119(2) of the Act, resigns;
- (b) the director is removed from office in accordance with section 122 of the Act; or
- (c) the director becomes disqualified under subsection 118(1) of the Act.

A resignation of a director becomes effective at the time a written resignation is received by the Corporation, or at the time specified in the resignation, whichever is later.

4.11 Validity of Acts

An act done by a director or by an officer is not invalid by reason only of any defect that is thereafter discovered in his or her appointment, election or qualification.

ARTICLE 5 MEETINGS OF DIRECTORS

5.1 Place of Meeting

Unless the articles otherwise provide, meetings of directors and of any committee of directors may be held at any place within or outside Ontario except where the Corporation is a non-resident Corporation, and in any financial year of the Corporation, a majority of the meetings of the board of directors need not be held at a place within Canada. A meeting of directors may be convened by the Chairman of the Board (if any), the President (if any) or any director at any time upon proper notice to the directors or waiver thereof. A quorum of the directors may, at any

time, call a meeting of the directors for the transaction of any business the general nature of which is specified in the notice calling the meeting and the Secretary (if any) or any other officer or any director shall, as soon as reasonably practicable following receipt of a direction from any of the foregoing, send a notice of the applicable meeting to the directors.

5.2 Notice

Notice of the time and place for the holding of any meeting of directors or of any committee of directors shall be sent to each director, or each director who is a member of such committee, as the case may be, not less than 48 hours before the time of the meeting; provided that a meeting of directors, or of any committee of directors, may be held at any time without notice if all the directors or members of such committee are present (except where a director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the absent directors waive notice of the meeting.

For the first meeting of directors to be held following the election of directors at an annual or special meeting of the shareholders or for a meeting of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

5.3 Waiver of Notice

Notice of any meeting of directors or of any committee of directors or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any director in writing or by facsimile or electronic mail addressed to the Corporation or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at any meeting of directors or of any committee of directors is a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

5.4 Omission of Notice

The accidental omission to give notice of any meeting of directors or of any committee of directors or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at such meeting.

5.5 Electronic, Telephone Participation Etc.

A director may participate in a meeting of directors or of any committee of directors by means of a telephonic, electronic or other communication facility that permits all persons participating in the meeting to communicate with each other simultaneously and instantaneously. A director's consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board or a committee thereof held while the director holds office. A director participating in such a meeting by such means is deemed for the purposes of the Act and this by-law to be present at that meeting.

5.6 Adjournment

Any meeting of directors or of any committee of directors may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place. Notice of an adjourned meeting of directors or committee of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at the adjourned meeting that might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

5.7 Quorum and Voting

Subject to the articles, a majority of the number of directors or minimum number of directors required by the articles constitutes a quorum at any meeting of directors and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors, but in no case shall a quorum be less than two-fifths of the number of directors. If the Corporation has fewer than three directors, all of the directors must be present at any meeting of directors to constitute a quorum. Subject to subsection 124(1) of the Act, directors shall not transact business at a meeting of directors unless a quorum is present. Questions arising at any meeting of directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting in addition to his or her original vote shall not have a second or casting vote.

5.8 Resolution in Lieu of Meeting

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or a committee of directors. A resolution in writing dealing with all matters required by the Act or this by-law to be dealt with at a meeting of directors, and signed by all the directors entitled to vote at that meeting, satisfies all the requirements of the Act and this by-law relating to meetings of directors.

ARTICLE 6 COMMITTEES OF DIRECTORS

6.1 General

The directors may from time to time appoint from their number a managing director, or a committee of directors, and may delegate to such managing director or such committee any of the powers of the directors, except that (unless the Act otherwise permits) no managing director or committee shall have the authority to:

- (a) submit to the shareholders any question or matter requiring the approval of the shareholders;

- (b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officers, however designated, the chief financial officer, however designated, the chair or the president of the Corporation;
- (c) subject to section 184 of the Act, issue securities except in the manner and on the terms authorized by the directors;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (f) pay a commission referred to in section 37 of the Act;
- (g) approve a management information circular referred to in Part VIII of the Act;
- (h) approve a take-over bid circular, directors' circular or issuer bid circular referred to in Part XX of the *Securities Act* (Ontario);
- (i) approve any financial statements referred to in clause 154(1)(b) of the Act and Part XVIII of the *Securities Act* (Ontario);
- (j) approve an amalgamation under section 177 of the Act or an amendment to the articles under subsection 168(2) or (4) of the Act;
- (k) adopt, amend or repeal by-laws of the Corporation; or
- (l) exercise any other power which under the Act a committee of directors has no authority to exercise.
- (m) Notwithstanding the foregoing and subject to the articles, the directors may, by resolution, delegate to a director, a committee of directors, or an officer the power to:
 - (i) borrow money upon the credit of the Corporation;
 - (ii) issue, reissue, sell or pledge debt obligations of the Corporation;
 - (iii) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
 - (iv) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

6.2 Audit Committee

Subject to subsection 158(1.1) of the Act, so long as the Corporation remains an "offering corporation", as defined in the Act, the board shall appoint from among their number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers

or employees of the Corporation or any of its affiliates, to hold office until the next annual meeting of the shareholders. At any time when the Corporation is not an offering corporation, the directors may (but shall not be required to) appoint from among their number an audit committee to be composed of such number of directors as may be determined by the board from time to time in accordance with the Act.

Each member of the audit committee shall serve at the pleasure of the board and, in any event, only so long as such member shall be a director. The directors may fill vacancies in the audit committee by election from among their number.

The audit committee shall have power to fix its quorum at not less than a majority of its members and to determine its own rules of procedure subject to any requirements imposed by the board from time to time.

The auditor of the Corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the Corporation, to attend and be heard thereat, and, if so requested by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor. The auditor of the Corporation or any member of the audit committee may call a meeting of the audit committee.

The audit committee shall review the financial statements of the Corporation referred to in section 154 of the Act, and shall report thereon to the board before such financial statements are approved under section 159 of the Act, and shall have such other powers and duties as may from time to time by resolution be assigned to it by the board.

ARTICLE 7 REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Subject to the articles, the directors of the Corporation may fix the remuneration of the directors, officers and employees of the Corporation. Any remuneration paid to a director of the Corporation shall be in addition to the salary paid to such director in his or her capacity as an officer or employee of the Corporation. The directors may also by resolution award special remuneration to any director in undertaking any special services on the Corporation's behalf other than the routine work ordinarily required of a director of the Corporation. The confirmation of any such resolution by the shareholders shall not be required. The directors, officers and employees shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

ARTICLE 8 SUBMISSION OF CONTRACTS OR TRANSACTIONS TO SHAREHOLDERS FOR APPROVAL

The directors in their discretion may submit any contract, act or transaction for approval, ratification or confirmation at any annual meeting of the shareholders or at any special meeting of the shareholders called for the purpose of considering the same and subject to the Act, any contract, act or transaction that shall be approved, ratified or confirmed by resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or other applicable law or by the Corporation's articles or any other by-law)

shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified and/or confirmed by every shareholder of the Corporation.

ARTICLE 9 CONFLICT OF INTEREST

A director or officer of the Corporation who is a party to a material contract or transaction or proposed material contract or proposed transaction with the Corporation, or who is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or proposed transaction with the Corporation, shall disclose, in writing to the Corporation or by requesting to have entered in the minutes of meetings of directors, the nature and extent of his or her interest at the time and in the manner provided in the Act. Except as provided in the Act, no such director of the Corporation shall attend any part of a meeting of directors during which the contract or transaction is discussed, and no such director shall vote on any resolution to approve such contract or transaction. If a material contract is made or a material transaction is entered into between the Corporation and one or more of its directors or officers, or between the Corporation and another person of which a director or officer of the Corporation is a director or officer or in which he or she has a material interest, the director or officer is not accountable to the Corporation or its shareholders for any profit or gain realized from the contract or transaction, and the contract is neither void nor voidable, by reason only of that relationship or by reason only that a director is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction, if the director or officer disclosed his or her interest in accordance with the Act, and the contract or transaction was reasonable and fair to the Corporation at the time it was approved.

Even if these conditions are not met, a director or officer, acting honestly and in good faith, is not accountable to the Corporation or to its shareholders for any profit or gain realized from any such contract or transaction, by reason only of his or her holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the Corporation at the time it was approved, is not by reason only of the director's or officer's interest therein void or voidable, where the contract or transaction is confirmed or approved by special resolution at a meeting of the shareholders duly called for that purpose, and the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in the information circular.

ARTICLE 10 FOR THE PROTECTION OF DIRECTORS AND OFFICERS

No director or officer of the Corporation shall be liable to the Corporation for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or which any monies,

securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever that may happen in the execution of the duties of such director's or officer's respective office of trust or in relation thereto, unless the same shall happen by or through the director's or officer's failure to exercise the powers and to discharge the duties of office honestly, in good faith with a view to the best interests of the Corporation, and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, provided that nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or relieve such director or officer from liability under the Act. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact that the director or officer is a shareholder, director or officer of the Corporation or body corporate or member of the firm shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

ARTICLE 11 INDEMNITIES TO DIRECTORS AND OTHERS

- (a) The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, or any other individual permitted by the Act to be so indemnified in the manner and to the fullest extent permitted by the Act. Without limiting the generality of the foregoing, subject to section 136 of the Act, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including costs incurred in the defence of an action or proceeding and an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (b) The Corporation shall advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Article 11(a). The individual shall repay the money if the individual does not fulfill the conditions of Article 11(c).
- (c) The Corporation shall not indemnify an individual under Article 11(a) unless the individual:
 - (i) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity

for which the individual acted as a director or officer or in a similar capacity at the Corporation's request; and

- (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.
- (d) The Corporation shall, subject to the Act, with the approval of a court, indemnify an individual referred to in Article 11(a), or advance moneys under Article 11(b), in respect of an action by or on behalf of the Corporation or other entity to obtain a judgment in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in Article 11(a), against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in Article 11(c).
- (e) The Corporation may purchase and maintain insurance for the benefit of an individual referred to in Article 11(a) against any liability incurred by that individual to the extent permitted by the Act.

ARTICLE 12 OFFICERS

12.1 Appointment of Officers

Subject to the articles, the directors annually or as often as may be required may appoint from among themselves a Chairman of the Board (either on a full-time or part-time basis) and may appoint a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and one or more assistants to any of the officers so appointed. None of such officers except the Chairman of the Board needs to be a director of the Corporation although a director may be appointed to any office of the Corporation. Two or more offices of the Corporation may be held by the same person. The directors may from time to time appoint such other officers, employees and agents as they shall deem necessary who shall have such authority and shall perform such functions and duties as may from time to time be prescribed by resolution of the directors. The directors may from time to time and subject to the provisions of the Act, vary, add to or limit the duties and powers of any officer, employee or agent.

12.2 Removal of Officers and Vacation of Office

Subject to the articles, all officers, employees and agents shall be subject to removal by resolution of the directors at any time, with or without cause.

An officer of the Corporation ceases to hold office when such officer dies, resigns or is removed from office. A resignation of an officer becomes effective at the time a written resignation is sent to the Corporation, or at the time specified in the resignation, whichever is later.

12.3 Vacancies

If the office of Chairman of the Board, President, Vice-President, Secretary, Treasurer, or any other office created by the directors pursuant to Article 12 hereof shall be or become vacant by reason of death, resignation, removal from office or in any other manner whatsoever, the directors may appoint an individual to fill such vacancy.

12.4 Chairman of the Board

The Chairman of the Board (if any) shall, if present, preside as chairman at all meetings of the board and at all meetings of the shareholders of the Corporation. The Chairman of the Board shall sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by resolution of the directors.

12.5 President

The President (if any) shall, unless otherwise determined by resolution of the board, be the chief executive officer of the Corporation and shall, subject to the direction of the board, exercise general supervision and control over the business and affairs of the Corporation. In the absence of the Chairman of the Board (if any), and if the President is also a director of the Corporation, the President shall, when present, preside as chairman at all meetings of directors and the shareholders of the Corporation. The President shall sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by resolution of the directors or as are incident to his or her office.

12.6 Vice-President

The Vice-President (if any) or, if more than one, the Vice-Presidents in order of seniority, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of directors or shareholders. The Vice-President or, if more than one, the Vice-Presidents shall sign such contracts, documents or instruments in writing as require his, her or their signatures and shall have such other powers and shall perform such other duties as may from time to time be assigned to him, her or them by resolution of the directors.

12.7 Secretary

Unless another officer has been appointed for that purpose, the Secretary (if any) shall give or cause to be given notices for all meetings of directors, any committee of directors and shareholders when directed to do so and shall, subject to the provisions of the Act, maintain the records referred to in section 140 of the Act. The Secretary shall sign such contracts, documents or instruments in writing as require the signature of the Secretary and shall have such other powers and shall perform such other duties as may from time to time be assigned to the Secretary by resolution of the directors or as are incident to the office of the Secretary.

12.8 Treasurer

Subject to the provisions of any resolution of the directors, the Treasurer (if any) or such other officer who has been appointed for that purpose shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such other depositary or depositaries as the directors may by resolution direct; provided that the Treasurer may from time to time arrange for the temporary deposit of moneys of the Corporation in banks, trust companies or other financial institutions within or outside Canada not so directed by the board for the purpose of facilitating transfer thereof to the credit of the Corporation in a bank, trust company or other financial institution so directed. Unless another officer has been appointed for that purpose, the Treasurer shall prepare and maintain adequate accounting records. The Treasurer shall sign such contracts, documents or instruments in writing as require the signature of the Treasurer and shall have such other powers and shall perform such other duties as may from time to time be assigned to such person by resolution of the directors or as are incident to the office of the Treasurer. The Treasurer may be required to give such bond for the faithful performance of his or her duties as the directors in their sole discretion may require and no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

12.9 Assistant Secretary and Assistant Treasurer

The Assistant Secretary (if any) or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer (if any) or, if more than one, the Assistant Treasurers in order of seniority, shall assist the Secretary and Treasurer, respectively, in the performance of his or her duties and shall be vested with all the powers and shall perform all the duties of the Secretary and Treasurer, respectively, in the absence or inability or refusal to act of the Secretary or Treasurer as the case may be. The Assistant Secretary or, if more than one, the Assistant Secretaries and the Assistant Treasurer or, if more than one, the Assistant Treasurers shall sign such contracts, documents or instruments in writing as require his, her or their signatures, respectively, and shall have such other powers and shall perform such other duties as may from time to time be assigned to him, her or them by resolution of the directors.

12.10 Managing Director

The Managing Director (if any) shall conform to all lawful orders given to him or her by the directors and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation.

12.11 Duties of Officers may be Delegated

In case of the absence or inability or refusal to act of any officer of the Corporation or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

12.12 Agents and Attorneys

The Corporation shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to subdelegate) of management, administration or otherwise as may be thought fit.

ARTICLE 13 SHAREHOLDERS' MEETINGS

13.1 Annual Meeting

Subject to the articles, the annual meeting of the shareholders of the Corporation shall be held at such place in or outside Ontario as the directors determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located.

13.2 Special Meetings

The directors of the Corporation may at any time call a special meeting of shareholders to be held at such place in or outside Ontario as the directors may determine.

13.3 Meeting on Requisition of Shareholders

The holders of not less than 5% of the issued shares of the Corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition. The requisition shall state the business to be transacted at the meeting and shall be sent to each director and to the registered office of the Corporation. Subject to subsection 105(3) of the Act, upon receipt of the requisition, the directors shall call a meeting of shareholders to transact the business stated in the requisition. If the directors do not within 21 days after receiving the requisition call a meeting, any shareholder who signed the requisition may call the meeting.

13.4 Meetings held by Electronic Means and Electronic Voting

Subject to the articles, a meeting of the shareholders of the Corporation may be held by telephonic or electronic means (as defined in the Act) and a shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed, for purposes of the Act and this by-law, to be present at the meeting.

13.5 Notice

A notice in writing of a meeting of shareholders, stating the day, hour and place of the meeting and if special business is to be transacted thereat, stating (i) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment on that business and (ii) the text of any special resolution or by-law to be submitted to the meeting, shall be sent to each shareholder entitled to vote at the meeting, who on the record date for notice is registered on the records of the Corporation or its transfer agent as a shareholder, to each director of the Corporation and to the auditor of the Corporation not less than 21 days so long as the Corporation remains an "offering corporation" (as defined in the Act), or in the case of a non-

offering corporation not less than 10 days, but in either case not more than 50 days before the meeting.

13.6 Waiver of Notice

Notice of any meeting of shareholders or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any shareholder, the duly appointed proxy of any shareholder, any director or the auditor of the Corporation in writing or by facsimile or other form of recorded electronic transmission addressed to the Corporation or in any other manner and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a shareholder or any other person entitled to attend at a meeting of shareholders is a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

13.7 Omission of Notice

The accidental omission to give notice of any meeting of shareholders to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any such meeting.

13.8 Record Dates

Subject to subsection 95(4) of the Act, the directors may fix in advance a date as the record date for the determination of shareholders (i) entitled to receive payment of a dividend, (ii) entitled to participate in a liquidation or distribution or (iii) for any other purpose except the right to receive notice of or to vote at a meeting of shareholders, but such record date shall not precede by more than 50 days the particular action to be taken.

Subject to subsection 95(4) of the Act, the directors may also fix in advance a date as the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders, but such record date shall not precede by more than 60 days or by less than 30 days the date on which the meeting is to be held.

If no record date is fixed, the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be, at the close of business on the last business day preceding the day on which the notice is given, or if no notice is given, the day on which the meeting is held; and the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating to that purpose.

13.9 Chairman of the Meeting

In the absence of the Chairman of the Board (if any), the President (if any) and any Vice-President (who is a director), the shareholders present and entitled to vote shall elect a director of the Corporation as chairman of the meeting and if no director is present or if all the directors present decline to take the chair then the shareholders present shall elect one of their number to be chairman.

13.10 Votes

Votes at meetings of shareholders may be cast either personally or by proxy. Subject to the Act and Paragraph 13.11, every question submitted to any meeting of shareholders shall be decided on a show of hands, except when a ballot is required by the chairman of the meeting or is demanded by a shareholder or proxyholder entitled to vote at the meeting or is otherwise required by the Act. A shareholder or proxyholder may demand a ballot either before or after any vote by a show of hands. At every meeting at which shareholders are entitled to vote, each shareholder present on his or her own behalf and every proxyholder present shall have one vote. Upon any ballot at which shareholders are entitled to vote, each shareholder present on his or her own behalf or by proxy shall (subject to the provisions, if any, of the articles) have one vote for every share registered in the name of such shareholder. In the case of an equality of votes under this Paragraph, the chairman of the meeting shall not have a second or casting vote in addition to the vote or votes to which he or she may be entitled as a shareholder or proxyholder.

At any meeting of shareholders, unless a ballot is demanded, an entry in the minutes of a meeting of shareholders, following a vote on the applicable motion by a show of hands, to the effect that the chairman of the meeting declared a motion to be carried is admissible in evidence as proof of the fact, in the absence of evidence to the contrary, without proof of the number or proportion of the votes recorded in favour of or against the motion, although the chairman may direct that a record be kept of the number or proportion of votes in favour of or against the motion for any purpose the chairman of the meeting considers appropriate.

If at any meeting a ballot is demanded on the election of a chairman for the meeting or on the question of adjournment or termination, the ballot shall be taken forthwith without adjournment. If a ballot is demanded on any other question or as to the election of directors, the ballot shall be taken in such manner and either at once or later at the meeting or after adjournment as the chairman of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

13.11 Right to Vote

Unless the articles otherwise provide, each share of the Corporation entitles the holder thereof to one vote at a meeting of shareholders.

Where a body corporate or a trust, association or other unincorporated organization is a shareholder of the Corporation, any individual authorized by a resolution of the directors of the body corporate or the directors, trustees or other governing body of the association, trust or unincorporated organization, to represent it at meetings of shareholders of the Corporation shall be recognized as the person entitled to vote at all such meetings of shareholders in respect of the shares held by such body corporate or by such trust, association or other unincorporated organization and the chairman of the meeting may establish or adopt rules or procedures in relation to the recognition of a person to vote shares held by such body corporate or by such trust, association or other unincorporated organization.

Where a person holds shares as a personal representative, such person or his or her proxy is the person entitled to vote at all meetings of shareholders in respect of the shares so held by him or

her, and the chairman of the meeting may establish or adopt rules or procedures in relation to the recognition of such person to vote the shares in respect of which such person has been appointed as a personal representative.

Where a person mortgages, pledges or hypothecates his or her shares, such person or such person's proxy is the person entitled to vote at all meetings of shareholders in respect of such shares so long as such person remains the registered owner of such shares unless, in the instrument creating the mortgage, pledge or hypothec, the person has expressly empowered the person holding the mortgage, pledge or hypothec to vote in respect of such shares, in which case, subject to the articles, such holder or such holder's proxy is the person entitled to vote in respect of the shares and the chairman of the meeting may establish or adopt rules or procedures in relation to the recognition of the person holding the mortgage, pledge or hypothec as the person entitled to vote in respect of the applicable shares.

Where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present on their own behalf or by proxy, vote, they shall vote as one on the shares jointly held by them and the chairman of the meeting may establish or adopt rules or procedures in that regard.

13.12 Proxies

Every shareholder, including a shareholder that is a body corporate or a trust, association or other unincorporated organization, entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

An instrument appointing a proxyholder shall be in written or printed form or a format generated by telephonic or electronic means and shall be completed and executed, in writing or electronic signature, by the shareholder or by his or her duly authorized attorney and shall conform with the requirements of the Act and is valid only at the meeting in respect of which it is given or any adjournment of that meeting. So long as the Corporation remains an "offering corporation", as defined in the Act, a proxy appointing a proxyholder to attend and act at a meeting or meetings of shareholders ceases to be valid one year from its date.

The directors may, by resolution, fix a time and specify in a notice calling a meeting of shareholders the time not exceeding 48 hours, excluding Saturdays and holidays, preceding the meeting of shareholders or an adjournment of the meeting of shareholders before which time proxies to be used at that meeting must be deposited with the Corporation or its agent.

The chairman shall conduct the proceedings at the meeting and the chairman's decision in any matter or thing, including, without limitation, any question regarding the validity or invalidity of any instruments of proxy and any question as to the admission or rejection of a vote, shall be conclusive and binding upon the shareholders.

13.13 Adjournment

Subject to the Act or the articles, the chairman of the meeting may, with the consent of the meeting and subject to such conditions as the meeting decides, adjourn the meeting of shareholders from time to time and from place to place. If the meeting of shareholders is adjourned by one or more adjournments for an aggregate of less than 30 days, it is not necessary to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. If the meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than 90 days, section 111 of the Act does not apply.

Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The persons who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting that might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

13.14 Quorum

Two persons present and holding or representing by proxy at least 10% of the shares entitled to vote at the meeting shall be a quorum. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for a meeting of shareholders, or within such reasonable time thereafter as the shareholders present may determine, the shareholders present may adjourn the meeting to a fixed time and place but may not transact any other business.

Notwithstanding the foregoing, if the Corporation has only one shareholder, or one shareholder holding a majority of the shares entitled to vote at the meeting, that shareholder present on his or her own behalf or by proxy constitutes a meeting and a quorum for such meeting.

13.15 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditor of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

13.16 Resolution in Lieu of Meeting

A resolution in writing signed by all the shareholders or their attorney authorized in writing entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders, except where a written statement is submitted by a director

under subsection 123(2) of the Act, or where representations in writing are submitted by an auditor under subsection 149(6) of the Act.

13.17 Advance Notice Requirements

As used in this Section 13.17, the following terms have the following meanings:

- (a) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the written rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada.
- (b) "**Nominating Shareholder**" has the meaning set out in Subsection 13.17.1(c) below.
- (c) "**Notice**" has the meaning set out in Subsection 13.17.3 below.
- (d) "**person**" means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental or regulatory entity, and pronouns have a similarly extended meaning.
- (e) "**public announcement**" means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed under the Corporation's profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com, or any system that is a replacement or successor thereto.
- (f) "**Representative**" of a person means the affiliates and associates of such person, all persons acting jointly or in concert with any of the foregoing, and the affiliates and associates of any such persons acting jointly or in concert.

Additional terms are defined in the body of this Section 13.17.

13.17.1 Nomination Procedures

Subject only to the Act, Applicable Securities Laws and the articles of the Corporation, only persons who are nominated in accordance with the procedures set out in this Section 13.17 shall be eligible for election to serve as directors of the Corporation. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at a special meeting of shareholders if the election of directors is a matter specified in the notice of meeting:

- (a) by or at the direction of the Board, including pursuant to a notice of meeting;

- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of a shareholders meeting by one or more of the shareholders made in accordance with the provisions of the Act; or
- (c) by any person (a "**Nominating Shareholder**") who:
 - (i) at the close of business on the date of the giving of the notice provided for below in this Section 13.17 and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation.

13.17.2 Nominations for Election

For the avoidance of doubt, the procedures set forth in this Section 13.17 shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of shareholders of the Corporation, apart from compliance by the Nominating Shareholder and any individual nominated by the Nominating Shareholder with all of the applicable requirements of the Act, Applicable Securities Laws and applicable rules of the Toronto Stock Exchange regarding the matters set forth herein.

13.17.3 Timely Notice

For a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the corporate secretary of the Corporation and made public announcement in accordance with this Section 13.17 ("**Notice**").

13.17.4 Manner of Timely Notice

To be timely, a Nominating Shareholder must provide Notice:

- (a) in the case of an annual meeting of shareholders (including an annual and special meeting), not less than forty (40) days prior to the date of the meeting, provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the date (the "**Notice Date**") on which the first public announcement of the date of the meeting was made, notice by the Nominating Shareholder shall be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the meeting was made.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a notice as described above.

13.17.5 Proper Form of Notice

To be in proper form, a Nominating Shareholder's Notice must be in writing and must set forth or be accompanied by, as applicable:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (each a "**Proposed Nominee**"):
 - (i) the name, age, province or state, and country of residence of the Proposed Nominee;
 - (ii) the principal occupation, business or employment of the Proposed Nominee, both present and for the five years preceding the notice;
 - (iii) whether the Proposed Nominee is a resident Canadian within the meaning of the Act;
 - (iv) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee and any of his/her Representatives, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (v) the full particulars of any relationship, agreement, arrangement or understanding (including financial, compensatory or indemnity related or otherwise) between the Nominating Shareholder and the Proposed Nominee, or any Representatives thereof, in connection with the Proposed Nominee's nomination and election as director;
 - (vi) whether the Proposed Nominee is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Corporation or its Affiliates or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Corporation and the interests of the Proposed Nominee; and
 - (vii) any other information relating to the Proposed Nominee that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with the solicitation of proxies for the election of directors pursuant to the Act or any Applicable Securities Laws;
- (b) as to each Nominating Shareholder:

- (i) the name, business and, if applicable, residential address of such Nominating Shareholder;
- (ii) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by such Nominating Shareholder or any Representatives thereof (and for each such person, any options or rights to acquire securities of the Corporation and any derivatives or other securities, instruments or arrangements for which the price or value or delivery, payment or settlement obligations are derived from, referenced to, or based on any securities of the Company, and any hedging transactions, short positions and borrowing or lending arrangements relating to such securities), as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
- (iii) if the Nominating Shareholder is not the beneficial owner of the securities referred to in Subsection 13.17.5(b)(ii) above, the identity of the beneficial owner and the number of securities of the Corporation beneficially owned by the beneficial owner;
- (iv) the interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which may be to alter, directly or indirectly, such Nominating Shareholder's economic interest in a security of the Corporation or such Nominating Shareholder's economic exposure to the Corporation;
- (v) full particulars regarding any proxy, contract, arrangement, agreement, understanding or relationship pursuant to which such Nominating Shareholder, or any of its Representatives, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the Board;
- (vi) whether (i) in the opinion of the Nominating Shareholder and the Nominee, the Nominee would qualify as an independent director of the Corporation under section 1.4 and 1.5 of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators ("**NI 52-110**") and (ii) with respect to the Corporation, the Nominee has one or more of the relationships described in sections 1.4(3), 1.4(8) or 1.5 of NI 52-110; and
- (vii) any other information relating to such Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws.

Reference to Nominating Shareholder in this Subsection 13.17.5 shall be deemed to refer to each shareholder that nominates or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making the nomination proposal. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with this Subsection 13.17.5.

13.17.6 Notice to be Updated

To be considered timely and in proper form, a Nominating Shareholder's Notice shall be promptly updated and supplemented if necessary, so that the information provided or required to be provided in such Notice shall be true and correct as of the record date for the meeting.

13.17.7 Power of the Chair

The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Section 13.17 and, if any proposed nomination is not in compliance with this Section 13.17, to declare that such defective nomination shall be disregarded. A duly appointed proxy holder of a Nominating Shareholder shall be entitled to nominate at a meeting of shareholders the directors nominated by the Nominating Shareholder, provided that all of the requirements of this Section 13.17 have been satisfied.

13.17.8 Delivery of Notice

Notwithstanding any other provision in a by-law of the Corporation, Notice given to the corporate secretary of the Corporation pursuant to this Section 13.17 may only be given by personal delivery and shall be deemed to have been given and made only at the time it is served by personal delivery to the corporate secretary of the Corporation, at the address of the principal executive offices of the Corporation, provided that if such delivery is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery shall be deemed to have been made on the subsequent day that is a business day.

13.17.9 Board of Directors Discretion

Notwithstanding the foregoing, the board of directors may, in its sole discretion, waive any requirement in this Section 13.17.

ARTICLE 14 SHARES AND TRANSFERS

14.1 Issuance

Subject to the articles and to section 26 of the Act, shares in the Corporation may be issued at the times and to the persons and for the consideration that the directors determine; provided that a share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the Corporation would have received if the share had been issued for money.

14.2 Security Certificates

Security certificates (if any) shall (subject to compliance with section 56 of the Act) be in such form as the directors may from time to time by resolution approve and such certificates shall be signed manually, or the signature shall be printed or otherwise mechanically reproduced on the certificate, by at least one director or officer of the Corporation or by a registrar, transfer agent or branch transfer agent of the Corporation or an individual on their behalf, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced thereon. If a security certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the security certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the security certificate is as valid as if he or she were a director or an officer at the date of its issue.

14.3 Agent

For each class of securities and warrants issued by the Corporation, the directors may from time to time by resolution appoint or remove, a trustee, transfer agent or other agent to keep the securities register and the register of transfer and one or more persons or agents to keep branch registers; and a registrar, trustee or agent to maintain a record of issued certificates and warrants, and, subject to section 48 of the Act, one person may be appointed for the purposes of both clauses (a) and (b) in respect of all securities and warrants of the Corporation or any class or classes thereof.

14.4 Dealings with Registered Holder

Subject to the Act, the STA and this by-law, the Corporation may treat the registered holder of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the security, and otherwise to exercise all the rights and powers of a holder of the security.

14.5 Defaced, Destroyed, Stolen or Lost Security Certificates

In the event of the defacement, destruction, theft or loss of a security certificate, the fact of such defacement, destruction, theft or loss shall be reported by the owner to the Corporation or to an agent of the Corporation (if any), on behalf of the Corporation, with a statement verified by oath or statutory declaration as to the defacement, destruction, theft or loss and the circumstances concerning the same and with a request for the issuance of a new security certificate to replace the one so defaced (together with the surrender of the defaced security certificate), destroyed, stolen or lost. Upon the giving to the Corporation (or if there be an agent, hereinafter in this paragraph referred to as the "Corporation's agent", then to the Corporation and the Corporation's agent) of an indemnity bond (or other security approved by the directors) in such form as is approved by the directors or by any officer of the Corporation, indemnifying the Corporation (and the Corporation's agent if any) against all loss, damage or expense, which the Corporation and/or the Corporation's agent may suffer or be liable for by reason of the issuance of a new security certificate to such owner, and subject to the STA, a new security certificate shall be

issued in replacement of the one defaced, destroyed, stolen or lost, and such issuance may be ordered and authorized by any officer of the Corporation or by the directors.

14.6 Enforcement of Lien for Indebtedness

Subject to subsection 40(2) of the Act and section 66 of the STA, if the articles of the Corporation provide that the Corporation has a lien on the shares registered in the name of a shareholder or the shareholder's legal representative for a debt of that shareholder to the Corporation, such lien may be enforced by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares. No sale shall be made until such time as the debt ought to be paid and until a demand and notice in writing stating the amount due and demanding payment and giving notice of intention to sell on default shall have been served on the holder or such shareholder's legal representative of the shares subject to the lien and default shall have been made in payment of such debt for seven days after service of such notice. Upon any such sale, the proceeds shall be applied, firstly, in payment of all costs of such sale, and, secondly, in satisfaction of such debt and the residue (if any) shall be paid to the shareholder or as such shareholder shall direct. Upon any such sale, the directors may enter or cause to be entered the purchaser's name in the securities register of the Corporation as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by, any irregularity or invalidity in the proceedings, or be bound to see to the application of the purchase money, and after the purchaser's name or the name of the purchaser's legal representative has been entered in the securities register, the validity of the sale shall not be impeached by any person.

14.7 Electronic, Book-Based or Other Non-Certificated Registered Positions

For greater certainty, but subject to section 54 of the Act and the STA, a registered securityholder may have his or her holdings of securities of the Corporation evidenced by an electronic, book-based, direct registration service or other non-certificated entry or position on the register of securityholders to be kept by the Corporation in place of a physical security certificate pursuant to a registration system that may be adopted by the Corporation, in conjunction with its transfer agent (if any). This by-law shall be read such that a registered holder of securities of the Corporation pursuant to any such electronic, book-based, direct registration service or other non-certificated entry or position shall be entitled to all of the same benefits, rights, entitlements and shall incur the same duties and obligations as a registered holder of securities evidenced by a physical security certificate. The Corporation and its transfer agent (if any) may adopt such policies and procedures and require such documents and evidence as they may determine necessary or desirable in order to facilitate the adoption and maintenance of a security registration system by electronic, book-based, direct registration system or other non-certificated means.

ARTICLE 15 DIVIDENDS

15.1 Dividends

Subject to the articles, the directors may from time to time by resolution declare and the Corporation may pay dividends on its issued shares.

The directors shall not declare and the Corporation shall not pay a dividend if there are reasonable grounds for believing that:

- (a) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and its stated capital of all classes.

The Corporation may pay a dividend by issuing fully paid shares of the Corporation and, subject to section 38 of the Act, the Corporation may pay a dividend in money or property.

15.2 Joint Shareholders

In case several persons are registered as the joint holders of any securities of the Corporation, any one of such persons may give effectual receipts for all dividends and payments on account of dividends, principal, interest and/or redemption payments in respect of such securities.

15.3 Dividend Payments

A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the recorded address of such registered holder, or, paid by electronic funds transfer to the bank account designated by the registered holder, unless such holder otherwise directs. In the case of joint holders, the cheque or payment shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and, if more than one address is recorded in the Corporation's security register in respect of such joint holding, the cheque shall be mailed to the first address so appearing. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, or the electronic funds transfer as aforesaid, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold. In the event of non-receipt of any dividend cheque or payment by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque or payment for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as any officer or the directors may from time to time prescribe, whether generally or in any particular case.

ARTICLE 16 VOTING SECURITIES IN OTHER BODIES CORPORATE

All securities of or other interests in (i) any other body corporate or (ii) any trust, association or other unincorporated organization carrying voting rights and held from time to time by the Corporation may be voted at all meetings of shareholders, unitholders, bondholders, debenture holders or holders of such securities or other interests, as the case may be, of such other (i) body corporate or (ii) trust, association or other unincorporated organization, and in such manner and by such person or persons as the directors of the Corporation shall from time to time determine and authorize by resolution. Any officer of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and arrange for the issuance of voting certificates or other evidence of the right to vote in such names as such officer may determine, without the necessity of a resolution or other action by the directors.

ARTICLE 17 NOTICES, ETC.

17.1 Service

Any notice or document required by the Act, the articles, the by-laws or otherwise to be sent to any shareholder or director of the Corporation may be delivered personally to, or sent by pre-paid mail addressed to:

- (a) the shareholder at the shareholder's latest address as shown in the records of the Corporation or its transfer agent; and
- (b) the director at the director's latest address as shown in the records of the Corporation or in the most recent notice filed under the *Corporations Information Act*, whichever is the more current.

A notice or document sent by mail to a shareholder or director of the Corporation is deemed to be received by the addressee on the fifth day after mailing.

Notwithstanding the foregoing, a notice or document required or permitted to be sent under sections 262 and 263 of the Act may be sent by electronic means in accordance with the *Electronic Commerce Act*, 2000.

17.2 Failure to Locate Shareholder

If the Corporation sends a notice or document to a shareholder and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

17.3 Shares Registered in More than one Name

All notices or documents shall, with respect to any shares in the capital of the Corporation registered in more than one name, be sent to whichever of such persons is named first in the

records of the Corporation and any notice or document so sent shall be sufficient notice of delivery of such document to all the holders of such shares.

17.4 Persons Becoming Entitled by Operation of Law

Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any shares in the capital of the Corporation shall be bound by every notice or document in respect of such shares which prior to his or her name and address being entered on the records of the Corporation in respect of such shares shall have been duly sent to the person or persons from whom such person derives his or her title to such shares.

17.5 Signatures upon Notices

The signature of any director or officer of the Corporation upon any notice need not be a manual signature.

17.6 Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given under any provisions of the articles or by-laws of the Corporation, the day the notice is sent shall, unless it is otherwise provided by applicable law, be counted in such number of days or other period.

17.7 Proof of Service

A certificate of any officer of the Corporation in office at the time of the making of the certificate or of an agent of the Corporation as to facts in relation to the mailing or delivery or sending of any notice or document to any shareholder, director, officer or auditor of the Corporation or any other person or publication of any notice or document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation or other person, as the case may be.

ARTICLE 18 CUSTODY OF SECURITIES

All securities (including warrants) owned by the Corporation may be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or with such other depositaries or in such other manner as may be determined from time to time by any officer or director.

All securities (including warrants) belonging to the Corporation may be issued and held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer thereof to be completed and registration thereof to be effected.

ARTICLE 19
EXECUTION OF CONTRACTS, ETC.

Contracts, documents or instruments requiring the signature of the Corporation may be signed by any director or officer alone or any person or persons authorized by resolution of the directors and all contracts, documents or instruments so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation either to sign contracts, documents or instruments generally or to sign specific contracts, documents or instruments.

The corporate seal (if any) of the Corporation may be affixed by any director or officer to contracts, documents or instruments signed by such director or officer as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the directors.

The term "contracts, documents or instruments" as used in this by-law shall include notices, deeds, mortgages, hypothecs, charges, cheques, drafts, orders for the payment of money, notes, acceptances, bills of exchange, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

The signature or signatures of any director or officer or any other person or persons appointed as aforesaid by resolution of the directors may be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon all contracts, documents or instruments executed or issued by or on behalf of the Corporation and all contracts, documents or instruments on which the signature or signatures of any of the foregoing persons shall be so reproduced, shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments.

ARTICLE 20
FISCAL PERIOD

The fiscal period of the Corporation shall terminate on such day in each year as the board may from time to time by resolution determine.

SCHEDULE "D"
NON-PARTICIPATING VOTING SHARES AND SUBORDINATE VOTING SHARES

See attached.

1. SHARES

1.1 Dividends, Rights on Liquidation, Dissolution or Winding-Up

The Non-Participating Voting Shares shall be subject to and subordinate to the rights, privileges, restrictions and conditions attaching to any class ranking senior to the Non-Participating Voting Shares, and the Non-Participating Voting Shares will have no right to receive dividends or to receive the remaining property and assets of the Corporation on the liquidation, dissolution or winding-up of the Corporation, whether voluntarily or involuntarily, or any other distribution of assets of the Corporation among its shareholders for the purposes of winding up its affairs. For the avoidance of doubt, holders of Subordinate Voting Shares (not holders of the Non-Participating Voting Shares) shall, subject always to the rights of the holders of shares of any class ranking senior to the Subordinate Voting Shares, be entitled to receive (i) such dividends as the board of directors of the Corporation shall determine, and (ii) in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntarily or involuntarily, or any other distribution of assets of the Corporation among its shareholders for the purposes of winding up its affairs, the remaining property and assets of the Corporation, provided, however, that in the event of a payment of a dividend in the form of shares of the Corporation, holders of Non-Participating Voting Shares shall receive a proportionate number Non-Participating Voting Shares (based on voting) and holders of Subordinate Voting Shares shall receive Subordinate Voting Shares, unless otherwise determined by the board of directors of the Corporation.

1.2 Meetings and Voting Rights

1.2.1 Each holder of Non-Participating Voting Shares and each holder of Subordinate Voting Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except meetings at which only holders of a particular class or series shall have the right to vote pursuant to the *Business Corporations Act* (Ontario) (the "**Act**"). At each such meeting, each Non-Participating Voting Share shall entitle the holder thereof to one hundred (100) votes and each Subordinate Voting Share shall entitle the holder thereof to one vote, voting together as a single class, except as otherwise expressly provided herein or as provided by law.

1.2.2 Neither the holders of the Non-Participating Voting Shares nor the holders of the Subordinate Voting Shares shall be entitled to vote separately as a class upon a proposal to amend the articles of the Corporation in the case of an amendment referred to in paragraph (a) or (e) of subsection 170(1) of the Act. Neither the holders of the Non-Participating Voting Shares nor the holders of the Subordinate Voting Shares shall be entitled to vote separately as a class upon a proposal to amend the articles of the Corporation in the case of an amendment referred to in paragraph (b) of subsection 170(1) of the Act unless such exchange, reclassification or cancellation: (X) affects only the holders of that class; or (Y) affects the holders of Non-Participating Voting Shares and Subordinate Voting Shares differently, on a *per* share basis, and such holders are not otherwise entitled to vote separately as a class under any applicable law or subsection 1.2.3 in respect of such exchange, reclassification or cancellation.

1.2.3 Subject to subsection 1.2.1, in connection with any Change of Control Transaction (as defined below) requiring approval of the holders of Non-Participating Voting Shares and Subordinate Voting Shares under the Act, holders of Non-Participating Voting Shares and Subordinate Voting Shares shall be treated equally and identically, on a per share basis, unless different treatment of the shares of each such class is approved by a majority of the votes cast by the holders of outstanding Non-Participating Voting Shares who voted in respect of that resolution and by a majority of the votes cast by the holders of outstanding Subordinate Voting Shares who voted in respect of that resolution, each voting separately as a class at a meeting of the holders of that class called and held for such purpose.

1.2.4 For purposes of subsection 1.2.3, "**Change of Control Transaction**" means

- (a) The direct or indirect acquisition by an unrelated "Person" or "Group" of "Beneficial Ownership" (as such terms are defined below) of more than 50% of the voting power of the issued and outstanding voting securities of the Corporation in a single transaction or a series of related transactions;
- (b) The direct or indirect sale or transfer by the Corporation of substantially all of its assets to one or more unrelated Persons or Groups in a single transaction or a series of related transactions;
- (c) The amalgamation, arrangement, consolidation or reorganization of the Corporation with or into another corporation or other entity in which the Beneficial Owners (as such term is defined below) of more than 50% of the voting power of the issued and outstanding voting securities of the Corporation immediately before such merger or consolidation do not own more than 50% of the voting power of the issued and outstanding voting securities of the surviving corporation or other entity immediately after such merger, consolidation or reorganization; or
- (d) During any consecutive 12-month period, individuals who at the beginning of such period constituted the board of directors of the Corporation (together with any new directors whose election to such board or whose nomination for election by the shareholders of the Corporation was approved by a vote of a majority of the directors of the Corporation then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors of the Corporation thereafter in office.

1.3 Subdivision or Consolidation

No subdivision or consolidation of the Non-Participating Voting Shares or the Subordinate Voting Shares shall be carried out unless, at the same time, the Subordinate Voting Shares or the Non-Participating Voting Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis.

1.4 Voluntary Conversion

The Subordinate Voting Shares cannot be converted into any other class of shares. Each outstanding Non-Participating Voting Share may at any time, at the option of the holder, be converted into one (1) fully paid and non-assessable Subordinate Voting Share, in the following manner.

- 1.4.1 The conversion privilege for which provision is made in this subsection 1.4 shall be exercised by notice in writing given to the Corporation at its registered office, accompanied by a certificate or certificates representing the Non-Participating Voting Shares in respect of which the holder desires to exercise such conversion privilege. Such notice shall be signed by the holder of the Non-Participating Voting Shares in respect of which such conversion privilege is being exercised, or by the duly authorized representative thereof, and shall specify the number of Non-Participating Voting Shares which such holder desires to have converted. On any conversion of Non-Participating Voting Shares, the Subordinate Voting Shares resulting therefrom shall be registered in the name of the registered holder of the Non-Participating Voting Shares converted or, subject to payment by the registered holder of any stock transfer or other applicable taxes and compliance with any other reasonable requirements of the Corporation in respect of such transfer, in such name or names as such registered holder may direct in writing. Upon receipt of such notice and certificate or certificates and, as applicable, compliance with such other requirements, the Corporation shall, at its expense, effective as of the date of such receipt and, as applicable, compliance, remove or cause the removal of such holder from the register of holders in respect of the Non-Participating Voting Shares for which the conversion privilege is being exercised, add the holder (or any person or persons in whose name or names such converting holder shall have directed the resulting Subordinate Voting Shares to be registered) to the register of holders in respect of the resulting Subordinate Voting Shares, cancel or cause the cancellation of the certificate or certificates representing such Non-Participating Voting Shares and issue or cause to be issued a certificate or certificates representing the Subordinate Voting Shares issued upon the conversion of such Non-Participating Voting Shares. If less than all of the Non-Participating Voting Shares represented by any certificate are to be converted, the holder shall be entitled to receive a new certificate representing the Non-Participating Voting Shares represented by the original certificate which are not converted.

1.5 Automatic Conversion

- 1.5.1 Upon the first date that a Non-Participating Voting Share is Transferred by a holder of Non-Participating Voting Shares, other than to a Permitted Holder or from any such Permitted Holder back to such holder of Non-Participating Voting Shares and/or any other Permitted Holder of such holder of Non-Participating Voting Shares, the holder thereof, without any further action, shall automatically be deemed to have exercised his, her or its rights to convert such Non-Participating Voting Share into one (1) fully paid and non-assessable Subordinate Voting Shares, effective immediately upon such Transfer, and the Corporation shall, at its expense, effective as of such date, remove or cause the removal of such holder from the register of holders in respect of the Non-Participating Voting Shares subject to such automatic conversion, add such holder to the

register of holders in respect of the resulting Subordinate Voting Shares, cancel or cause the cancellation of the certificate or certificates representing the Non-Participating Voting Shares so deemed to have been converted for Subordinate Voting Shares, and issue or cause to be issued to such holder a certificate representing the Subordinate Voting Shares issued to the holder upon the foregoing automatic conversion of such Non-Participating Voting Shares registered in the name of such holder and, against receipt from such holder of the certificate or certificates representing the Non-Participating Voting Shares in respect of which such conversion has been deemed to have been exercised, deliver to such holder the certificate representing such Subordinate Voting Shares. If less than all of the Non-Participating Voting Shares represented by any certificate are automatically converted into Subordinate Voting Shares, the holder shall be entitled to receive a new certificate representing the Non-Participating Voting Shares represented by the original certificate which have not been conveyed against delivery of such original certificate.

1.5.2 The Corporation may, from time to time, establish such policies and procedures relating to the conversion of the Non-Participating Voting Shares to Subordinate Voting Shares and the general administration of this dual class share structure as it may deem necessary or advisable, and may from time to time request that holders of Non-Participating Voting Shares furnish certifications, affidavits or other proof to the Corporation as it deems necessary to verify the ownership of Non-Participating Voting Shares and to confirm that a conversion to Subordinate Voting Shares has not occurred. A determination by the Secretary of the Corporation that a Transfer results in a conversion to Subordinate Voting Shares shall be conclusive and binding.

1.5.3 For purposes of this subsection 1.5:

"Affiliate" means, with respect to any specified Person, any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person;

"Members of the Immediate Family" means with respect to any individual, each parent (whether by birth or adoption), spouse, child or other descendants (whether by birth or adoption) of such individual, each spouse of any of the aforementioned Persons, each trust created solely for the benefit of such individual and/or one or more of the aforementioned Persons, and each legal representative of such individual or of any aforementioned Persons (including without limitation a tutor, curator, mandatary due to incapacity, custodian, guardian or testamentary executor), acting in such capacity under the authority of the law, an order from a competent tribunal, a will or a mandate in case of incapacity or similar instrument. For the purposes of this definition, a Person shall be considered the spouse of an individual if such Person is legally married to such individual, lives in a civil union with such individual or is the common law partner (as defined in the *Income Tax Act* (Canada) as amended from time to time) of such individual. A Person who was the spouse of an individual within the meaning of this paragraph immediately before the death of such individual shall continue to be considered a spouse of such individual after the death of such individual;

"Permitted Holders" means, in respect of a holder of Non-Participating Voting Shares that is an individual, an officer, or employee of Dixie Brands (USA), Inc. or the Members of the Immediate Family of such individual or any Person controlled, directly or indirectly, by any such holder or holders, or in respect of a holder of Non-Participating Voting Shares that is not an individual, an Affiliate of that holder or holders.

"Person" means any individual, partnership, corporation, company, association, trust, joint venture or limited liability company;

"Transfer" of a Non-Participating Voting Share shall mean any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law. A "Transfer" shall also include, without limitation, (1) a transfer of a Non-Participating Voting Share to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership) or (2) the transfer of, or entering into a binding agreement with respect to, Voting Control over a Non-Participating Voting Share by proxy or otherwise, provided, however, that the following shall not be considered a **"Transfer"**: (a) the grant of a proxy to the Corporation's officers or directors at the request of board of directors of the Corporation in connection with actions to be taken at an annual or special meeting of shareholders; or (b) the pledge of a Non-Participating Voting Share that creates a mere security interest in such share pursuant to a *bona fide* loan or indebtedness transaction so long as the holder of the Non-Participating Voting Share continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such Non-Participating Voting Share or other similar action by the pledgee shall constitute a **"Transfer"**; and

"Voting Control" with respect to a Non-Participating Voting Share means the exclusive power (whether directly or indirectly) to vote or direct the voting of such Non-Participating Voting Share by proxy, voting agreement or otherwise.

A Person is **"controlled"** by another Person or other Persons if: (1) in the case of a company or other body corporate wherever or however incorporated: (A) securities entitled to vote in the election of directors carrying in the aggregate at least a majority of the votes for the election of directors and representing in the aggregate at least a majority of the participating (equity) securities are held, other than by way of security only, directly or indirectly, by or solely for the benefit of the other Person or Persons; and (B) the votes carried in the aggregate by such securities are entitled, if exercised, to elect a majority of the board of directors of such company or other body corporate; or (2) in the case of a Person that is not a company or other body corporate, at least a majority of the participating (equity) and voting interests of such Person are held, directly or indirectly, by or solely for the benefit of the other Person or Persons; and **"controls"**, **"controlling"** and **"under common control with"** shall be interpreted accordingly.

1.6 Single Class

Except as otherwise provided above, Non-Participating Voting Shares and Subordinate Voting Shares are equal in all respects and shall be treated as shares of a single class for all purposes under the Act.