

KWG RESOURCES INC.

Special Meeting of Shareholders

to be held on Friday, April 21, 2017

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

March 17, 2017

KWG RESOURCES INC.
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE (the “Notice”) IS HEREBY GIVEN that a Special Meeting of Shareholders (the “Meeting”) of KWG RESOURCES INC. (the “Corporation”) will be held on Friday, April 21, 2017 at 11:00 a.m. (local time), at the offices of Dickinson Wright LLP, Suite 2200, 199 Bay Street, Toronto, Ontario, for the following purposes:

- (a) TO consider and, if deemed advisable, to pass, with or without variation, a resolution to fix the current number of directors between the minimum number and maximum number at six (6);
- (b) TO consider and, if deemed advisable, to pass a resolution, with or without variation, to amend the Corporation’s Stock Option Plan (the “**Stock Option Plan Amendment Resolution**”);
- (c) TO consider and, if deemed advisable, pass a special resolution, with or without variation, authorizing the Corporation to amend its articles (the “**Articles**”) to create a new class of shares, issuable in series, to be designated as “Preference Shares” in an unlimited number with the rights, privileges, restrictions and conditions described in Schedule “B” to the Management Information Circular accompanying this Notice, which rights, privileges, restrictions and conditions shall be annexed to the Articles (the “**Preference Shares Resolution**”); and
- (d) TO transact such other business as may properly be brought before the Meeting, or any adjournment thereof.

A shareholder of the Corporation may in connection with the Preference Shares Resolution, exercise the right to dissent pursuant to Section 190 of the *Canada Business Corporations Act*, the whole as described in the Management Proxy Circular accompanying this Notice under the heading “Right to Dissent”.

The details of the matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying the Notice, which is supplemental to and expressly made part of this Notice.

A Proxy Form is enclosed herewith. Registered Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed Proxy Form to Computershare Investor Services Inc., Attention Proxy Department by mail or personal delivery to 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 or by fax to 1-866-249-7775, in either case, prior to 11:00 a.m. (Toronto time) on April 19, 2017 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to such adjourned or postponed meeting. Non-registered Shareholders receiving these materials through their broker or other intermediary should complete and return the voting instruction form provided to them by their broker or other intermediary in accordance with the instructions provided therein.

DATED at Toronto, Ontario, this 17th day of March, 2017.

BY ORDER OF THE BOARD OF DIRECTORS
of **KWG RESOURCES INC.**

Signed: “*Frank Smeenk*”

Frank Smeenk, Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES BY MANAGEMENT
SOLICITATION OF PROXIES

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation by and on behalf of the management of KWG Resources Inc. (the “Corporation”) of proxies to be used at the special meeting of shareholders and any adjournment thereof (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, facsimile, e-mail or in person.

The information contained herein is given as of March 17, 2017, unless otherwise noted.

This Circular describes the matters to be acted on at the Meeting and the procedures for attending or appointing proxies to vote at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors or officers of the Corporation. A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy. **A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the enclosed form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.**

To be valid, the proxies to be exercised at the Meeting must be received by Computershare at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting or any adjournment thereof, in default of which they may be treated as invalid, although the Chairman of the Meeting has the discretion to accept proxies filed less than 48 hours prior to the commencement of the Meeting, or any adjournment thereof.

A proxy is valid only at the meeting in respect of which it is given or any adjournment of that meeting.

A shareholder who has given a proxy may revoke it, as to any motion on which a vote has not already been taken pursuant to the authority conferred by such proxy, by an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The revocation of a proxy, in order to be acted upon, must be deposited (i) with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 prior to 11:00 a.m. (Toronto time) on Wednesday, April 19, 2017, (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, at any time prior to a vote being taken in reliance on such proxy, or (ii) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly executed proxies in favour of the persons classified in the enclosed form of proxy, in the absence of any direction to the contrary, will be voted (i) for the resolution to fix the current number of directors between the minimum number and the maximum number at six (6); (ii) for the resolution to amend the Corporation’s Stock Option Plan; and (iii) for the amendment of the articles of the Corporation to create an unlimited number of preference shares issuable in series, all as further described in this Circular. Instructions with respect to voting will be respected by the persons classified in the enclosed form of proxy. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so classified in their discretion. As of the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters.

NON REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSA’s and similar plans; or (ii) in the name of a clearing agency of

which the Intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, entitled “*Communication with Beneficial Owners of Securities of a Reporting Issuer*”, the Corporation has distributed copies of the Notice of Meeting and this Circular (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (often called a “voting instruction form”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare Investor Services Inc. at the address set out above.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.

Non-Registered Holders or “beneficial shareholders” are either “objecting beneficial owners” or “OBOs”, who object to the disclosure by Intermediaries of information about such OBO’s ownership in the Corporation, or “non-objecting beneficial owners” or “NOBOs”, who do not object to such disclosure. The Corporation intends to pay for proximate Intermediaries to send the proxy-related materials to NOBOs and OBOs.

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on any such revocation that is not received by the Intermediary well in advance of the Meeting.

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

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last completed financial year or any associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The directors of the Corporation have fixed February 21, 2017 (the “**Record Date**”), at the close of business, as the record date for the determination of the shareholders entitled to receive notice of the Meeting and to vote thereat. All

holders of at least one subordinate voting share of the Corporation (a “**Subordinate Voting Share**”) as of that date will have the right to vote at the Meeting.

As of the Record Date, 966,320,281 Subordinate Voting Shares were outstanding, each giving the right to one vote at the Meeting. To the knowledge of the directors and officers of the Corporation, the only persons, firms or corporations who own, as of the date hereof, directly or indirectly, or exercise control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation, are as follows:

Shareholder Name	Number of Subordinate Voting Shares	Percentage of Issued Shares
Noront Resources Ltd.*	111,733,215	11.56%

* Held by Noront Muketei Minerals Ltd.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No person who is, or who was within the 30 days prior to the date of this Circular, a director, executive officer, employee or any former director, executive officer or employee of the Corporation or a subsidiary thereof, is, or was as of the date of this Circular indebted to the Corporation or a subsidiary of the Corporation or indebted to any other entity where such indebtedness is subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation.

During the fiscal year ended December 31, 2016, none of the directors or executive officers of the Corporation, or any associate of the foregoing was indebted to the Corporation or any subsidiary of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or any proposed director of the Corporation, or any of the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has, in either case, materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the above, “informed person” means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any degree performed by a person or company other than the directors or executive officers (or the companies controlled by them, either directly or indirectly) of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

Authorization to Fix the Current Numbers of Directors at Six (6)

In September 2016, the board of directors increased the number of directors between the minimum number and the maximum number from five (5) to six (6) in accordance with the authority granted to the directors in the Articles of the Corporation. The directors then filled that vacancy. In order to enable the board of directors to increase the number of directors before the next shareholders’ meeting and appoint one or two suitable candidates should they be identified, it is proposed that the shareholders fix the current number of directors between the minimum number and the maximum number at six (6).

In this regard the following resolution will be proposed:

“BE IT RESOLVED THAT the current number of directors within the minimum and maximum as provided in the Articles of the Corporation is hereby fixed at six (6) unless and until changed by the

shareholders or by the directors in accordance with the Articles and the Canada Business Corporations Act.”

The Board is recommending that shareholders vote FOR the approval of fixing the current number of directors at six (6). Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval to fix the current number of directors at six (6)

Amendment to Stock Option Plan

At the last shareholders’ meeting held on July 21, 2016 and adjourned to August 18, 2016, the Corporation’s shareholders approved the reclassification of common shares as convertible subordinate voting shares and the creation of a new class of shares designated as convertible multiple voting shares of (the “**Capital Reorganization**”). The Capital Reorganization was completed on February 14, 2017, at which time each Common Share was re-classified as a Subordinate Voting Share. Accordingly, in accordance with the terms of the Stock Option Plan, outstanding options to purchase Common Shares were adjusted to provide that each such option was entitled to acquire one Subordinate Voting Share for each Common Share that would previously have been acquired at the same exercise price. However, since Subordinate Voting Shares and Multiple Voting Shares are exchangeable for each other on a 300:1 ratio or 1:300 ratio, respectively, it is appropriate to amend the Stock Option Plan to reflect that interchangeability. As a result, outstanding Multiple Voting Shares should be taken into account for purposes of determining the maximum number of Subordinate Voting Shares that may be reserved and set aside for issuance under the Stock Option Plan. Accordingly, because no options granted under the Stock Option Plan will be exercisable to acquire Multiple Voting Shares, the Corporation proposes to amend the Stock Option Plan, to provide that the maximum number of Subordinate Voting Shares which may be reserved for issuance under the Plan will not exceed 10% of the number of issued and outstanding Subordinate Voting Shares, calculated on the basis that all Multiple Voting Shares then outstanding have been converted to Subordinate Voting Shares. All other terms and conditions of the Stock Option Plan will remain substantially similar. A copy of the Stock Option Plan, as amended, is attached as Schedule “A” to this Management Information Circular.

Therefore, at the Meeting, shareholders of the Corporation entitled to vote on the matter will be asked to consider, and if thought advisable, pass an ordinary resolution to amend the Stock Option Plan (the “**Stock Option Plan Amendment Resolution**”), the full text of which is set out below.

The text of the proposed resolution is set forth below:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Stock Option Plan of the Corporation, as amended, providing, amongst other things, that the maximum number of Subordinate Voting Shares of the Corporation to be reserved for issuance under the Stock Option Plan, as amended, shall not exceed 10% of the issued and outstanding Subordinate Voting Shares of the Corporation calculated on the basis that, for the purpose of determining the maximum number of Subordinate Voting Shares reserved for issuance, all Multiple Voting Shares shall be deemed to have been converted to Subordinate Voting Shares of the Corporation, as such amended Stock Option Plan is set out in Schedule “A” to this Management Information Circular, is hereby approved;
2. Any one director or officer of the Corporation is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his/her opinion may be necessary or desirable to give effect to this resolution.”

The Board is recommending that shareholders vote FOR the approval of the Stock Option Plan Amendment Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Stock Option Plan Amendment Resolution.

Creation of Preference Shares

The Corporation intends to amend its articles to create a new class of shares, issuable in series, to be designated as “preference shares” (the “**Preference Shares**”). The Corporation has determined that the creation of such shares will provide the Corporation with the flexibility to complete acquisitions or other corporate transactions, such as financings, that may arise in the future. Such new class of shares will effectively enable the board of directors of the

Corporation (the “**Board**”) to issue such shares with such rights, privileges, conditions and restrictions and in such numbers as the Board may determine, subject to certain limitations contained in the Articles in respect of the Preference Shares as a class prior to any issuance of such shares. As a result, it is anticipated that having the capability of tailoring the terms of a particular series of Preference Shares to accommodate a particular transaction and be able to create and issue such series expeditiously to complete the transaction would facilitate such transactions and be beneficial to the Corporation. Accordingly, the Corporation is seeking the approval of its shareholders to amend the Articles to create such a new class of shares issuable in series (the “**Preference Shares Resolution**”).

If the Preference Share Resolution is adopted by the shareholders at the Meeting, the principal rights, privileges, conditions and restrictions attached to the Preference Shares will be as summarized below. **A copy of the full rights and restrictions that would attach to the Preference Shares is attached as Schedule “B” to this Circular.**

Preference Shares

Authority to Issue One or More Series

The Board may issue the Preference Shares at any time and from time to time in one or more series. Before the first shares of a particular series are issued, the Board will fix the number of shares in such series and will determine, subject to the limitations set out in the Articles, the designation, number, rights, privileges, conditions and restrictions to be attached to the shares of such series. Before the issue of the first shares of a series, the Board will file articles of amendment containing a description of such series including the designation, number, rights, privileges, conditions and restrictions determined by the Board.

Voting Rights

Except as required by law or in accordance with any voting rights which may from time to time be attached to any series of Preference Shares, the holders of the Preference Shares will not be entitled to receive notice of, attend (in person or by proxy) or be heard at any meeting of the shareholders of the Corporation or to vote at any such meeting.

Priority

No rights or restrictions attached to a series of Preference Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Preference Shares which are then issued and outstanding. The Preference Shares shall rank in priority to any issued and outstanding Subordinate Voting Shares and Multiple Voting Shares in respect of dividends. The Preference Shares shall rank in priority to any issued and outstanding Subordinate Voting Shares and Multiple Voting Shares in respect of the return of capital, including, *inter alia*, the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs. The Preference Shares shall be entitled to priority over any other class of shares of the Corporation ranking junior to the Preference Shares in respect of dividends and the return of capital, including, *inter alia*, the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs.

Approval of the Holders of Preference Shares

The rights, privileges, conditions and restrictions attaching to the Preference Shares as a class may be added to, changed or removed but only with the approval of at least two-thirds of the votes cast at a meeting of the holders of the Preference Shares duly called for that purpose.

Shareholder Approval

The proposed Preference Shares Resolution must be approved by a majority of not less than **sixty-six and two-thirds percent (66 2/3%)** of the votes cast by the shareholders who vote in respect of such resolution. As such, at the Meeting, the shareholders will be asked to consider and, if appropriate, approve the Preference Shares Resolution as set forth below:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION THAT:

1. The Corporation be and is hereby authorized to amend its Articles under Section 173 of the *Canada Business Corporations Act* to create a new class of shares to be designated as “Preference Shares”, issuable in series, in an unlimited number with the rights, privileges, restrictions and conditions described in Schedule “B” to the management information circular of the Corporation dated March 17, 2017, which rights, privileges, restrictions and conditions shall be annexed to the Articles.
2. Notwithstanding that this resolution has been duly passed by the shareholders of the Corporation or has received the approval of all applicable exchange and regulatory authorities, to the extent required, the board of directors may, in its sole discretion, determine not to proceed with this resolution or revoke this resolution at any time prior to the filing of the articles of amendment, without further approval of the shareholders of the Corporation.
3. Any director or officer of the Corporation be and is hereby authorized to execute and deliver articles of amendment and to do all things and execute and deliver all such other instruments and documents as such person may determine to be necessary or desirable to give effect to this resolution and carry out the foregoing, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board is recommending that shareholders vote FOR the approval of the Preference Shares Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Preference Shares Resolution. The Preference Shares Resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the matters set forth in the Preference Shares Resolution, without further approval of the shareholders. In particular, if the Preference Shares Resolution is presented to the Meeting and approved, the Board may thereafter determine not to proceed with the matters set forth in the Preference Shares Resolution.

Shareholders Right to Dissent

Pursuant to Section 190 of the *Canada Business Corporations Act* (the “CBCA”), a shareholder of the Corporation may, in connection with the Preference Shares Resolution, exercise the right to dissent and demand that the Corporation repurchase its Subordinate Voting Shares and Multiple Voting Shares (collectively, its “shares”) as described in this Circular under the heading “Right to Dissent”.

RIGHT TO DISSENT

Registered Shareholders have the right to dissent in respect of the creation of the Preference Shares and, if the Preference Shares Resolution becomes effective, to be paid the fair value of their shares in strict compliance with the provisions of Section 190 of the *Canada Business Corporations Act* (the “CBCA”).

A securityholder is not entitled to dissent (a shareholder electing to exercise such right of dissent, a “**Dissenting Shareholder**”) with respect to such holder’s securities if such holder votes any of those shares in favour of the Preference Shares Resolution. Voting against or the execution or exercise of a proxy to vote against the Preference Shares Resolution does not constitute a written notice of dissent or objection for the purposes of the CBCA. A brief summary of the provisions of Section 190 of the CBCA is set out below. The following summary does not purport to provide comprehensive statements of the procedures to be followed by a Dissenting Shareholder under the CBCA. However, the CBCA requires adherence to the procedures set out therein and failure to do so may result in the loss of all of the dissenter's rights.

Section 190 of the CBCA

In order to exercise the right of dissent a Dissenting Shareholder must at or before the Meeting deliver to the Corporation, a written objection pursuant to Section 190 of the CBCA with respect to the Preference Shares Resolution. After the Preference Shares Resolution is approved by the securityholders and if the Corporation notifies the Dissenting Shareholder of its intention to act upon the Preference Shares Resolution, the Dissenting Shareholder is then required within 20 days after receiving such notice (or, if he does not receive such notice, within 20 days after learning of the approval of the Preference Shares Resolution), to send to the Corporation, a written

notice containing the holder's name and address, the number and class of securities in respect of which the holder dissents and a demand for payment of the fair value of such shares. Within 30 days thereafter, the holder must send to the Corporation, the certificates for the securities in respect of which the holder dissents. A Dissenting Shareholder must dissent with respect to all securities held by the shareholder. Failure to comply with the statutory procedure will disqualify the Dissenting Shareholder from pursuing or enforcing the right of dissent.

If the creation of Preference Shares approved by the Preference Shares Resolution becomes effective, the Corporation is required to determine the fair value of the Subordinate Voting Shares and Multiple Voting Shares, and to make a written offer to pay such amount to the Dissenting Shareholder. If such offer is not made or, if made, is not accepted within 50 days after the creation of the Preference Shares becomes effective, the Corporation may apply to the Court for an order requiring such holder's securities to be purchased, fixing the price and terms of the purchase, and the Court may make such order and such consequential orders or directions as the Court considers appropriate. There is no obligation on the Corporation to make application to the Court. If the Corporation fails to make such application to the Court, the Dissenting Shareholder has the right to make the application to the Court within a further 20 days or such further period as the Court may allow.

The Dissenting Shareholder, if the procedure for exercising the right of dissent is followed properly (and not withdrawn), will be entitled to receive the fair value of the shares held by such holder as of the day before the Meeting or such later date on which the Preference Shares Resolution is passed.

Address for Notice

All notices to the Corporation pursuant to Section 190 of the CBCA should be addressed to the Corporation's solicitors:

Dickinson Wright LLP
199 Bay Street, Suite 2200
Box 447, Commerce Court Postal Station
Toronto, Ontario, M5L 1G4
Attention: Donald A. Sheldon

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of his shares. Section 190 of the CBCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. **Failure by a dissenting shareholder to adhere strictly to the requirements of Section 190 of the CBCA may result in the loss of such dissenting shareholder's rights.** Accordingly, each securityholder who might desire to exercise the dissenters' rights should carefully consider and comply with the provisions of the section, the full text of which is set out in Schedule "C" to this Circular, and consult such holder's legal advisor.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Copies of the Notice may be obtained without charge by contacting the Corporation by mail at 141 Adelaide Street West, Suite 420, Toronto, Ontario M5H 3L5, by phone at (416) 642-3575 or 1-888-642-3575, facsimile at (416) 644-0592 or email to bh@kwgresources.com. Financial information relating to the Corporation is provided in the Corporation's audited consolidated financial statements for the years ended December 31, 2015 and 2014 and the related management's discussion and analysis (the "MD&A"). Shareholders who wish to obtain a copy of the financial statements and MD&A of the Corporation may contact the Corporation as set forth above.

BOARD APPROVAL

The contents and the sending of this Circular have been approved by the Board of Directors of the Corporation.

DATED at Toronto, Ontario, as of the 17th day of March, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(s) *Frank Smeenk*

Frank Smeenk, Chief Executive Officer

SCHEDULE "A"

STOCK OPTION PLAN, AS AMENDED

1. PURPOSE OF PLAN

- 1.1 The purpose of the plan is to attract, retain and motivate persons as directors, employees and consultants of the Corporation and its subsidiaries and to advance the interests of the Corporation by providing such persons with the opportunity, through stock options, to acquire a proprietary interest in the Corporation and participate in increases of shareholder value.

2. DEFINED TERMS

Where used herein, the following terms shall have the following meanings, respectively:

- 2.1 "*board*" means the board of directors of the Corporation or the executive committee or any another committee duly constituted and authorized to act on behalf of the board in the matter of the stock option plan;
- 2.2 "*business day*" means any day (other than a Saturday, Sunday or statutory holiday in the Province of Ontario), on which an Exchange is open for trading;
- 2.3 "*Corporation*" means collectively KWG RESOURCES INC. and its subsidiaries;
- 2.4 "*eligible person*" means any director, employee or consultant of the Corporation;
- 2.5 "*Exchange*" means any exchange on which the shares are listed;
- 2.6 "*insider*" means a director or an officer of the Corporation;
- 2.7 "*market price*" at any date in respect of the shares shall be the highest closing price of such shares on any Exchange on the last business day preceding the date on which the option is approved by the board; provided that in the event that such shares did not trade on such business day, the market price shall be the average of the bid and ask prices in respect of such shares at the close of trading on such date and provided further that in the event that such shares are not listed and posted for trading on any stock exchange at the applicable time, the market price shall be the fair market value of such shares as determined by the board in its sole discretion;
- 2.8 "*option*" means an option to purchase shares granted under the plan;
- 2.9 "*option price*" means the price per share at which shares may be purchased under an option, as the same may be adjusted from time to time in accordance with Section 8;
- 2.10 "*optionee*" means any eligible person to whom an option has been granted;
- 2.11 "*plan*" means the Corporation's stock option plan, as described herein, as same may be amended from time to time;
- 2.12 "*shares*" means the Subordinate Voting Shares of the Corporation or, in the event of an adjustment contemplated by Section 8, such other shares or securities to which an optionee may be entitled upon the exercise of an option as a result of such adjustment; and
- 2.13 "*subsidiary*" means any corporation controlled by the Corporation (i.e. in which the Corporation holds an interest greater than 50%).

3. ADMINISTRATION OF THE PLAN

- 3.1 The plan shall be administered in accordance with any rules and policies of an Exchange in respect of stock option plans. The board shall receive recommendations of management and shall determine from time to time those directors, employees and consultants of the Corporation to whom options may be granted and the terms and conditions of the grant.
- 3.2 The board shall have the power, where consistent with the general purpose and intent of the plan and subject to the specific provisions of the plan:
- (a) to establish policies and to adopt, prescribe, amend or vary rules and regulations for carrying out the purposes, provisions and administration of the plan and to make all other determinations necessary or advisable for management of the plan;
 - (b) to interpret and construe the plan and to determine all questions arising out of the plan and any option granted pursuant to the plan and any such interpretation, construction or determination made by the board shall be final, binding and conclusive for all purposes;
 - (c) to grant options;
 - (d) to determine the number of shares covered by each option;
 - (e) to determine the option price;
 - (f) to determine the period when the options will be vested and may be exercised;
 - (g) to determine if the shares to be issued upon the exercise of an option are to be subject to any restrictions; and
 - (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of options which initially shall be substantially in the form annexed hereto as Schedule "A".

4. SHARES SUBJECT TO THE PLAN

- 4.1 Options may be granted in respect of authorized and unissued shares provided that the maximum number of shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all options outstanding at any particular time shall not exceed 10% of the number of issued and outstanding shares calculated on the basis that all issued and outstanding Multiple Voting Shares of the Corporation shall be deemed to have been converted to shares. No fractional shares may be purchased or issued under the plan.

5. ELIGIBILITY, GRANT AND TERMS OF OPTIONS

- 5.1 Options may only be granted to the directors, employees and consultants the Corporation.
- 5.2 Options are non-assignable and non-transferable.
- 5.3 Options that have been cancelled or that have expired without being exercised continue to be issuable under the plan.
- 5.4 At no time shall the period during which an option is exercisable exceed five (5) years from the date of grant.
- 5.5 Options and, if applicable, listed shares issued on the exercise of options must be legended with a four-month hold period commencing on the date on which the options were granted.
- 5.6 The option price of shares which are the subject of any option shall in no circumstances be lower than (i) the market price of the shares at the date of the grant of the option or (ii) the minimum exercise price permissible under the policies of any Exchange.

- 5.7 The maximum number of shares which may be reserved for issuance to insiders (as a group) shall not, in any 12-month period, exceed 10% of the shares outstanding at the date of the grant (on a non-diluted basis).
- 5.8 The maximum number of shares which may be reserved for issuance to any one optionee shall not, in any 12-month period, exceed 5% of the shares outstanding at the date of the grant (on a non-diluted basis).
- 5.9 The maximum number of shares which may be reserved for issuance to any consultant shall not, in any 12-month period, exceed 2% of the shares outstanding at the date of the grant (on a non-diluted basis).
- 5.10 The maximum number of shares granted to persons employed to provide investor relations activities must not, in any 12-month period, exceed 2% of the shares outstanding at the date of the grant (on a non-diluted basis).
- 5.11 Options issued to consultants performing investor relations activities must vest in stages over a period of not less than 12 months with no more than $\frac{1}{4}$ of such options vesting in any three-month period.
- 5.12 For stock options granted to employees or consultants, the Corporation must ensure that the optionee is a *bona fide* employee or consultant, as the case may be.
- 5.13 Options vest as follows:
- (a) 25% at the date of the grant and
 - (b) thereafter, 12.5% per quarter,
- or such other percentage(s) and period(s) determined by the board at the time of the grant thereof.

6. EXERCISE OF OPTIONS

- 6.1 Subject to the provisions of the plan, an option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the secretary of the Corporation specifying the number of shares with respect to which the option is being exercised and accompanied by full payment in cash or by certified cheque, money order, bank draft or other form of payment acceptable to the Corporation, payable to the order of the Corporation, of the option price of the shares to be purchased. Certificates for such shares shall be issued and delivered to the optionee within a reasonable period of time following the receipt of such notice and payment.
- 6.2 Notwithstanding any of the provisions contained in the plan or in any option, the Corporation's obligation to issue shares to an optionee pursuant to the exercise of an option shall be subject to:
- (a) obtaining approval of such governmental or regulatory authority as counsel to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; and
 - (b) the receipt from the optionee of such representations as the Corporation or its counsel reasonably determines to be necessary or advisable in order to safeguard against the violation of the securities laws or regulatory requirements of any jurisdiction.

7. TERMINATION OF EMPLOYMENT OR MANDATE, DEATH

- 7.1 Subject to any provision of the plan and any express resolution passed by the board with respect to an option, an option and all rights to purchase pursuant thereto, shall expire at the earlier of (i) the expiry date thereof or (ii) 90 days after the optionee ceases to be a director, employee or consultant of the Corporation or, if the optionee provides investor relation services, 30 days after the end of such optionee's mandate.
- 7.2 In case of the death of an optionee, any option may, subject to the terms thereof and any other terms of the plan, be exercised by the legal representative(s) of the estate of the deceased optionee at any time during

the twelve (12) months following the death of the optionee but prior to the expiry of the option and only to the extent that the optionee was entitled to exercise such option at the date of death.

8. CHANGE IN CONTROL AND CERTAIN ADJUSTMENTS

8.1 Notwithstanding any other provision of this plan, in the event of:

(a) the acquisition by any person who was not, immediately prior to the effective time of the acquisition, a registered or a beneficial shareholder in the Corporation, of shares or rights or options to acquire shares of the Corporation or securities which are convertible into shares of the Corporation or any combination thereof such that, after the completion of such acquisition, such person would be entitled to exercise 30% or more of the votes entitled to be cast at a meeting of the shareholders; or

(b) the sale by the Corporation of all or substantially all of the property or assets of the Corporation;

then, notwithstanding that at the effective time of such transaction an option may not be fully vested or for any other reason the optionee may not be entitled to all of the shares granted by an option, the optionee shall be entitled to exercise such options to the full amount of the shares granted by the option within 90 days of the close of any such transaction.

8.2 With respect to options granted or to be granted, appropriate adjustments, in the number of shares optioned and in the option price shall be made by the board to give effect to adjustments in the number of shares of the Corporation resulting from reclassifications, subdivisions or consolidations of the shares of the Corporation, the payment of stock dividends or cash dividends by the Corporation (other than dividends in the ordinary course), the distribution of securities, property or assets by way of dividend or otherwise (other than dividends in the ordinary course), or other relevant changes in the capital stock of the Corporation or the amalgamation or merger of the Corporation with or into any other entity, subsequent to the approval of the plan by the board. The appropriate adjustment in any particular circumstance shall be conclusively determined by the board in its sole discretion, subject to approval by the shareholders of the Corporation and to acceptance by the Exchange, if applicable.

9. AMENDMENTS OR DISCONTINUANCE OF PLAN

9.1 The board may amend or discontinue the plan at any time upon receipt of requisite regulatory approvals provided, however, that no such amendment may increase the maximum number of shares that may be optioned under the plan, change the manner of determining the minimum option price or alter or impair any of the terms of any option previously granted to an optionee under the plan.

9.2 A disinterested shareholder approval must be obtained for any reduction in the price of any option if the applicable optionee is an insider of the Corporation at the time of the proposed amendment.

10. MISCELLANEOUS PROVISIONS

10.1 The holder of an option shall not have any rights as shareholder of the Corporation with respect to any of the shares covered by such option until (i) such holder shall have exercised such option in accordance with the terms of the plan (including tendering payment in full of the option price of the shares in respect of which the option is being exercised) and (ii) the Corporation shall have issued the corresponding shares.

10.2 Nothing in the plan or any option shall confer upon an optionee any right to continue in the employ of the Corporation or affect in any way the right of the Corporation to terminate such optionee's employment at any time.

11. SHAREHOLDERS AND REGULATORY APPROVAL

- 11.1 Any amendments to the plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation and to acceptance by any regulatory authorities having jurisdiction. Any options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given.

SCHEDULE TO STOCK OPTION PLAN, AS AMENDED

STOCK OPTION CERTIFICATE

KWG RESOURCES INC. (the “**Corporation**”), for good and valuable consideration, hereby grants to the optionee set forth below an option to purchase shares of the Corporation. The option shall be subject to the terms and conditions set forth in the Corporation’s stock option plan (the “**plan**”), as the same may be amended or replaced from time to time and, in addition, shall be subject to the terms set forth below:

OPTIONEE : _____
POSITION WITH THE CORPORATION : _____
NUMBER OF SHARES : _____
OPTION PRICE : _____
EXPIRY DATE OF OPTION : _____
RIGHTS OF EXERCISE : _____

At 5:00 p.m. (Toronto time) on the expiry date, the options represented hereby will expire and terminate and be of no further force and effect whatsoever as to any shares for which the options represented hereby have not been exercised.

Where used herein all defined terms shall have the respective meanings attributed thereto in the plan. The options represented hereby are not assignable or transferable.

DATED this ____ day of _____, 201__.

KWG RESOURCES INC.

Per: _____
OFFICER OF THE CORPORATION

The undersigned hereby acknowledges receipt of a copy of the plan and accepts and agrees to the grant of the options represented hereby on the terms and conditions set forth herein and in the plan effective as of the date above written.

SIGNED this ____ day of _____, 201__.

SIGNATURE OF OPTIONEE

SCHEDULE “B”

SHARE CONDITIONS ATTACHED TO THE PREFERENCE SHARES

The Preference Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. DIRECTORS’ AUTHORITY TO ISSUE IN ONE OR MORE SERIES

- 1.1 The board of directors of the Corporation may issue the Preference Shares at any time and from time to time in one or more series. Before the first shares of a particular series are issued, the board of directors of the Corporation shall fix the number of shares in such series and shall determine, subject to the limitations set out in the articles, the designation, number, rights, privileges, conditions and restrictions to be attached to the shares of such series including, without limitation, the rate or rates, amount or method or methods of calculation of dividends thereon (if any), the time and place of payment of any dividends, whether cumulative or non-cumulative or partially cumulative and whether any such rate, amount or method of calculation (if any) shall be subject to change or adjustment in the future, the currency or currencies of payment of dividends (if any), the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any) and whether any such voting rights may be subject to change in the future or in certain circumstances, and the terms and conditions of any share purchase plan or sinking fund (if any) with respect thereto. Before the issue of the first shares of a series, the board of directors of the Corporation shall file articles of amendment containing a description of such series including the designation, number, rights, privileges, conditions and restrictions determined by the board of directors of the Corporation.

2. RANKING

- 2.1 No rights, privileges, conditions or restrictions attached to a series of Preference Shares shall confer upon such series a priority in respect of dividends or return of capital over any other series of Preference Shares which are then issued and outstanding. Each series of Preference Shares issued by the Corporation shall rank in priority to any issued and outstanding Subordinate Voting Shares and Multiple Voting Shares in respect of dividends. Each series of Preference Shares issued by the Corporation shall rank in priority to any issued and outstanding Subordinate Voting Shares and Multiple Voting Shares in respect of the return of capital, including, *inter alia*, the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs. The Preference Shares shall be entitled to priority over any other class of shares of the Corporation ranking junior to the Preference Shares in respect of dividends and the return of capital, including, *inter alia*, the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of Preference Shares are not paid in full, the Preference Shares of all series shall participate ratably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided however, that in the event of there being insufficient assets to satisfy in full all such claims to dividends and return of capital, the claims of the holders of the Preference Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends. The Preference Shares of any series may also be given such other preferences, not inconsistent with sections 1.1 to 4.1 hereof, over the Subordinate Voting Shares and the Multiple Voting Shares and over any other shares ranking junior to the Preference Shares as may be determined in the case of such series of Preference Shares.

3. VOTING

- 3.1 Except as hereinafter referred to or as otherwise required by law or in accordance with any voting rights which may from time to time be attached to any series of Preference Shares, the holders of the Preference Shares shall not be entitled to receive notice of, attend (in person or by proxy) or be heard at any meeting of the shareholders of the Corporation or to vote at any such meeting.

4. APPROVAL OF HOLDERS OF PREFERENCE SHARES

- 4.1 The rights, privileges, conditions and restrictions attaching to the Preference Shares as a class may be added to, changed or removed but only with the approval of the holders of the Preference Shares given as hereinafter specified.
- 4.2 The approval of the holders of Preference Shares to add to, change or remove any right or restriction attaching to the Preference Shares voting as a class or to any other matter requiring the approval of the holders of the Preference Shares voting as a class shall be deemed sufficiently given if, in addition to any other requirement contained in the applicable corporate law statute, it is contained in (i) a resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Preference Shares duly called for that purpose or (ii) a written resolution signed by all holders of Preference Shares.
- 4.3 The formalities to be observed in respect of the giving of notice of any meeting or any adjourned meeting required to be called under this section 4 and the conduct thereof shall be those from time to time required by the applicable corporate law statute and prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at a meeting of holders of Preference Shares voting as a class, each holder entitled to vote thereat shall have one vote in respect of each Preference Share held by him.

SCHEDULE “C”

SECTION 190 OF CANADA BUSINESS CORPORATIONS ACT

Right to dissent

190. (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) 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 and of their right to dissent.

Notice of resolution

(6) 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 (5) 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 their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) 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.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. D-2

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9), in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) 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 (7), send to each dissenting shareholder who has sent such notice

- (a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) 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.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), 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 a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16). D-3

Parties

(19) On an application to a court under subsection (15) or (16),

- (a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
- (b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A 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.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A 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.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

- (a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; 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.

Limitation

(26) 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 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.

R.S., 1985, c. C-44, s. 190; 1994, c. 24, s. 23; 2001, c. 14, ss. 94, 134(F), 135(E).