



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

KWG Resources Inc.  
Ressources KWG inc.

Corporate name / Dénomination sociale

979399-2

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2017-02-14

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**

**Articles of Amendment**

*Canada Business Corporations Act  
(CBCA) (s. 27 or 177)*

**Formulaire 4**

**Clauses modificatrices**

*Loi canadienne sur les sociétés par actions (LCSA) (art. 27 ou 177)*

- 1 Corporate name  
Dénomination sociale  
KWG Resources Inc.  
Ressources KWG inc.

---

- 2 Corporation number  
Numéro de la société  
979399-2

---

- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Donald A. Sheldon  
\_\_\_\_\_  
Donald A. Sheldon  
416-777-4017

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

D: Other changes: (*e.g. to the classes of shares, to restrictions on share transfers, to restrictions on the businesses of the corporation or to any other provisions that are permitted by the CBCA to be set out in the Articles*) **Please specify.**

Item 3 “The classes and the maximum number of shares that the corporation is authorized to issue” pursuant to the Articles of Continuance filed June 15, 2016 is hereby amended as follows:

“The authorized capital of the corporation be and is hereby amended:

a) to change the classification of each common share, whether issued or unissued, into one convertible "Subordinate Voting Share" (hereinafter referred to as the “Subordinate Voting Shares”), the Corporation being authorized to issue an unlimited number of Subordinate Voting Shares having the rights, privileges, restrictions and conditions set forth in Schedule A attached hereto; and

b) to increase the authorized capital by the creation of an unlimited number of convertible shares to be classified as "Multiple Voting Shares" (hereinafter referred to as the “Multiple Voting Shares”) having the rights, privileges, restrictions and conditions set forth in Schedule A attached hereto.”

**SCHEDULE "A"**  
**TO THE ARTICLES OF AMENDMENT**  
**OF**  
**KWG RESOURCES INC.**  
**(the "Corporation")**

**SHARE CONDITIONS ATTACHED TO**  
**MULTIPLE VOTING SHARES AND SUBORDINATE VOTING SHARES**

The Multiple Voting Shares and Subordinate Voting Shares (sometimes collectively referred to as the "**Voting Shares**" or "**Participating Shares**") shall have attached thereto the following preferences, rights, privileges, restrictions and conditions:

**1. Payment of Dividends**

1.1 Subject to any preference as to the payment of dividends provided to any shares ranking in priority to the Participating Shares, the holders of Participating Shares shall, except as otherwise hereinafter provided, be entitled to participate rateably with each other as to dividends on a pro-rata basis based on the number of votes attaching to each such share and the Corporation shall pay dividends thereon, as and when declared by the Board of Directors of the Corporation out of moneys properly applicable to the payment of dividends, in amounts per share and at the same time on all such Participating Shares at the time outstanding as the Board of Directors may from time to time determine.

**2. Liquidation, Dissolution or Winding-up**

2.1 In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, all of the property and assets of the Corporation which remain after payment to the holders of any shares ranking in priority to the Participating Shares in respect of payment upon liquidation, dissolution or winding-up of all amounts attributed and properly payable to such holders of such other shares in the event of such liquidation, dissolution, winding-up or distribution, shall, except as otherwise hereinafter provided, be paid or distributed to the holders of the Participating Shares on a pro-rata basis based on the number of votes attaching to each such share, without preference or distinction.

**3. Anti-Dilution**

3.1 Neither class of Participating Shares shall be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other class of Participating Shares is subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner so as to preserve the rights conferred hereby on each class in relation to the other class.

**4. Voting**

4.1 The holders of the Multiple Voting Shares shall be entitled to receive notice of and attend (in person or by proxy) and be heard at all meetings of the shareholders of the Corporation

(other than separate meetings of the holders of shares of any other class of shares of the Corporation or any series of such other class of shares) and to vote at all such meetings with each holder of Multiple Voting Shares being entitled to three hundred (300) votes per Multiple Voting Share.

4.2 The holders of the Subordinate Voting Shares shall be entitled to receive notice of and attend (in person or by proxy) and be heard at all meetings of the shareholders of the Corporation (other than separate meetings of the holders of shares of any other class of shares of the Corporation or any series of shares of such other class of shares) and to vote at all such meetings with each holder of Subordinate Voting Shares being entitled to one (1) vote per Subordinate Voting Share.

## 5. Convertibility and Exchange of Multiple Voting Shares

5.1 A holder of Multiple Voting Shares shall have the right, at his, her or its option, at any time and from time to time, to convert such Multiple Voting Shares into Subordinate Voting Shares by exchanging such Multiple Voting Shares for Subordinate Voting Shares on the basis of three hundred (300) Subordinate Voting Shares for each one (1) Multiple Voting Share so exchanged.

5.2 To exercise such conversion right a shareholder or the shareholder's attorney duly authorized in writing shall:

(a) give written notice to the Corporation's transfer agent (the "**Transfer Agent**") of the exercise of such conversion right and of the number of Multiple Voting Shares in respect of which the conversion right is being exercised;

(b) deliver to the Transfer Agent, the share certificate or certificates representing the Multiple Voting Shares in respect of which the conversion right is being exercised; and

(c) pay any governmental or other tax imposed on or in respect of such exchange.

5.3 Upon due exercise of the conversion right, the Corporation shall issue a share certificate representing the number of fully paid and non-assessable Subordinate Voting Shares determined on the basis set out above in the name of the registered holder of the Multiple Voting Shares exchanged or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer taxes. If the conversion right is exercised in respect of less than all of the Multiple Voting Shares represented by any share certificate, the Corporation shall also issue a new share certificate representing the number of Multiple Voting Shares in respect of which the conversion right is not being exercised.

5.4 A holder of Multiple Voting Shares exchanged in whole or in part (or any other person or persons in whose name or names any certificate representing Subordinate Voting Shares are issued as provided above) shall be deemed to have become the holder of record of the Subordinate Voting Shares into which such Multiple Voting Shares are exchanged, for all

purposes, on the final date of receipt by the Transfer Agent of the items referenced in clauses 5.2(a), (b) and (c) above, notwithstanding any delay in the delivery of the certificate representing the Subordinate Voting Shares into which such Multiple Voting Shares have been exchanged and, effective as of such date, the holder of Multiple Voting Shares shall cease to be registered as the holder of record of the Multiple Voting Shares so exchanged.

## **6. Conversion Right and Exchange of Subordinate Voting Shares**

6.1 A holder of Subordinate Voting Shares shall have the right, at his, her or its option, at any time and from time to time, to convert such Subordinate Voting Shares into Multiple Voting Shares by exchanging such Subordinate Voting Shares for Multiple Voting Shares on the basis of one (1) Multiple Voting Share for every three hundred (300) Subordinate Voting Shares so exchanged.

6.2 To exercise such conversion right, such holder or the shareholder's attorney duly authorized in writing shall:

(a) give written notice to the Transfer Agent of the exercise of such conversion right and of the number of Subordinate Voting Shares in respect of which the conversion right is being exercised, which number of Subordinate Voting Shares shall not be less than three hundred (300);

(b) deliver to the Transfer Agent, the share certificate or certificates representing the Subordinate Voting Shares in respect of which the conversion right is being exercised; and

(c) pay any governmental or other tax imposed on or in respect of such exchange.

6.3 Upon due exercise of the conversion right, the Corporation shall issue a share certificate representing the number of fully paid and non-assessable Multiple Voting Shares determined on the basis set out above in the name of the registered holder of the Subordinate Voting Shares exchanged or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer taxes. If the conversion right is exercised in respect of less than all of the Subordinate Voting Shares represented by any share certificate, the Corporation shall also issue a new share certificate representing the number of Subordinate Voting Shares in respect of which the conversion right is not being exercised.

6.4 A holder of Subordinate Voting Shares exchanged in whole or in part (or any other person or persons in whose name or names any certificate representing Multiple Voting Shares are issued as provided above) shall be deemed to have become the holder of record of the Multiple Voting Shares into which such Subordinate Voting Shares are exchanged, for all purposes, on the final date of receipt by the Transfer Agent of the items referenced in clauses 6.2(a), (b) and (c) above, notwithstanding any delay in the delivery of the certificate representing the Multiple Voting Shares into which such Subordinate Voting Shares have been exchanged and, effective as of such date, the holder of Subordinate Voting Shares shall cease to be registered as the holder of record of the Subordinate Voting Shares so exchanged.

**7. General Conditions**

7.1 Save as aforesaid, each Multiple Voting Share and Subordinate Voting Share shall have the same rights and attributes and be the same in all respects.

7.2 The provisions of these Articles 1 through 7 may be deleted, amended, modified or varied in whole or in part upon the approval of any such amendment being given by the holders of the Multiple Voting Shares and the holders of the Subordinate Voting Shares, each voting separately as a class, by special resolution and as required by applicable law.