

**SPONSORSONE INC.**  
#2, Campbell Drive, Suite 307C  
Uxbridge, Ontario, L9P 1H6

**MANAGEMENT INFORMATION CIRCULAR**  
As at February 26, 2021

**SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF SPONSORSONE INC.** (the "**Company**") of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Thursday, March 29, 2021 at Suite 307C, #2 Campbell Drive, Uxbridge, Ontario L9P 1H6 at at the hour of 3:00 p.m. (Eastern time), and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the enclosed notice of meeting (the "**Notice of Meeting**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting, this management information circular (the "**Circular**"), the consolidated annual financial statements of the Company for the financial years ended December 31, 2018 and 2019 and related management's discussion and analysis and other meeting materials, if applicable (collectively the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

**APPOINTMENT AND REVOCATION OF PROXIES**

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM, HER OR IT AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company's transfer agent and registrar, TSX Trust Company, (the "**Transfer Agent**"), not later than 4:00 p.m. (Eastern time) on Thursday, March 25, 2021, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

<b>By Mail or Hand Delivery:</b>	TSX Trust Company Suite 301, 100 Adelaide Street West Toronto, Ontario, M5H 4H1
<b>Facsimile:</b>	416-595-9593
<b>By Internet:</b>	<a href="http://www.voteproxyonline.com">www.voteproxyonline.com</a> You will need to provide your 12 digit control number (located on the form of proxy accompanying this Circular)

A Registered Shareholder may only vote by proxy and cannot attend the Meeting.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, subject to the provisions of the *Business Corporations Act* (Ontario), by electronic signature, to (i) the registered office of the Company, located at Suite 307C, 2 Campbell Drive, Uxbridge, Ontario L9P 1H6, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

### EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

### ADVICE TO NON-REGISTERED SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are generally permitted to attend and vote at the Meeting but in this case no shareholders or appointed proxy holders will be allowed to attend in person and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Transfer Agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency, such as CDS Clearing and Depository Services Inc., (each a "**Clearing Agency**") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

#### *Distribution of Meeting Materials to Non-Registered Holders*

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

*Voting Instruction Form.* In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "VIF"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

*Form of Proxy.* Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of February 22, 2021 (the "**Record Date**"), there were a total of 844,248,824 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

Name and Municipality of Residence	No. of Common Shares <sup>(1)</sup>	Percentage
N/A		

Notes:

(1) The above information is based upon information supplied by the Transfer Agent and the Company's management.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

No director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, 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 other than as disclosed in this Circular.

## PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the "**Board**"), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

### 1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended December 31, 2018 and 2019 and the report of the auditor will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Company are available under the Company's profile at [www.sedar.com](http://www.sedar.com).

### 2. NUMBER OF DIRECTORS

The *Business Corporations Act* (Ontario) provides that where a minimum and maximum number of directors of a 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 shareholders shall be such number as shall be determined from time to time by special resolution of the shareholders. Alternatively, if the shareholders empower the directors by special resolution to determine the number of directors, the number of directors shall be such number within the minimum and maximum number of directors set out in the articles of a corporation as determined by resolution of the directors. If no such resolutions are passed, the number of directors shall be the number of directors named in the articles of the corporation.

The articles of incorporation of the Company (the "**Articles**") provide that the minimum number of directors of the Company be one and the maximum number of directors of the Company be 10. At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit A to the Notice of Meeting (the "**Number of Directors Resolution**"), to determine the number of directors of the Company and the number of directors to be elected at the Meeting to be four and to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number of directors set out in the Articles.

Empowering the directors to determine the number of directors within the minimum and maximum range will permit management of the Company and the Board to offer seats on the Board to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the Board or alternatively without requesting an incumbent director to resign in order to create a vacancy.

In order to pass the Number of Directors Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Number of Directors Resolution. If the Number of Directors Resolution does not receive the requisite shareholder approval, the number of directors of the Company will be four until otherwise determined in accordance with the provisions of the *Business Corporations Act* (Ontario).

The Board recommends that shareholders vote in favour of the Number of Directors Resolution as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NUMBER OF DIRECTORS RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

### **3. ELECTION OF DIRECTORS**

The Board currently consists of four directors to be elected annually. The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Each director elected at the Meeting will hold office until the next annual meeting of the shareholders of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles, the by-laws of the Company or the provisions of the *Business Corporations Act* (Ontario).

The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

<b>Name, province or state and country of residence and position, if any, held in the Company</b>	<b>Principal Occupation</b>	<b>Served as Director of the Company since</b>	<b>Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present<sup>(1)</sup></b>	<b>Percentage of Voting Shares Owned or Controlled</b>
Myles Bartholomew Ontario, Canada President, Chief Executive Officer and Director	President and Chief Executive Officer of the Company	December 19, 2013	8,121,848	0.93%
Gary Bartholomew <sup>(2)(3)</sup> Ontario, Canada Executive Chairman and Director	President of CyberNorth Ventures Inc.	December 19, 2013	15,576,962	1.77%
Doug Beynon <sup>(2)(3)(4)</sup> Ontario, Canada Director	President of Beynon Enterprises, Entrepreneur-in-Residence at the Conrad Business, Entrepreneurship and Technology Centre, University of Waterloo	December 19, 2013	800,000	0.09%
Witold Ostrenko <sup>(2)(3)(5)</sup> Ontario, Canada Director	From 1990 to 2014 Mr. Ostrenko served as President and CEO of the MOSI Science Center in Tampa, Florida.	November 23, 2020	0	0%

Notes:

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the Audit Committee.*
- (3) *Member of the Compensation/Human Resources and Governance Committee.*
- (4) *Chair of the Audit Committee.*
- (5) *Chair of the Compensation/Human Resources and Governance Committee.*

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. MANAGEMENT HAS NO REASON TO BELIEVE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

On June 22, 2020 Mr. Myles Bartholomew was issued management cease trade order as the Company failed to file its financial statements on time due to COVID 19. The Management Cease Trade Order was automatically revoked on July 30, 2020, 2 days after the Company filed all financial statements then outstanding.

Mr. Bartholomew was the Chairman and Chief Executive Officer of xRM Global Inc. ("**xRM**"), a company that was listed on the TSX Venture Exchange and subsequently delisted. In 2011, temporary cease trade orders were issued against xRM by the Ontario Securities Commission, Alberta Securities Commission and British Columbia Securities Commission for failure to file annual audited financial statements, annual management's discussion and analysis, and certificate of annual filings for the year ended December 31, 2010 and interim unaudited financial statements, interim management's discussion and analysis, and certificate of interim filings for the interim periods ended March 31, 2011, June 30, 2011 and September 30, 2011. xRM remains a reporting issuer but is not in good standing, as its audited statements have not yet been filed.

From October 20, 2009 to present Doug Beynon has served as a director of xRM, a company that was formerly listed on the TSX Venture Exchange. In 2011, temporary cease orders were issued against xRM by the Ontario Securities Commission, Alberta Securities Commission and British Columbia Securities Commission for failure to file annual audited financial statements, annual management's discussion and analysis, and certification of annual filings for the year ended December 31, 2010 and interim unaudited financial statements, interim management's discussion and analysis, and certification of interim filings for the interim periods ended March 31, 2011, December 31, 2011 and September 31, 2011. xRM was then delisted from trading on the TSX Venture Exchange and remains a reporting issuer but is not in good standing, as xRM is not current with its required regulatory filings.

### ***Personal Bankruptcies***

None of the directors of the Company have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

### ***Penalties and Sanctions***

None of the directors of the Company have 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 or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **4. APPOINTMENT OF AUDITOR**

Effective January 26, 2021, on their own initiative, the Company's former auditors, MNP LLP ("MNP"), Certified Public Accounting Firm, of Suite 300, 111 Richmond Street, Toronto, Ontario M5H 2G4, resigned as the

Company's auditor and PriceWaterhouseCoopers LLP ("PWC"), Chartered Professional Accountants, of Suite 1400, 250 Howe Street, Vancouver, British Columbia V6C 3S7, was appointed by the Board of Directors of the Company as successor auditor of the Company until the Company's next Annual General Meeting.

Each of the Company, MNP and PWC have confirmed that the auditor's reports on the annual financial statements of the Company for the two most recently completed fiscal years did not contain any modifications as to departures from generally accepted accounting principles or limitations in the scope of the audits, and there are no reportable events as defined in Section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations.

Attached as Appendix C to this Circular is the "reporting package" in respect of the change of auditors that was filed with the applicable securities regulators under that section.

Management proposes that PWC be re-appointed auditor of the Company for the ensuing year at a remuneration to be negotiated between the Auditor and the Directors. PWC were first appointed auditors of the Company on January 26, 2021.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PWC, AS AUDITOR OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.**

## **5. CONTINUATION OF THE COMPANY FROM THE PROVINCE OF ONTARIO TO THE PROVINCE OF BRITISH COLUMBIA**

Shareholders are being asked to approve the Company continuing into the Province of British Columbia (the "Continuance") pursuant to section 302 of the Business Corporations Act (British Columbia), as amended. Upon completion of the Continuance, the Business Corporations Act (British Columbia) will apply to the continued company to the same extent as if the Company had been incorporated under the Business Corporations Act (British Columbia).

Therefore, pursuant to section 181 of the Business Corporations Act (Ontario), Shareholders of the Company will be asked to consider and, if thought appropriate, approve and adopt a special resolution authorizing the board of directors, in its sole discretion, to continue the Company out of the Province of Ontario and into the jurisdiction of British Columbia under the Business Corporations Act (British Columbia) and to adopt new articles necessary to comply with and conform to the requirements of the Business Corporations Act (British Columbia). The board of directors may, in its sole discretion, decide not to act on this resolution without further approval from the Shareholders of the Company. A special resolution requires approval by not less than two-thirds of the votes cast in respect of the special resolution.

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit B to the Notice of Meeting (the "**Continuance Resolution**"), to authorize the Continuance.

The Continuance, if approved, will change the legal domicile of the Corporation and will affect certain of the rights of shareholders as they currently exist under the OBCA. This summary is not intended to be exhaustive. Accordingly, shareholders should consult their legal advisors regarding implications of the Continuance which may be of particular importance to them.

### ***Constituting Documents***

A British Columbia company's charter documents consist of its Notice of Articles and Articles and any amendments thereto. Upon the completion of the Continuance, the Corporation will cease to be governed by the OBCA and thereafter, the Business Corporations Act (British Columbia) (the "BCBCA") will apply to the Corporation to the same extent as if it had been incorporated under the BCBCA. As part of the Continuance, shareholders of the Corporation will be asked to approve the adoption of articles (the "BC Articles") which comply with the requirements of the BCBCA, a copy of which is attached hereto as Appendix D.

### ***Prerequisites for Continuance***

Under the OBCA, the Corporation may not apply to become a company under the laws of the Province of British Columbia unless those laws provide in effect that:

1. the property of the Corporation continues to be the property of the Corporation after the Continuance;
2. the Corporation after the Continuance continues to be liable for the obligations of the Corporation before the Continuance;
3. an existing cause of action, claim or liability to prosecution is unaffected;
4. a civil, criminal or administrative act or proceeding pending by or against the Corporation may be continued to be prosecuted by or against the Corporation after the Continuance; and
5. a conviction against, or a ruling, order or judgment in favour of or against the Corporation may be enforced by or against the Corporation after the Continuance.

The laws of the Province of British Columbia include such provisions.

### ***Procedure in British Columbia for the Continuance***

In order for the Continuance to become effective:

1. the shareholders of the Corporation must authorize by special resolution: (i) the application by the Corporation (the “Continuance Application”) to the Registrar of Companies for the Province of British Columbia (the “BC Registrar”), requesting that the Corporation be continued into British Columbia as a British Columbia company (the “Continuance”); and (ii) the application by the Corporation to the Ministry of Government and Consumer Services (“Ministry”) for the Province of Ontario for authorization of the Continuance;
2. the Corporation must apply to the Ministry for authorization of the proposed Continuance, including filing an Application for Authorization to continue in another Jurisdiction (Form 7) (the “Application for Authorization”);
3. the Corporation must obtain consent letters to apply to continue outside Ontario from each of the Minister of Finance and the Ontario Securities Commission (the “OSC”);
4. the Corporation must apply to the BC Registrar to reserve the name proposed to be used after the Continuance;
5. the Corporation must file a Continuation Application (including a Notice of Articles reflecting the information that will apply to the Corporation upon Continuance) and all such other records and information as the BC Registrar may require;
6. the BC Registrar, if the Continuation Application is satisfactory, will issue a Certificate of Continuation.
7. the Corporation must file the Certificate of Continuation (once issued by the BC Registrar) with the Ministry, which will publish a notice that the Corporation has been continued into another jurisdiction; and
8. the Corporation will cease to be a corporation within the meaning of the OBCA when the Corporation is continued into the Province of British Columbia.

### ***Effect of Continuance***

Assuming that the Continuance Resolution is approved by the Shareholders at the Meeting, it is expected that the Application for Authorization will be filed with the Ministry and the procedures outlined above will begin as soon as practicable thereafter, as determined by the Board in its sole discretion, in order to give effect to the Continuance.



Concurrent with the Continuance, the terms of the Common Shares will be amended. The existing certificates representing Common Shares will not be cancelled. Holders of securities of the Corporation convertible into Common Shares on the effective date of the Continuance will continue to hold securities convertible into Common Shares, on substantially the same terms.

On the effective date of the Continuance, the principal attributes of the classes of shares of the Corporation will be as set out in “Amendments to the Articles of Incorporation”. Shareholders’ rights under the OBCA and the BCBCA are not identical. See “Certain Corporate Differences Between the OBCA and the BCBCA” below.

The Continuance, if approved, will effect a change in the legal domicile of the Corporation on the effective date thereof to the Province of British Columbia. Upon issue of a Certificate of Continuation for the Corporation under the BCBCA, the Corporation will cease to be a corporation governed by the OBCA and will become a company governed by the BCBCA. The Continuance will not create a new legal entity and will not prejudice or affect the continuity of the Corporation. The Continuance will not result in any change in the business of the Corporation.

Subject to obtaining the requisite approval of shareholders at the Meeting, the directors and officers of the Corporation immediately following the Continuance will be identical to the current directors and officers of the Corporation. As of the effective date of the Continuance, the election, duties, resignations and removal of the Corporation’s directors and officers shall be governed by the BCBCA and the Corporation will no longer be subject to the corporate governance provisions of the OBCA.

By operation of law applicable under the laws of the Province of British Columbia, as of the effective date of the Continuance, all of the of the property, rights, interests and obligations of the Corporation immediately prior to the Continuance will continue to be the property, rights, interests and obligations of the Corporation after the Continuance. An existing cause of action, claim or liability to prosecution of the Corporation will be unaffected; a legal proceeding being prosecuted or pending by or against the Corporation may be prosecuted or continued to be prosecuted by or against the Corporation; and a conviction against, or a ruling, order or judgment in favour of or against the Corporation may be enforced by or against the continued Corporation.

### ***Reason for Continuance***

The Board believes it is desirable for the Corporation to continue its corporate existence under the laws of the Province of British Columbia as the BCBCA has no requirement that directors of a British Columbia company be residents of Canada, as does the OBCA and the BCBCA provides management with greater flexibility for implementing a stock consolidation in conjunction with its plans to uplist its stock onto a larger stock exchange. Management has therefore determined that it is appropriate to place before the Meeting a special resolution to approve the discontinuance of the Corporation from the Province of Ontario and to continue the Corporation into the Province of British Columbia pursuant to the BCBCA.

### ***Certain Corporate Differences Between the OBCA and the BCBCA***

The following is a summary only of certain differences between the BCBCA, the statute that will govern the corporate affairs of the Corporation upon the Continuance, and the OBCA, the statute which currently governs the corporate affairs of the Corporation. This summary is not exhaustive and shareholders are advised to review the full text of the BCBCA and consult their legal advisors regarding the implications of the Continuance.

If the Continuance is approved, shareholders will hold securities in a company governed by the BCBCA. This Circular summarizes some of the differences that could materially affect the rights and obligations of Shareholders after giving effect to the Continuance. In exercising their vote, shareholders should consider the distinctions between the BCBCA and the OBCA, only some of which are outlined below.

As the Corporation is a reporting issuer in Ontario, as principal regulator, British Columbia and Alberta, the Corporation will continue to be bound by the rules and policies of such jurisdictions, and upon completion of the Business Combination, the CSE as well as any other applicable securities legislation.

Nothing that follows should be construed as legal advice to any particular Shareholder, all of whom are advised to consult their own legal advisors respecting all of the implications of the Continuance.

### ***Sale of the Corporation’s Undertaking***

The OBCA requires approval of the holders of two-thirds of the shares of a corporation represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the property of a corporation, other than in the ordinary course of business. If a sale, lease or exchange of all or substantially all of the property of a corporation would affect a particular class or series of shares in a manner that is different than the shares of another class or series entitled to vote, then such class or series of shares are entitled to a separate class or series vote, regardless of whether or not such shares otherwise carry the right to vote.

Under the BCBCA, the directors of a company may sell, lease or otherwise dispose of all or substantially all of the undertaking of the company only if: (i) if it does so in the ordinary course of the company's business; or (ii) it has been authorized to do so by special resolution. Under the BCBCA a special resolution requires the approval of a "special majority", which means the majority specified in a company's Articles, which must be at least two-thirds and not more than three-quarters of the votes cast on the resolution.

### ***Amendments to the Articles of a Corporation***

Under the OBCA, amendments to the articles of a corporation require a resolution passed by not less than two thirds of the votes cast by the shareholders voting on the resolution authorizing the amendments and, where certain specified rights of the holders of a class or series of shares are affected differently by the amendments than the rights of the holders of other classes or series of shares, such holders are entitled to vote separately as a class or series, whether or not such class or series of shares otherwise carry the right to vote. A resolution to amalgamate an OBCA corporation requires a special resolution passed by the holders of each class or series of shares, whether or not such shares otherwise carry the right to vote, if such class or series of shares are affected differently.

The requirements for alterations to the Articles of a company under the BCBCA depend upon the type of resolution specified as necessary in the company's Articles, which, for many alterations, including a change of name or a consolidation of shares, can be by a resolution of the directors. In the absence of a lesser requirement in the Articles, most corporate alterations will require a special resolution, which is a resolution passed by a majority of at least 2/3 and not more than 3/4 of the votes cast, depending on the majority specified in the Articles. Alteration of the special rights and restrictions attached to issued shares requires, subject to the type of resolution specified in the company's Articles, consent by a special resolution of the holders of the class or series of shares affected. A proposed amalgamation or continuation of a company out of British Columbia requires a special resolution. The proposed Articles empower the board of directors to effect a name change and / or a consolidation without resolution of a 2/3 majority of shareholders.

### ***Rights of Dissent and Appraisal***

The OBCA provides that shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholders at the fair value of such shares. This dissent right is available when a corporation proposes to: (a) amend its articles to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class; (b) amend its articles to add, change or remove any restrictions on the business or businesses that the corporation may carry on; (c) amend its articles to add or remove an express statement establishing the unlimited liability of shareholders; (d) amalgamate with another corporation pursuant to certain statutory provisions; (e) be continued under the laws of another jurisdiction; or (f) sell, lease or exchange all or substantially all its property. The BCBCA contains a similar dissent remedy, although the procedure for exercising this remedy is different from that contained in the OBCA.

Similarly, the BCBCA provides shareholders of a BC company with a dissent remedy, regardless of whether the shareholders' shares carry the right to vote, where a company proposes to: (a) alter its articles to alter restrictions on the powers of the company or on the business it is permitted to carry on; (b) adopt an amalgamation agreement; (c) approve an amalgamation with a foreign corporation; (d) approve an arrangement, the terms of which arrangement permit dissent; (e) authorize or ratify the sale, lease or other disposition of all or substantially all of the company's

undertaking; and (f) authorize the continuation of the company into a jurisdiction other than British Columbia. Under the BCBCA, the dissent right is also applicable to any other resolution, if dissent is authorized by the resolution, or under any court order that permits dissent Shareholder

### ***Derivative Actions***

Under the BCBCA, a shareholder, defined as including a beneficial shareholder and any other person whom the court considers to be an appropriate person to make an application under the BCBCA, or a director of a company,

may, with leave of the court, prosecute a civil, criminal, quasi-criminal, administrative or regulatory action or proceeding in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself, or to obtain damages for any breach of such a right, duty or obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against a company, in the name of and on behalf of the company.

The OBCA contains similar provisions for derivative actions but the right to bring a derivative action is available to a broader group. In addition to shareholders and directors, the right under the OBCA is available to former shareholders, former directors, officers, former officers, any affiliate of the foregoing, and any person who, in the discretion of the court, is a proper person to make an application to the court to bring a derivative action.

### ***Oppression Remedies***

Under the OBCA a registered shareholder, beneficial shareholder, former registered shareholder or beneficial shareholder, director, former director, officer, former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, and in the case of an offering corporation, the Ontario Securities Commission, may apply to a court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates: (a) any act or omission of a corporation or its affiliates effects or threatens to effect a result; (b) the business or affairs of a corporation or its affiliates are or have been or are threatened to be carried on or conducted in a manner; or (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director or officer.

The OBCA contains rights that are substantially broader than the BCBCA in that they are available to a larger class of complainants.

The oppression remedy under the BCBCA is similar to the remedy found in the OBCA, with a few differences. Under the OBCA, the applicant can complain not only about acts of the corporation and its directors but also acts of an affiliate of the corporation and the affiliate's directors, whereas under the BCBCA, registered and beneficial shareholders, and any other person whom the court considers appropriate, can only complain that the affairs of the company are or have been conducted, or that the powers of the directors are being or have been exercised, in a manner that is oppressive to one or more of the shareholders. In addition, under the BCBCA the applicant must bring the application in a timely manner, which is not required under the OBCA.

### ***Requisition of Meetings***

The OBCA permits the holders of not less than 5% of the issued shares that carry the right to vote at a meeting sought to be held to require the directors to call and hold a meeting of the shareholders of the corporation for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

The BCBCA provides that one or more shareholders of a company holding not less than 5% of the issued shares of the company that carry the right to vote at a general meeting may give notice to the directors requiring them to call and hold a general meeting of shareholders to transact the business stated in the notice within 4 months of the date of receipt of the notice.

### ***Place of Meetings***

The OBCA provides that, subject to the articles and any unanimous shareholder agreement, meetings of shareholders may be held either inside or outside Ontario as the directors may determine.

The BCBCA requires all meetings of shareholders to be held in British Columbia unless a location outside the Province is provided for in the Articles, approved by the type of resolution specified in the Articles before the meeting, or approved in writing by the Registrar.

### ***Directors***

The OBCA requires that at least 25% of directors of a corporation be resident Canadians and requires that for offering corporations not fewer than three individuals be elected and at least one-third of the directors not be officers or employees of the corporation or its affiliates.

The BCBCA provides that a public company must have at least three directors but does not have any residency requirements for directors.

### ***Requisite Approvals***

Under the BCBCA, a company can establish in its Articles the levels for various shareholder approvals, other than those levels that are prescribed by the BCBCA. The majority of votes required for a special resolution can be specified in the Articles of a company, and may be no less than two-thirds and no more than three-quarters of the votes cast.

The OBCA does not provide flexibility with respect to the level of shareholder approval required for ordinary resolutions and special resolutions. Under the OBCA, an ordinary resolution must be passed by no less than a majority of the votes cast by shareholders entitled to vote with respect to the resolution and a special resolution must be passed by not less than two-thirds of the votes cast by the shareholders entitled to vote with respect to the resolution.

### ***Voting***

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, the Continuance Resolution, the text of which is attached as exhibit B to the Notice of Meeting, to authorize the Continuance. In order to pass the Continuance Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Continuance Resolution. If the Continuance Resolution does not receive the requisite shareholder approval, the Continuance will not proceed. The Board recommends that shareholders vote in favour of the Continuance Resolution as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE CONTINUANCE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

### **RIGHTS OF DISSENTING SHAREHOLDERS**

Section 185 of the Business Corporations Act (Ontario) (the "OBCA") provides registered holders of shares, in connection with the vote on the Continuance, with the right to dissent and, if the Continuance is effected, to be paid by the Company the "fair value" of their shares, determined as of the close of business on the last business day before the special resolution approving the Continuance is adopted. A summary of Section 185 of the OBCA providing for these rights is set out below. The summary is qualified in its entirety by reference to Section 185.

Failure to strictly comply with the requirements of Section 185 of the OBCA may result in the loss of any right of dissent. The right of dissent provided for under Section 185 of the OBCA applies only to registered shareholders of the Company, and accordingly, only registered shareholders may exercise a right of dissent. Persons who are beneficial owners of common shares of the Company registered in the name of a broker, custodian, nominee or other intermediary who wish to exercise a right of dissent must make arrangement for the common shares beneficially owned by him to be registered in his name prior to the time the written objection is required to be received by the Company or, alternatively, make arrangements for the registered holder of his common shares to dissent on his behalf.

To comply with Section 185, a dissenting shareholder must send to the Company, at or before the Meeting, a written objection to the Continuance. The Company shall, within ten days after the Company's shareholders adopt the special resolution approving the Continuance, send to each shareholder who has filed a written objection notice that the resolution has been adopted. A dissenting shareholder 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 (the "Demand for Payment 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. Not later than the thirtieth day after the sending of such notice, a dissenting shareholder shall send the certificates representing the shares in respect of which the shareholder dissents to the Company at its head office at Suite 307C, 2 Campbell Drive, Uxbridge, Ontario L9P 1H6 or to its transfer agent, TSX Trust Company, at Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1.

On sending a Demand for Payment Notice, a dissenting shareholder ceases to have any rights as a shareholder other

than the right to be paid the fair value his shares except where (a) the dissenting shareholder withdraws his Demand for Payment Notice before the Company makes or fails to make an Offer (as defined below) or (a) the Company's directors revoke an application to continue the Company from the Province of Ontario into the Province of British Columbia, in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent his Demand for Payment Notice and the dissenting shareholder is entitled, upon presentation and surrender to the Company or its transfer agent of any certificate representing the dissenting shareholders' shares, to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

The Company shall, no later than seven days after the later of the day on which the Continuance is effective or the day the Company received the Demand for Payment Notice send to each dissenting shareholder who has sent such notice (a) a written offer (the "Offer") to pay for the dissenting shareholders' shares in an amount considered by the directors of the Company to be the fair value thereof, accompanied by a statement showing how the fair value was determined or, (a) if there are reasonable grounds for believing that the Company is, or after the payment, would be unable to pay its liabilities as they become due or the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities, a notification that the Company is unable lawfully to pay dissenting shareholders for their shares.

An application may be made to the court ("Court Application") after the Continuance is effective by originating notice by the Company or by a dissenting shareholder to fix the fair value of for the shares of any dissenting shareholder. Before making the Court Application, the Company shall give notice (the "Court Application Notice") to each dissenting shareholder who, at the date upon which the Court Application Notice is given has provided the Company with a Demand for Payment Notice and has not accepted the Offer, of the date, place and consequences of the Court Application and of the dissenting shareholder's right to appear and be heard in person or by counsel. A similar notice shall be given to each dissenting shareholder, who, after the date of the Court Application Notice and before termination of the proceedings commenced by the application, (a) provides the Company with a Demand for Payment Notice and (b) does not accept the Offer, if such an Offer was made, within three days after the dissenting shareholder satisfies (a) and (b) of this paragraph. On the Court Application, the court may determine whether any other person is a dissenting shareholder who should be joined as a party to the Court Application and the court shall fix a fair value for the shares of all dissenting shareholders who are parties to the Court Application. The court may in its discretion (a) appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders and (b) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the effective date of the Continuance until the date of payment. The Company is prohibited from making a payment to a dissenting shareholder under Section 185 of the OBCA if there are reasonable grounds for believing that: (a) the Company is or would after the payment be unable to pay its liabilities as they become due; or (b) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities. In such event, and notwithstanding that an order of the Court ("Court Order") has been given in favour of a dissenting shareholder under the Court Application, the Company shall, within ten days after the pronouncement of the Court Order, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. A dissenting shareholder may, by written notice delivered to the Company within 30 days after receiving a notice from the Company that it is unable lawfully to pay dissenting shareholders for their shares, may (a) withdraw his notice of objection, in which case the Company is deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder; or (b) retains his status as a claimant against the Company, to be paid as soon as the Company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Company but in priority to its shareholders.

The procedures required in connection with the exercise of rights under Section 185 of the OBCA are very technical, complex and in most cases, time-consuming and expensive. The sending of a notice of dissent does not deprive a shareholder of his right to vote against this special resolution; however, a vote against this special resolution does not constitute a notice of dissent.

Any registered shareholder who wishes to exercise his right of dissent and appraisal should seek the advice of qualified independent counsel, as failure to comply strictly with the provisions of Section 185 of the OBCA may prejudice his right of dissent.

In order to dissent, a written objection to the special resolution from the registered shareholder must be received by the Company at its head office, Suite 307C, 2 Campbell Drive, Uxbridge, Ontario L9P 1H6 or by the Chairman of the Meeting at or before the Meeting. A vote against the special resolution, an abstention or the execution of the proxy to vote against the special resolution does not constitute such written objection.

The above summary is not a comprehensive statement of the procedures to be followed by a dissenting shareholder

of the Company who seeks payment of the fair value of his Common Shares. Section 185 of the OBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder.

## STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at December 31, 2020 whose total compensation was more than \$150,000 for the financial year of the Company ended December 31, 2020 (collectively the "Named Executive Officers") and for the directors of the Company.

### Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup>							
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 (\$)
Myles Bartholomew <sup>(2)</sup> President, Chief Executive Officer and Director	2020	84,000	nil	nil	nil	nil	84,000
	2019	80,000	nil	nil	nil	nil	80,000
Sandy Kokkinis <sup>(3)</sup> Chief Financial Officer	2020	88,000	nil	nil	nil	nil	88,000
	2019	70,000	nil	nil	nil	nil	70,000
Gary Bartholomew <sup>(4)</sup> Executive Chairman and Director	2020	210,000	nil	nil	nil	nil	210,000
	2019	190,000	nil	nil	nil	nil	190,000
Doug Beynon Director	2020	nil	nil	nil	nil	nil	nil
	2019	nil	nil	nil	nil	nil	nil
Stephen Barley <sup>(5)</sup> Director	2020	nil	nil	nil	nil	nil	nil
	2019	nil	nil	nil	nil	nil	nil
Witold Ostrenko	2020	nil	nil	nil	nil	nil	nil
Brad Herr <sup>(3)</sup> Former Chief Financial Officer	2020	N/A	nil	nil	nil	nil	N/A
	2019	US\$22,500	nil	nil	nil	nil	US\$22,500

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Fees paid in accordance with the employment agreement of Myles Bartholomew described under the heading "Employment, Consulting and Management Agreements".
- (3) Mr. Herr resigned as the chief financial officer of the Company on May 1, 2019 and was replaced by Ms. Kokkinis.
- (4) Fees paid in accordance with the employment agreement of Gary Bartholomew described under the heading "Employment, Consulting and Management Agreements".
- (5) Mr. Barley resigned as a director on November 23, 2020 and Mr. Ostrenko was appointed that same day as his replacement.

### Stock Options and Other Compensation Securities

The following compensation securities were granted to Named Executive Officers and directors of the Company during the 2 most recently completed financial years of the Company:

Name and position	Type of compensation security	Number of compensation securities	Exercise Price (\$)
Myles Bartholomew President, Chief Executive Officer and Director	stock options	2,500,000	0.05
	stock options	2,000,000	0.01

Name and position	Type of compensation security	Number of compensation securities	Exercise Price (\$)
Sandy Kokkinis Chief Financial Officer	stock options	100,000	0.10
	stock options	500,000	0.05
	stock options	100,000	0.015
	stock options	2,000,000	0.01
Gary Bartholomew Executive Chairman and Director	stock options	500,000	0.09
	stock options	2,500,000	0.05
	stock options	4,000,000	0.01
Doug Beynon Director	stock options	150,000	0.12
	stock options	500,000	0.05
	stock options	250,000	0.015
	stock options	2,000,000	0.01
Stephen Barley Director	stock options	150,000	0.12
	stock options	500,000	0.05
	stock options	250,000	0.015
Witold Ostrenko Director	stock options	1,000,000	0.01

As at December 31, 2020, the Named Executive Officers and directors of the Company held compensation securities as set out in the table below.

COMPENSATION SECURITIES HELD BY DIRECTORS AND NAMED EXECUTIVES OFFICERS			
Name and position	Type of compensation security	Number of compensation securities	Number of underlying securities exercised or exchanged
Myles Bartholomew President, Chief Executive Officer and Director	stock options	5,450,000	5,450,000
Gary Bartholomew Executive Chairman and Director	stock options	6,200,000	6,200,000
Doug Beynon Director	stock options	3,475,000	3,475,000
Stephen Barley Director	stock options	1,400,000	1,400,000
Sandy Kokkinis Chief Financial Officer	stock options	2,800,000	2,800,000
Witold Ostrenko Director	stock options	1,000,000	1,000,000
Brad Herr Former Chief Financial Officer	stock options	1,000,000	1,000,000

No compensation securities were exercised by any Named Executive Officer or any director of the Company during the most recently completed financial year of the Company.

#### Stock Option Plan and other Incentive Plans

The Company has in place a "rolling" stock option plan (the "**Stock Option Plan**"), as amended which was approved by the shareholders on December 9, 2015.

The purpose of the Stock Option Plan is to, among other things, encourage Common Share ownership in the Company by directors, officers, employees and consultants of the Company and its affiliates and other designated persons. Options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Company and its subsidiaries and other designated persons as designated from time to time by the Board. The number of options which may be issued under the Stock Option Plan is limited to 15% of the number of Common Shares outstanding at the time of the grant of the options. As at the date hereof, 131,699,824 stock options may be reserved for issue pursuant to the Stock Option Plan, 38,260,000 stock options have been issued and 93,439,824

stock options are still available for issue. Any Common Shares subject to an option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the market price of the Common Shares. Options granted under the Stock Option Plan may be exercised during a period not exceeding ten years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Company or any of its subsidiaries or ceasing to have a designated relationship with the Company, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the common shares, a merger or other relevant changes in the Company's capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Company in respect of options granted under the Stock Option Plan.

### ***Deferred Share Unit Plan***

The Company has in place a deferred shared unit plan (the "**DSU Plan**") which was approved by the shareholders on December 9, 2015.

Pursuant to the DSU Plan, directors, officers, employees and consultants (the "**Eligible Participants**") are entitled to elect to receive deferred share units ("**DSUs**") in full or partial satisfaction of their compensation. An Eligible Participant is entitled to redemption of their DSUs on termination of their service and will then be entitled to receive from the Company, one Common Share for each whole DSU redeemed. Each Eligible Participant is required to hold the DSUs until he or she either resigns or is removed, following which the DSU will be redeemed by the Company for cash during a prescribed period at a value equal to the market price of the Common Shares prevailing at the date of redemption. There are no restrictions on a director assigning his or her entitlement to payment pursuant to the DSU Plan. The DSUs and other benefits under the DSU Plan are non-transferable and non-assignable. Any Common Shares subject to a DSU which, for any reason, is cancelled or terminated will be available for a subsequent DSU grant under the DSU Plan. The aggregate number of Common Shares issuable by the Company under the DSU Plan is limited to 20% of the outstanding Common Shares from time to time. As at the date hereof, an aggregate of 175,599,765 DSUs may be issued pursuant to the DSU Plan, an aggregate of 17,000,000 DSUs are outstanding and an aggregate 158,599,765 are still available for issue. The Company may amend the DSU Plan as it deems necessary or appropriate, but no such amendment may adversely affect the rights of an Eligible Participant in DSUs granted prior to the date of amendment without their consent. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the DSU Plan or may terminate the DSU Plan at any time.

### ***Employee Share Purchase Plan***

The Company has in a place an employee share purchase plan (the "**Employee Share Purchase Plan**") which was approved by the shareholders on December 9, 2015.

The purpose of the Employee Share Purchase Plan is to, among other things, advance the interests of the Company by encouraging its employees, directors and officers ("**Eligible Employees**") to invest in Common Shares, thereby increasing the proprietary interests of such Eligible Employees in the Company and aligning the interests of such Eligible Employees with the interests of the Company's shareholders generally. Under the Employee Share Purchase Plan, the Board (or a committee thereof) has authority to select Eligible Employees, who may participate in the Employee Share Purchase Plan. The Company will match the contribution of the Eligible Employee, which is limited to 10% of the basis annual remuneration of the Eligible Employee, on a quarterly basis. Each Eligible Employee will receive Common Shares having a value equal to the aggregate amount contributed to the Employee Share Purchase Plan by the Eligible Employee and the Company or through treasury issuances or market purchases. The purchase price per Common Share will be the weighted average price of the Common Shares on the Canadian Securities Exchange for the calendar quarter in respect of which the Common Shares are issued. These Common Shares will either be issued from treasury or acquired through market purchases and delivered to Eligible Employees 12 months after their date of issue or purchase, as applicable (or a later date if required by applicable laws, regulations or listing requirements). The maximum number of Common Shares made available for the Employee Share Purchase Plan may be determined from time to time by the Board (or committee thereof) but, in any case, is limited to 5% of the Common Shares issued and outstanding. No Common Shares have been issued under the Employee Share Purchase Plan.



## **Employment, Consulting and Management Agreements**

The Company has in place the following employment agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers:

### ***Myles Bartholomew***

Pursuant to an employment agreement made as of January 1, 2013, as amended in 2015 and further amended in 2016, the Company engaged the services of Myles Bartholomew as Chief Executive Officer of the Company at a salary of \$180,000 per year (the "**MB Agreement**").

The MB Agreement is terminable by the Company in the event of bankruptcy, breach of the MB Agreement, or for "Cause" which includes gross negligence, gross insubordination, chronic culpable absenteeism or lateness (other than for disability under the *Human Rights Code*) and other conduct incompatible with continued services, or by either party upon 6 months' written notice. In the event of termination of Myles Bartholomew's employment in the role as a Chief Executive Officer, he is entitled to remain as an advisor or consultant of the Company in order to retain the options granted and vested.

### ***Gary Bartholomew***

The Company entered into a Board of Directors Services Agreement with Gary Bartholomew dated January 1, 2013 for a term of one year at a salary of \$120,000 per year, and automatically renewable for successive one year terms, unless notice of non-renewal is provided by the Company or Gary Bartholomew.

There are no employment agreements in place with any of the directors of the Company.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### ***Compensation of Directors***

The Board, at the recommendation of the management of the Company, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. For their role as directors of the Company, each director of the Company who is not a Named Executive Officer may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the two most recently completed financial years for their services in their capacity as directors of the Company.

### ***Compensation of Named Executive Officers***

#### **Principles of Executive Compensation**

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long term value; and

5. connect, if possible, the Company's employees into principles 1 through 4 above.

The Board is responsible for the Company's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. However, the Company, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

#### Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

#### **Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

#### **Termination and Change of Control Benefits**

The Company has not provided compensation, monetary or otherwise, during the two preceding fiscal years, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates. Except as set forward under "*Employment, Consulting and Management Agreements*", the Company is

not party to any compensation plan or arrangement with Named Executive Officers or directors of the Company resulting from the resignation, retirement or the termination of employment of such person.

## SECURITIES AUTHORIZED FOR ISSUE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of December 31, 2020:

### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by securityholders (Stock Option Plan <sup>(1)</sup> )	38,260,000	0.09	93,439,824
Equity compensation plans approved by securityholders (DSU Plan <sup>(2)</sup> )	17,000,000	nil	158,599,765
Equity compensation plans not approved by securityholders	nil	nil	nil
<b>Total</b>	<b>55,260,000</b>	<b>0.09</b>	<b>252,039,588</b>

Notes:

- (1) *The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 15% of the outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, 131,699,824 stock options are authorized for issue under the Stock Option Plan, 38,260,000 stock options are outstanding and an additional 93,439,824 Common Shares are reserved for issue and remain available for future issue.*
- (2) *Based on the terms of the DSU Plan as approved by shareholders on December 9, 2015, as at the date of this Circular, the Company is authorized to issue up to 175,599,765 DSUs, an aggregate of 17,000,000 DSUs have been issued and an additional aggregate of 158,599,765 DSUs remain available for future issue..*

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, no director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the most recently completed financial year end of the Company or in any proposed transaction that has materially affected or will materially affect the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires that certain information regarding the Audit Committee of a "venture issuer" (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer's annual meeting. The Company is a "venture issuer" for the purposes of NI 52-110.

## **Audit Committee Charter**

The full text of the charter of the Company's Audit Committee is attached hereto as appendix A.

## **Composition of the Audit Committee**

The Audit Committee members are currently Doug Beynon (Chair), Gary Bartholomew and Witold Ostrenko, each of whom is a director and financially literate. Messrs. Beynon and Ostrenko are each independent in accordance with NI 52-110.

## **Relevant Education and Experience**

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

***Doug Beynon, Director*** - Dr. Beynon is an experienced entrepreneur and holds a PhD in Business from the University of Kansas. Dr. Beynon was founder and Chair of the Advisory Council (2003-2009) for the Conrad School of Business and Entrepreneurship, and from 2009 to present, Dr. Beynon was appointed and continues to act as Entrepreneur-in-Residence. Dr. Beynon is the President of Beynon Enterprises Inc. and is a trusted advisor to several companies. Dr. Beynon was President and CEO of Advanced Chemical Technologies Inc. from 2017 to 2021 and now serves as an Advisor to the company. Dr. Beynon is a board member of the following organizations: Electrical Contracts Ltd, Ubiquity Solar Inc., PinPoint Cayman Holdings Inc. and True North Quantum. Dr. Beynon is on the Advisory Councils of the Dean of Engineering, Faculty of Engineering, University of Waterloo and the Waterloo Stratford Campus, University of Waterloo. Dr. Beynon is an Advisory Board Member for Tangam Technologies Inc. and Metalumen.

***Gary Bartholomew, Executive Chairman and Director*** - Mr. Bartholomew is the Executive Chairman of the Board, guiding the senior management team at MXM Nation Inc., a wholly owned subsidiary of the Company, ("MXM") and the Company. Mr. Bartholomew is an experienced entrepreneur with a proven track record of success and has successfully established and operated MXM since its incorporation and has been responsible for managing the operations of MXM in the role of chief executive officer prior to February 2013. He has considerable operational experience and technical knowledge of social network portal websites and search engines. Additionally, Mr. Bartholomew is a founding Advisor to the Masters In Business, Entrepreneurship and Technology program (the "**MBET program**") at the Conrad Centre, University of Waterloo, and Department of Engineering. In addition to his advisory role in the MBET program, Mr. Bartholomew is also a founding advisor of the University of Waterloo's Stratford Campus School of Global Business and Digital Arts. Mr. Bartholomew takes an active role in mentoring technology based start-ups in the Waterloo area.

***Witold Ostrenko, Director*** - Mr. Ostrenko served as President and CEO of the MOSI Science Center in Tampa, Florida from 1990 to 2014 and was responsible for board development, strategic planning and fundraising. During his tenure, Mr. Ostrenko oversaw \$120 million USD in capital raises and grew MOSI to 73 acres, 318,000 square feet of facilities including its primary science center, IMAX theater, charter school, NASA sponsored lunar colony and children's science center. Mr. Ostrenko guided the development of MOSI to the 6th largest Science Center in the United States. Mr. Ostrenko also served as the President of the International Association of Science and Technology Center ("ASTC") serving over 500 institutions in nearly 50 countries. In his role as ASTC President, Mr. Ostrenko traveled worldwide in support of ASTC member institutions and their critical role in supporting education in science and technology.

## Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

## Reliance on Exemptions in NI 52-110 regarding

### *De Minimis* Non-audit Services or on a Regulatory Order Generally

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the charter of the Audit Committee.

## Audit Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended December 31, 2018 and December 31, 2019:

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
Year ended December 31, 2019	39,182	nil	nil	nil
Year ended December 31, 2018	36,684	nil	nil	nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice and advice related to relocating employees.

## REPORT ON CORPORATE GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their

own corporate governance guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company's approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

### **Board of Directors**

The Board is currently composed of four directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 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 Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, of the proposed nominees, Myles Bartholomew, President and Chief Executive Officer and Gary Bartholomew are considered "inside" or a management director and accordingly are considered not "independent". The remaining two proposed directors, Doug Beynon and Witold Ostrenko, are considered by the Board to be "independent", within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

The independent directors of the Company regularly hold meetings without members of management present.

The Chairman reports to the Board and shareholders and provides leadership to the Board in matters relating to the effective execution of all Board responsibilities and works with the Chief Executive Officer and senior management team to ensure that the organization fulfills its responsibilities to stakeholders including shareholders, employees, customers, governments and the public, and is required to establish procedures to govern the Board's work including:

- scheduling meetings of the Board and its committees;
- chairing all meetings of the Board;
- encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
- developing the agenda for Board meetings with input from other Board members and management;
- ensuring proper and timely information is delivered to the Board;
- ensuring that the Board has appropriate administrative support; and
- addressing complaints, questions and concerns regarding Board matters.

### **Directorships**

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

<b>Name of Director</b>	<b>Reporting Issuer</b>
N/A	N/A

### **Orientation and Continuing Education**

The Company has an orientation program whereby new directors will receive a comprehensive orientation from

appropriate executives and staff regarding the business affairs of the Company. Particular aspects of operations are to be presented by the Company executives and staff, as part of the agenda of regular board meetings. Other continuing education events and events including best practices will be undertaken periodically. An education log, detailing seminar topics, attendance, mailing of educational supplemental materials is kept and presented for review at each meeting of the board of directors.

### **Ethical Business Conduct**

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Board members independent of corporate matters.

### **Nomination of Directors**

The Board has established the Compensation/Human Resources and Governance Committee which has assumed responsibility for the appointment and assessment of Directors. The Compensation/Human Resources and Governance Committee is comprised of Messrs. Witold Ostrenko (Chair), Gary Bartholomew and Doug Beynon, of which Messrs. Ostrenko and Beynon are considered independent.

The Board believes that its current composition is appropriate given the size of the Company and its current stage of development. While there are no formal criteria for Board membership, the Company attempts to attract and retain Directors with business knowledge and a particular knowledge of the industry in which the Company operates. As such, nominations would normally be the result of recruitment efforts and discussions amongst the Compensation/Human Resources and Governance Committee, prior to the consideration of the Board as a whole.

The Compensation/Human Resources and Governance Committee's primary role is to assist the Board in fulfilling its oversight responsibilities by, among other things, (i) assessing the effectiveness of the Board as a whole as well as the contribution of individual directors, (ii) assessing and improving the Company's governance practices, (ii) overseeing the recruitment and selection of new nominees for appointment to the Board, and (iii) orienting new directors.

The Compensation/Human Resources and Governance Committee's duties include (i) reviewing the size and composition of the Board, (ii) evaluating the competencies and skill of each director and of the Board as a whole, (iii) reviewing the Company's governance practices at least annually and recommending to the Board any changes to such practice that it considers appropriate, and (iv) reviewing the Board's committee structure on an annual basis and recommending to the Board any changes it considers necessary or desirable.

### **Board Mandate**

The full text of the Company's Board of Directors charter is attached hereto as appendix B.

### **Other Board Committees**

In addition to the Audit Committee, the Board has established a Compensation/Human Resources and Governance Committee.

### **Assessments**

Currently the Board has not implemented a formal process for assessing directors.

## **OTHER MATTERS**

**The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting.** However, if other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company in order to request copies of: (i) this Circular; and (ii) the Company's financial statements and the related management's discussion and analysis (the "MD&A") which will be sent to the shareholder without charge upon request. Financial information is provided in the Company's financial statements and MD&A for the financial year ended December 31, 2018 and 2019.

## **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

**DATED** at Toronto, Ontario, on the 26<sup>th</sup> day of February, 2021.

## **BY ORDER OF THE BOARD**

*"Myles Bartholomew" (signed)*

President, Chief Executive Officer and Director



## APPENDIX A

### SPONSORSONE INC.

#### FINANCE AND AUDIT COMMITTEE CHARTER

##### **PART I.**        General

The Board of Directors of the Company (the "**Board**") has established a Finance and Audit Committee (the "**Committee**") to take steps on its behalf as are necessary to assist the Board in fulfilling its oversight responsibilities regarding:

- a. the integrity of the Company's financial statements;
- b. the internal control systems of the Company;
- c. the external audit process;
- d. the internal audit and assurance process;
- e. risk management;
- f. investment opportunities and the raising of funds by the Company;
- g. the administration, financial reporting and investment activities of the pension plan(s);
- h. the Company's compliance with legal and regulatory requirements, and
- i. any additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

##### **PART II.**        Members

The Board will in each year appoint a minimum of three (3) directors as members of the Committee. All members of the Committee shall be non-management directors when the company no longer is an emerging issuer, until then at least a majority of non-management directors will be elected. In addition, the Committee will have an appropriate representation of independent directors, as required and defined by law, and all regulatory orders and exemption orders issued in respect of the Company by applicable securities regulatory authorities.

All members of the Committee shall be financially literate. While the Board shall determine the definition of and criteria for financial literacy, this shall, at a minimum, include 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 Company's financial statements.

The Chief Executive Officer ("**CEO**") of the Company and, to the extent the Chair of the Board is not otherwise a member of the Committee, the Chair, and all other directors who are not members of the Committee may attend all meetings of the Committee in an ex-officio capacity and shall not vote. The CEO and other directors that are part of the management team shall not attend in-camera sessions.

##### **PART III.**        Duties

The Committee shall have the following duties:

###### **(a) Financial Reporting and Disclosure**

1. **Audited Annual Financial Statements:** Review the audited annual financial statements, all related management discussion and analysis, ("**MD&A**"), and earnings press releases for submission to the Board for approval.
2. **Quarterly Review:** Following their review by the external auditor, review the quarterly financial statements, the related MD&A, and earnings press releases for submission to the Board for approval.
3. **Significant Accounting Principles and Disclosure Issues:** Review with management and the external auditor, significant accounting principles and disclosure issues, including complex or unusual transactions, highly judgmental areas such as reserves or estimates, significant changes to accounting principles, and

alternative treatments under Canadian GAAP for material transactions. This shall be undertaken with a view to understanding their impact on the financial statements, and to gaining reasonable assurance that the statements are accurate, complete, do not contain any misrepresentations, and present fairly the Company's financial position and the results of its operations in accordance with Canadian GAAP.

4. **Compliance:** Confirm through discussions with management and external auditors that Canadian GAAP and all applicable laws or regulations related to financial reporting and disclosures have been complied with.
5. **Legal Events:** Review any actual or anticipated litigation or other events, including tax assessments, which could have a material current or future effect on the Company's financial statements, and the manner in which these have been disclosed in the financial statements.
6. **Off-Balance-Sheet Transactions:** Discuss with management the effect of any off-balance-sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components or revenues and expenses.
7. **Other Disclosures:** Satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information, other than the public disclosure of the information referred to in sections 1 and 2 above, and periodically assess the adequacy of those procedures.

#### **(b) Oversight of Internal Controls**

8. **Review and Assessment:** Review and assess the adequacy and effectiveness of the Company's system of internal controls over financial reporting and management information systems through discussions with management, the Chief Financial Officer ("CFO"), and the external auditor.
9. **Oversight:** Oversee system of internal control, by:
  - a. Monitoring and reviewing policies and procedures for internal accounting, internal audit, financial control and management information;
  - b. Consulting with the external auditor regarding the adequacy of the Company's internal controls;
  - c. Reviewing with management its philosophy with respect to internal controls and, on a regular basis, all significant control-related findings together with management's response; and
  - d. Obtaining from management adequate assurances that all statutory payments and withholdings have been made.
10. **Fraud:** Oversee investigations of alleged fraud and illegality relating to the Company's finances.
11. **Complaints:** Review with management that appropriate procedures exist for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and for the protection from retaliation of those who report such complaints in good faith.

#### **(c) External Audit**

12. **Appointment or Replacement:** Recommend to the Board appointment or replacement of the external auditor for the purposes of preparing or issuing an auditor's report and performing the audit. The Board, will consider the recommendation prior to submitting the nomination to the shareholders for their approval.
13. **Compensation:** Review with management, and make recommendations to the Board, regarding the compensation of the external auditor. In making a recommendation with respect to compensation, the Committee shall consider the number and nature of reports issued by the external auditor, the quality of internal controls, the size, complexity and financial condition of the Company, and the extent of internal audit and other support provided by the Company to the external auditor.

14. **Reporting Relationships:** The external auditor will report directly to the Committee.
15. **Performance:** Review with management, on a regular basis, the terms of the external auditor's engagement, accountability, experience, qualifications and performance. Evaluate the performance of the external auditor.
16. **Transition:** Review management's plans for an orderly transition to a new external auditor, if required.
17. **Audit Plan:** Review the audit plan and scope of the external audit with the external auditor and management, and consider whether the nature and scope of the planned audit procedures can be relied upon to detect weaknesses in internal controls, frauds or other illegal acts.
18. **Audit Plan Changes:** Discuss with the external auditor any significant changes required in the approach or scope of their audit plan, management's handling of any proposed adjustments identified by the external auditor, and any actions or inactions by management that limited or restricted the scope of their work.
19. **Review of Results:** Review, in the absence of management, the results of the annual external audit, the audit report thereon and the auditor's review of the related MD&A, and discuss with the external auditor the quality (not just the acceptability) of accounting principles used, any alternative treatments of financial information that have been discussed with management, the ramifications of their use and the auditor's preferred treatment, and any other material communications with management.
20. **Disagreements with Management:** Resolve any disagreements between management and the external auditor regarding financial reporting in a timely manner.
21. **Material Written Communications:** Review all other material written communications between the external auditor and management, including the post-audit management letter containing the recommendations of the external auditor, management's response and, subsequently, follow up identified weaknesses.
22. **Interim Financial Statements:** Engage the external auditor to review all interim financial statements and review, in the absence of management, the results of the auditor's review of the interim financial statements and the auditor's review of the related MD&A.
23. **Other audit matters:** Review any other matters related to the external audit that are to be communicated to the Committee under generally accepted auditing standards.
24. **Meeting with External Auditor:** Meet with the external auditor in the absence of management at least quarterly to discuss and review specific issues as appropriate as well as any significant matters that the auditor may wish to bring to the Committee for its consideration.
25. **Correspondence:** Review with management and the external auditor any correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
26. **Independence:** At least annually, and before the external auditor issues its report on the annual financial statements, review and confirm the independence of the external auditor through discussions with the auditor on their relationship with the Company, including details of all non-audit services provided. Consider the safeguards implemented by the external auditor to minimize any threats to their independence, and take action to eliminate all factors that might impair, or be perceived to impair, the independence of the external auditor. Consider the number of years the lead audit partner has been assigned to the Company, and consider whether it is appropriate to recommend to the Board a policy of rotating the lead audit partner more frequently than every five years, as is required under the rules of the Canadian Public Accountability Board.
27. **Non-Audit/Audit Services:** Pre-approve any non-audit services to be provided to the Company and its subsidiaries, by the external auditor, with reference to compatibility of the service with the external

auditor's independence. The Committee shall satisfy the pre-approved requirements in accordance with applicable laws, rules and regulations as adopted or in force or amended from time to time, including sections 2.4 and 2.6 of Multilateral Instrument 52-110 – Audit Committees.

28. **Hiring Policies:** Review and approve the hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

**(d) Internal Audit and the Provision of Assurance**

29. **Chief Financial Officer:** Review and approve the appointment, replacement or dismissal of the CFO. The CFO reports to the CEO administratively and to the Committee functionally.
30. **Assurance Activities:** Review with management and the CFO the mandate, staffing, plans, activities, and results of the Company's assurance providers to gain reasonable assurance that their activities are appropriately comprehensive, effective and coordinated with the external auditor.
31. **Assurance Findings:** Discuss the impact of any significant assurance findings, together with the appropriateness of management's response, on the adequacy and effectiveness of the Company's system of internal control.
32. **Meeting:** Meet with the CFO in the absence of management at least annually to discuss and review specific issues as appropriate as well as any significant matters that the auditor may wish to bring to the Committee for its consideration, including a discussion of any restrictions or limitations placed on the CFO with respect to scope of work or access to required information.

**(e) Risk Management**

33. **Adequacy of Policies and Procedures:** Review and assess the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks annually, and review quarterly updates on these risks from the Executive Vice President of Treasury and Risk Management. Review and assess the adequacy of the implementation of appropriate systems to mitigate and manage the risks, and report regularly to the Board.

**(f) Financial Planning and Investments**

34. **Business Plan:** Review and recommend the Business Plan, including the annual Operating and Capital Budgets for submission to the Board for approval. Review periodic financial forecasts.
35. **Investment Opportunities:** Review and assess investment opportunities of a value exceeding management's authority, in accordance with procedures established by the Board from time to time.
36. **Guidelines and Policies:** Review and approve guidelines and policies for the investing of cash and marketable securities and review reports from management on the results of such investments against established benchmarks.
37. **Additional Funds for Investment:** Review and assess management's plans with respect to raising additional funds whether through debt or capital, in accordance with procedures established by the Board from time to time.

**(g) Compliance**

38. **Filings with Regulatory Authorities:** Review with management the Company's relationship with regulators, and the timeliness and accuracy of Company filings with regulatory authorities.
39. **Employee Code of Conduct:** Review the Company's Employee Code of Conduct and confirm that adequate and effective systems are in place to enforce compliance. Ensure the Employee Code of Conduct is disclosed in the Company's annual report or information circular at least every three years or following a material amendment. Alternatively, confirm with management that an up-to-date version of the Employee

Code of Conduct is disclosed on the Company's website.

**(h) Communication**

40. **Communication Channels:** Establish and maintain direct communication channels with management, the CFO, the external auditor and the Board to discuss and review specific issues as appropriate.
41. **Coordination with Management:** The Committee will coordinate with management on audit and financial matters, and will:
  - Meet privately with management at least quarterly to discuss any areas of concern to the Committee or management; and
  - Review expenses incurred by the Chair of the Board and CEO of the Company. Ensure that the CEO reviews all expenses incurred by direct executive reports of the CEO.

**(j) Related Party Transactions**

42. **Related Party Transactions:** Review with management all related party transactions and the development of policies and procedures related to those transactions.

**(k) Board Relationship and Reporting**

43. **Adequacy of Charter:** Review and assess the adequacy of the Committee Charter annually and submit such amendments as the Committee proposes to the Governance Committee.
44. **Disclosure:** Oversee appropriate disclosure of the Committee's Charter, and other information required to be disclosed by applicable legislation, in the Company's Annual Information Form and all other applicable disclosure documents.
45. **Reporting:** Report regularly to the Board on Committee activities, issues and related recommendations.

**PART IV. Chair**

The Board will in each year appoint the Chair of the Committee. The Chair shall have accounting or related financial expertise. In the Chair's absence, or if the position is vacant, the Committee may select another member as Chair. The Chair will have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and will, in any event, advise all other members of any decisions made or powers exercised.

**PART V. Meetings**

The Committee shall meet at the request of its Chair, but in any event it will meet at least four to six times a year. Notices calling meetings shall be sent to all Committee members, to the external auditors, to the CEO of the Company, to the Chair of the Board and to all other directors. The external auditor or any member of the Committee may call a meeting of the Committee.

**PART VI. Quorum**

A majority of members of the Committee, present in person, by teleconferencing, or by videoconferencing will constitute a quorum.

**PART VII. Removal and Vacancy**

A member may resign from the Committee, and may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to be a director. The Board will fill vacancies in the Committee by appointment from among the independent directors of the Board in accordance

with Section 2 of this Charter. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all its powers.

**PART VIII. Experts and Advisors**

The Committee may retain or appoint, at the Company's expense, such experts and advisors as it deems necessary to carry out its duties, and to set and pay their compensation. The Committee shall provide notice to the Governance Committee of its actions in this regard.

**PART IX. Secretary and Minutes**

(a) The CFO of the Company, or such other person as may be appointed by the Chair of the Committee, will act as Secretary of the Committee. The minutes of the Committee will be in writing and duly entered into the books of the Company. The minutes of the Committee will be circulated to all members of the Board.

## APPENDIX B

### SPONSORSONE INC. (the "Company")

#### BOARD CHARTER

##### **PART I.**      Corporate Governance Guidelines

The Board of Directors of SponsorsOne Inc. (SponsorsOne) has adopted guidelines to promote effective functioning of the board and its various committees.

##### **PART II.**      Role of the Board

The business affairs of SponsorsOne are managed by or under the direction of the board of directors in accordance with Canadian laws and regulations. It is the duty of the directors' to exercise their business judgment in the best interests of SponsorsOne.

##### **PART III.**     Board Structure

- (a) **Board size** – The size of the board will provide sufficient diversity among non-employee directors while facilitating discussions in which each director can meaningfully participate. The board size will be within the limits prescribed by SponsorsOne articles of incorporation which currently provide that the board may have no fewer than three and no more than ten directors.
- (b) **Independent directors** – The majority of the board will eventually consists of directors whom the board has determined to be independent. In general, an independent director must have no material direct or indirect relationship with SponsorsOne. While classified an emerging issuers, the Board will have no less than two independent directors.
- (c) **Election of directors** – All directors will stand for election at the annual general meeting of shareholders.
- (d) **Chairman and Chief Executive Officer** – The board believes that the Chairman and CEO roles should be separate and not combined. While the Chairman may act in the executive role, the CEO will be responsible and accountable for all business strategy and performance.
- (e) **Experience and term limits** – The SponsorsOne board believes experience is a valuable asset in the operation of its business. Accordingly, it is appropriate that at least two of the directors have experience as professional directors with public company experience. Elections to the board are not subject to term limits, except as a result of a director reaching the boards mandatory retirement age of 70.
- (f) **Nominations** – The human resource committee of the board will nominate a slate of director candidates for election at each annual meeting of shareholders and the board will elect directors to fill vacancies created as a result of any increase in the size of the board, between annual meetings. The nominations and the governance committees of the board will review and update the selection and tenure guidelines for directors from time to time and make recommendations to the board as appropriate.
- (g) **Orientation and Continuing Education** – New directors will receive a comprehensive orientation from appropriate executives and staff regarding the business affairs of SponsorsOne with quarterly scheduled seminars on topical business and technical issues. Such seminar schedule is published annually with the regular board meeting schedule. In addition, particular aspects of operations are to be presented by SponsorsOne executives and staff, as part of the agenda of regular board meetings. Other continuing education events and events including best practices will be undertaken periodically. An education log, detailing seminar topics, attendance, mailing of educational supplemental materials is kept and presented

for review at each meeting of the board of directors.

**PART IV.**      Board Meetings

- (a) **Number of regular meetings** – The board normally holds twelve regular meetings, four of which are detailed quarterly and additional meetings may be scheduled as required. Attendance is either by phone or in person, with the expectation that best effort be made to attend detailed quarterly meetings in person when requested. The meeting schedule is published in advance of the fiscal year.
- (b) **Agenda and briefing materials** – An agenda for each board meeting and briefing materials will to the extent practicable be distributed to each director approximately one week prior to each meeting. Briefing materials are concise, yet sufficiently detailed to permit directors to make informed judgments. The chair will normally set the agenda for board meetings. Any director may request the inclusion of specific items.
- (c) **Meeting attendance** – It is expected that every director will make their best effort to attend each board meeting and the meeting of any committee on which the director sits. Attendance in person is preferred, but attendance by teleconference is permitted with the exception of quarterly meetings.
- (d) **Director preparedness** – Each director should be familiar with the agenda for each meeting, have carefully reviewed all materials distributed in advance of the meeting, and be prepared to participate meaningfully in the meeting and to discuss all scheduled items of business.
- (e) **Confidentially** – The proceedings and deliberations of the board and its committees are confidential. Each director will maintain the confidentiality of information received in connection with responsibilities as a director.

**PART V.**      Non-employee director executive session, internal and external services

- (a) **Executive sessions** - The non-employee directors, as deemed appropriate, may reserve time to conduct executive sessions following every board meeting in the absence of members of management to monitor and assess board processes and issues, and to communicate to management as appropriate the results of private discussions among non-employee directors. These meetings are chaired by Chair of the Finance and Audit Committee.
- (b) **Access to employees** – Non-employee directors will have full access to senior management and other employees on request to discuss the business affairs of the company. The board expects there will be regular opportunities for the directors to meet with the chief executive officer and other members of management in board and committee meetings and in other formal and informal settings.
- (c) **Services of outside consultants** - In order to effectively carry out its mandates, the board directly and through its committees is empowered to engage the services of outside consultants and other advisors as appropriate, and at the expense of the company, subject to board approval or the Finance and Audit Committee.

**PART VI.**      Board self-evaluation

The board (and its committees) will annually evaluate its own performance and effectiveness with an objective of continuous improvements. To facilitate this process, the board will carry out a confidential survey using the questionnaire published by the Canadian Coalition on Corporate Governance or similar processes. Generally, board performance will be measured against the following key metrics, including:

- (a) The effectiveness with which the board functions, including satisfaction of board members regarding the functioning of the board.
- (b) The extent to which SponsorsOne carries out its responsibilities to shareholders, employees, customers,



governments, and the public.

- (c) The quality of communications between the board and management, including satisfaction of members of management and board members regarding this communication.

**PART VII. Committees of the Board**

I. The board will appoint from among its non-employee members, the committees it determines are necessary or appropriate to conduct its business. Currently, the standing committees are: (i) finance and audit, (ii) Compensation/Human Resource and Governance. Committees are to be solely comprised of non-employee or independent directors. The charter, including various key responsibilities of each of these committees is set out in tabular form below. Each board committee will report to the full board on its activities, normally in the form of the minutes of proceedings. Other members of the board are entitled to attend the meetings of these committees unless they are requested not to attend. The non-members of the committee are not entitled to vote within these committees if they are in attendance.

**PART VIII. General Responsibilities of the Board of Directors**

The board is responsible for the stewardship of the company. In fulfilling its mandate, the board oversees major corporate plans including strategic plans, plans for management development and succession and plans for business development. The board monitors the integrity of internal controls, management information systems, systems and procedures to identify the principal risks assumed by the business and reviews interim and annual financial and operations results. General responsibilities in greater detail include:

- (a) Approve a mandate for the board and the chair of the board
- (b) Appoint a chair of the board
- (c) Appoint officers of the company, including the chief executive officer
- (d) Regularly evaluate the effectiveness and performance of the appointed officers in their management of the operations of the company and associated plans to cope with risks on which the company is exposed
- (e) Review the management succession plan and the human resources plan
- (f) Oversee employee compensation plans to ensure that they are consistent with sustainable achievement of business objectives, prudent management of operations and prompt ongoing assessments on the risks to which the company is exposed
- (g) Establish standards of business conduct and ethical behaviour of directors, officers and employees and ensure there is an ongoing process for ensuring compliance with these standards
- (h) Establish board committees and approve their mandates
- (i) Approve all major changes to the structure of the organization
- (j) Establish procedures for the approval of all significant acquisitions and major contracts and approve all significant acquisitions and major contracts outside the ordinary course of business,
- (k) Approve all policies, including those pertaining to corporate disclosure and communications, risk management, liquidity, funding management and capital management,
- (l) Oversee communications with shareholders, including interim and annual financial statements, filings with various securities authorities and shareholder meeting materials

- (m) Establish overall business objectives and consider whether they continue to be appropriate in the context of business opportunities being pursued
- (n) Approve management strategies and plans designed to pursue business objectives and ensure they continue to remain prudent in the context of the objectives of the business, the economic environment, available resources and reasonable achievability of results
- (o) Evaluate financial and operations results against budgets and forecasts in the context of business objectives, strategies and operations plans being pursued
- (p) Receive reports from board committees at least semi-annually
- (q) Declare dividends, approve stock buy-backs and new issuances of shares, including those associated with employee equity incentive programs
- (r) Monitor compliance documents filed with applicable regulators, including but not limited to the Ontario Securities Commission and the Canadian Stock Exchange and similar filings with other applicable authorities
- (s) Ensure there is an appropriate framework of controls in place and monitor ongoing reports on the adequacy and continuous improvement in such controls
- (t) Review systems plans and disaster recovery plans
- (u) Approve appointment of the external auditor as recommended by the finance and audit committee

**PART IX. General Responsibilities of Board and the Board Committees**

<b>Board Committees &amp; Members</b>	<b>Primary Responsibilities</b>	<b>Minimum Meetings per Year</b>
Chairman of the Board	<ul style="list-style-type: none"> <li>• The Chair of the Board reports to the Board and shareholders and provides leadership to the Board in matters relating to the effective execution of all Board responsibilities and works with the CEO and senior management team to ensure that the organization fulfills its responsibilities to stakeholders including shareholders, employees, customers, governments and the public.</li> <li>• Provide effective leadership so that the Board can function independently of management by ensuring that the Board meets regularly without management and that the Board may engage outside advisors as required subject to any approvals determined by the Board or the Finance and Audit Committee.</li> <li>• Establish procedures to govern the Board's work including:               <ul style="list-style-type: none"> <li>• together with the Corporate Secretary, scheduling meetings of the Board and its committees;</li> <li>• chairing all meetings of the Board;</li> <li>• encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;</li> <li>• developing the agenda for Board meetings with input from other Board members and management;</li> <li>• together with the Corporate Secretary, ensuring proper and timely information is delivered to the Board;</li> <li>• ensuring that the Board has appropriate administrative support; and</li> <li>• addressing complaints, questions and concerns regarding Board matters.</li> </ul> </li> </ul>	12

	<ul style="list-style-type: none"> <li>• Ensure the Board fully exercises its responsibilities and duties and complies with applicable governance and other policies.</li> <li>• Meet or communicate regularly with the CEO regarding corporate governance matters, corporate performance and feedback from Board members</li> <li>• Act as a liaison between the Board and management.</li> <li>• Serve as advisor to the CEO and other officers.</li> <li>• Together with the Board's Compensation/Human Resource and Governance Committee, establish appropriate committee structures, including the assignment of Board members and the appointment of committee chairs.</li> <li>• Ensure that adequate orientation and ongoing training programs are in place for Board members.</li> <li>• Together with the Board's Compensation/Human Resource and Governance Committee, establish performance criteria for the Board and for individual Board members and co-ordinate the evaluation of performance and reporting against these criteria.</li> </ul> <p>The Chair of the Board's performance will be measured against the following key metrics:</p> <ul style="list-style-type: none"> <li>• The effectiveness with which the Board functions, including satisfaction of Board members regarding the functioning of the Board.</li> <li>• The extent to which the Company carries out its responsibilities to shareholders, employees, customers, governments, and the public.</li> </ul> <p>The quality of communications between the Board and management, including satisfaction of members of management and Board members regarding this communication.</p>	
Chief Executive Officer	<ul style="list-style-type: none"> <li>• The chief executive officer is accountable to the Board for achievement of corporate objectives within specified limitations and in accordance with performance objectives determined by the Board.</li> <li>• Provides vision and leadership for SponsorsOne</li> <li>• Develops and recommends corporate strategies, and business and financial plans for the approval of the Board</li> <li>• Executes the corporate strategy to achieve profitable growth and maximize shareholder value for SponsorsOne shareholders.</li> <li>• Manages SponsorsOne business operations in accordance with the strategic direction approved by the Board and within operational policies as determined by the Board, including: <ul style="list-style-type: none"> <li>• Protection of the core business of SponsorsOne</li> <li>• Examination of selective new opportunities</li> </ul> </li> <li>• Challenges management to set and achieve viable annual and long-term strategic and financial goals.</li> <li>• Monitors the performance of management against a set of initially agreed corporate objectives directed at maximizing shareholder value.</li> <li>• Recommends appropriate rewards and incentives for management.</li> <li>• Reports information from management to the board in a manner and time so that the Board may effectively monitor and evaluate corporate (operational and financial) performance against stated objectives and within executive limitations.</li> <li>• Reports to the Board on relevant trends, anticipated media and analyst coverage, material external or internal changes, and any changes in the assumptions upon which any Board decision or approval has previously been made.</li> </ul>	12

	<ul style="list-style-type: none"> <li>• Advises the Board if it is not in compliance with its own policies, or legal and/or regulatory requirements.</li> <li>• Provides the Board with all information and access that the Board may require in order to make informed decisions.</li> <li>• Reports in a timely manner any actual or anticipated non-compliance with any Board approved policy or decision.</li> </ul>	
<b>Finance and Audit</b>	<ul style="list-style-type: none"> <li>• The committee will eventually be comprised entirely of directors unrelated to the management of the company when the company is no longer classified an emerging issuer.</li> <li>• Recommend selection and compensation of external auditor to board</li> <li>• Meet with external auditor(s) on a regular basis</li> <li>• Review and approve expenditures to the external auditor in accordance with established policy</li>   <li>• Monitor amounts paid to external auditors and other accounting and consulting firms</li> <li>• Approve mandate of the internal audit function and the process with which this discipline is to achieved</li> <li>• Receive and review all audit and other risk based reports and follow-up on management compliance plans thereon</li> <li>• Prior to release, review annual financial statements and audit results, related management discussion and analysis, annual report and press release</li> <li>• Prior to release, review quarterly financial statements and quarterly earnings statements, related management discussion and analysis and press release</li> <li>• Review the framework of controls and various internal controls procedures in the context of underlying risks, applicable laws &amp; regulations and company by-laws</li> <li>• Review related party transactions and matters where there is an actual or potential conflict of interest</li> </ul>	6
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Develop, monitor and assess corporate governance guidelines and lead the implementation of governance guidelines</li> <li>• Make recommendations on size and composition of board to the Human Resource committee</li> <li>• Oversee the development of an external communications policy for the company</li> <li>• Review at least annually, policies and procedures with respect to capital management, liquidity, funding management, proceeds of crime, money laundering and the overall framework of internal controls</li> <li>• Review reports from the designated code of corporate conduct compliance officer and the corporate information disclosure review officer</li> <li>• Record and report potential conflicts of interest and the appropriate actions taken</li> <li>• Annually review with the CEO, the management succession plan along with the human resources development plan prior to presentation to the full board.</li> </ul>	2

<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• The committee will eventually be comprised entirely of directors unrelated to the management of the company when the Company no longer is classified as an emerging issuer.</li> <li>• Annually review and assess a detailed list of duties and responsibilities of the chief executive officer</li> <li>• Carry out a formal chief executive officer evaluation process and report results to the board</li> <li>• Adoption and review of major compensation plans, including board compensation</li> <li>• Approve compensation for executive officers and designated senior management</li> <li>• Administration of annual incentives, equity and long term incentive plans</li> <li>• Ensure that detailed job descriptions are maintained for all employees</li> <li>• Review quality of working life issues including harassment in the workplace situations</li> <li>• Review the company log of customer complaints</li> <li>• Along with the governance committee, develop a succession plan for the chair, the chief executive officer and the chair of board sub-committees</li> </ul>	4
	<p>Set criteria for the selection of directors and recommend nominees to the board of directors for election by shareholders</p> <ul style="list-style-type: none"> <li>• Evaluate board and board committee effectiveness and that of its incumbent candidates</li> <li>• Review arrangements involving the outsourcing of significant operations</li> <li>• Review business systems plans and disaster recovery plans</li> <li>• Annually review with the Chairman and the Chair of the Finance, Audit &amp; Governance Committee, the development and succession for directors prior to presentation to the full board</li> <li>• Annually reviews with the Chairman and the Chair of the Finance, Audit and Governance Committee, the slate of directors to be presented for election by shareholders at the annual or special general meeting of shareholders</li> </ul>	2

**PART X.**        Code of business conduct and ethics

SponsorsOne has adopted comprehensive standards of business conduct and implementation guidelines. The Board of Directors Code of Business Conduct includes an ethics compliance mandate and applies to all SponsorsOne directors, and sets forth the ethical and legal principles required to be followed in conducting business on behalf of the SponsorsOne. The Employee Code of Conduct sets forth a similar standard for officers and other employees. The objective of these Codes of conduct is to promote honest and ethical conduct, full and accurate reporting and compliance with applicable laws and regulations.

**PART XI.**        Shares and shareholders

- (a)    **Voting rights** – Each share of SponsorsOne common stock is entitled to one vote. The articles of incorporation will not impose voting requirements for actions by holders of common stock higher than the minimum requirements of Canadian law and will not restrict the ability of shareholders to act by written consent.
  
- (b)    **Confidential voting** – In accordance with a decision previously adopted by the Board, a shareholder's vote will be counted by the personnel of an independent transfer agency and will be kept confidential from management, unless special circumstances exist. For example, proxy cards may be forwarded to SponsorsOne management for comment, if a shareholder writes any comment on the card.

**PART XII.**        Various risks

- (a)    The operations of the company are subject to various risks, which are to be assessed on an ongoing basis including, but not limited to those pertaining to:
  - Deal flow as committed by the Mortgage Brokers
  - Operations
  - Credit quality
  - Liquidity
  - Interest rate changes
  - Capital market dynamics and ongoing availability of capital
  - Adequacy of capital to operate the business
  - Reputational risk
  
- (b)    Management reports are to address the significance of these risks along with processes and procedures designed to improve understanding and where possible the mitigation of these risks in business operations.

**APPENDIX C**

**SPONSORSONE INC.  
(the "Company")**

**REPORTING PACKAGE**

**SPONSORSONE INC.**  
Suite 307C, 2 Campbell Drive  
Uxbridge, ON L9P 1H6

**NOTICE OF CHANGE OF AUDITOR**

To: MNP LLP (“MNP”)  
And to: PWC CANADA LLP (“PWC”)  
And to: Ontario Securities Commission  
British Columbia Securities Commission  
Alberta Securities Commission  
Canadian Securities Exchange

SPONSORSONE INC..(the “Corporation”) gives the following notice (the “Notice”) in accordance with Section 4.11 of National Instrument 51-102 Continuous Disclosure Obligations (“NI 51-102”) that:

- 1) on their own initiative, MNP, the predecessor auditor, tendered its resignation effective January 26, 2021;
- 2) the Corporation appointed PWC, as the successor auditor of the Corporation effective January 26, 2021;
- 3) MNP has not expressed any reservation or modified opinions in its reports for the two most recently completed fiscal years of the Corporation, nor for the period from the most recently completed period for which MNP issued an audit report in respect of the Corporation and the date of this Notice;
- 4) the resignation of MNP and the appointment of PWC as auditor of the Corporation were considered and approved by the Audit Committee and the Board of Directors of the Corporation;
- 5) there was no “reportable event” cited by MNP in connection with the audits of the two most recently completed fiscal years of the Corporation, nor for the period from the most recently completed period for which MNP issued an audit report in respect of the Corporation and the date of this Notice as defined in section 4.11(1) of NI 51-102; and
- 6) the content of this Notice has been reviewed by the Audit Committee and the Board of Directors of the Corporation

Dated January 26, 2021

SPONSORSONE INC.

*“Gary Bartholomew”*

Gary Bartholomew, Chairman



January 27, 2021

Ontario Securities Commission  
British Columbia Securities Commission  
Alberta Securities Commission  
Canadian Securities Exchange

Dear Sirs/Mesdames:

Re: SPONSORSONE INC. (the "Corporation") - Notice of Change of Auditor

As required by National Instrument 51-102, we confirm that we have reviewed the information contained in the Notice of Change of Auditors ("the Notice") dated January 26, 2020 by the Corporation and, based on our knowledge of such information at this time, we agree with the information contained in the Notice.

We understand that a copy of the Notice and this letter will be provided to the shareholders of the Corporation.

Sincerely,

A handwritten signature in black ink that reads "MNP LLP". The letters are stylized and cursive.

**Chartered Professional Accountants  
Licensed Public Accountants**



February 3, 2021

Ontario Securities Commission  
British Columbia Securities Commission  
Alberta Securities Commission  
Canadian Securities Exchange

Dear Sirs/Mesdames:

**Re: SPONSORSONE INC. (the "Corporation") - Notice of Change of Auditor**

As required by National Instrument 51-102, we confirm that we have reviewed the information contained in the Notice of Change of Auditors ("the Notice") dated January 26, 2021 by the Corporation and, based on our knowledge of such information at this time, we agree with the information contained in the Notice.

We understand that a copy of the Notice and this letter will be provided to the shareholders of the Corporation.

Sincerely,

*PricewaterhouseCoopers LLP*

PWC CANADA LLP

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*PricewaterhouseCoopers LLP*  
250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7  
T: +1 604 806 7000, F: +1 604 806 7806, [www.pwc.com/ca](http://www.pwc.com/ca)

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**APPENDIX D**  
**ARTICLES OF**  
**SPONSORSONE INC.**  
*BUSINESS CORPORATIONS ACT*  
**BRITISH COLUMBIA**

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ARTICLES OF  
SPONSORSONE INC.  
(the “Company”)

PART 1 INTERPRETATION

1.1 Definitions

In these Articles (the “Articles”), unless the context otherwise requires:

- (a) “**appropriate person**” has the meaning assigned in the *Securities Transfer Act*;
- (b) “**board of directors**”, “**directors**” and “**board**” mean the directors of the Company for the time being;
- (c) “**Business Corporations Act**” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (d) “**Interpretation Act**” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (e) “**legal personal representative**” means the personal or other legal representative of a shareholder;
- (f) “**protected purchaser**” has the meaning assigned in the *Securities Transfer Act*;
- (g) “**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;
- (h) “**seal**” means the seal of the Company, if any;
- (i) “**Securities Act**” means the *Securities Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (j) “**securities legislation**” means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes; “**Canadian securities legislation**” means the securities legislation in any province or territory of Canada and includes the *Securities Act*; and “**U.S. securities legislation**” means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the *Securities Act* of 1933 and the *Securities Exchange Act* of 1934;



- (k) “*Securities Transfer Act*” means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

## **1.2 Business Corporations Act and Interpretation Act Definitions Applicable**

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## **PART 2 SHARES AND SHARE CERTIFICATES**

### **2.1 Authorized Share Structure**

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### **2.2 Form of Share Certificate**

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### **2.3 Shareholder Entitled to Certificate or Acknowledgment**

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable written acknowledgment of the shareholder’s right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

### **2.4 Delivery by Mail**

Any share certificate or non-transferable written acknowledgment of a shareholder’s right to obtain a share certificate may be sent to the shareholder by mail at the shareholder’s registered address and neither the Company nor any director, officer or agent of the Company (including the Company’s legal counsel or transfer agent) is liable for any loss to the shareholder because the share certificate or acknowledgment is lost in the mail or stolen.

### **2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement**

If the Company is satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder’s right to obtain a share certificate is worn out or defaced, it must, on production to it of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as it thinks fit:

- (a) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (b) issue a replacement share certificate or acknowledgment, as the case may be.

## **2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate**

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

- (a) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (b) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (c) satisfies any other reasonable requirements imposed by the Company.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

## **2.7 Recovery of New Share Certificate**

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

## **2.8 Splitting Share Certificates**

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

## **2.9 Certificate Fee**

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

## **2.10 Recognition of Trusts**

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

# **PART 3 ISSUE OF SHARES**

## **3.1 Directors Authorized**

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

### **3.2 Commissions and Discounts**

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

### **3.3 Brokerage**

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

### **3.4 Conditions of Issue**

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (a) consideration is provided to the Company for the issue of the share by one or more of the following:
  - (i) past services performed for the Company;
  - (ii) property;
  - (iii) money; and
- (b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

### **3.5 Share Purchase Warrants and Rights**

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

## **PART 4 SHARE REGISTERS**

### **4.1 Central Securities Register**

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register, which may be kept in electronic form.

### **4.2 Appointment of Agent**

The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case

may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

If the Company has appointed a transfer agent, references in Articles 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, and 5.7 to the Company include its transfer agent.

### **4.3 Closing Register**

The Company must not at any time close its central securities register.

## **PART 5 SHARE TRANSFERS**

### **5.1 Registering Transfers**

The Company must register a transfer of a share of the Company if either:

- (a) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:
  - (i) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
  - (ii) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
  - (iii) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (b) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

### **5.2 Waivers of Requirements for Transfer**

The Company may waive any of the requirements set out in Article 5.1(a) and any of the preconditions referred to in Article 5.1(b).

### **5.3 Form of Instrument of Transfer**

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the Company or the transfer agent for the class or series of shares to be transferred.

### **5.4 Transferor Remains Shareholder**

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

### **5.5 Signing of Instrument of Transfer**

If a shareholder or other appropriate person or an agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

### **5.6 Enquiry as to Title Not Required**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

### **5.7 Transfer Fee**

Subject to the applicable rules of any stock exchange on which the shares of the Company may be listed, there must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

## **PART 6 TRANSMISSION OF SHARES**

### **6.1 Legal Personal Representative Recognized on Death**

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

### **6.2 Rights of Legal Personal Representative**

The legal personal representative of a shareholder has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles and applicable securities legislation, if appropriate evidence of appointment or incumbency within the meaning of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

## **PART 7 ACQUISITION OF COMPANY'S SHARES**

### **7.1 Company Authorized to Purchase or Otherwise Acquire Shares**

Subject to Article 7.2, the special rights or restrictions attached to the shares of any class or series of shares, the *Business Corporations Act* and applicable securities legislation, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

### **7.2 No Purchase, Redemption or Other Acquisition When Insolvent**

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (a) the Company is insolvent; or
- (b) making the payment or providing the consideration would render the Company insolvent.

### **7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares**

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell or otherwise dispose of the share, but, while such share is held by the Company, it:

- (a) is not entitled to vote the share at a meeting of its shareholders;
- (b) must not pay a dividend in respect of the share; and
- (c) must not make any other distribution in respect of the share.

## **PART 8 BORROWING POWERS**

### **8.1 Borrowing Powers**

The Company, if authorized by the directors, may:

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (d) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

## **PART 9 ALTERATIONS**

### **9.1 Alteration of Authorized Share Structure**

Subject to Articles 9.2 and 9.3, the special rights or restrictions attached to the shares of any class or series of shares and the *Business Corporations Act*, the Company may:

- (a) by ordinary resolution of directors:
  - (i) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
  - (ii) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
  - (iii) if the Company is authorized to issue shares of a class of shares with par value:
    - (A) decrease the par value of those shares; or
    - (B) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
  - (iv) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
  - (v) alter the identifying name of any of its shares; or
  - (vi) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*;

and, if applicable, alter its Notice of Articles and Articles accordingly; or

- (b) by ordinary resolution of the directors, subdivide or consolidate all or any of its unissued, or fully paid issued, shares and if applicable, alter its Notice of Articles and, if applicable, its Articles accordingly.

## **9.2 Special Rights or Restrictions**

Subject to the special rights or restrictions attached to any class or series of shares and the *Business Corporations Act*, the Company may by ordinary resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

## **9.3 No Interference with Class or Series Rights without Consent**

A right or special right attached to issued shares must not be prejudiced or interfered with under the *Business Corporations Act*, the Notice of Articles or these Articles unless the holders of shares of the class or series of shares to which the right or special right is attached consent by a special separate resolution of the holders of such class or series of shares.

#### **9.4 Change of Name**

The Company may by directors' resolution or ordinary resolution authorize an alteration to its Notice of Articles in order to change its name.

#### **9.5 Other Alterations**

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

### **PART 10 MEETINGS OF SHAREHOLDERS**

#### **10.1 Annual General Meetings**

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place, either in or outside British Columbia, as may be determined by the directors.

#### **10.2 Resolution Instead of Annual General Meeting**

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

#### **10.3 Calling of Meetings of Shareholders**

The directors may, at any time, call a meeting of shareholders, to be held at such time and place, either in or outside British Columbia, as may be determined by the directors.

#### **10.4 Notice for Meetings of Shareholders**

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

#### **10.5 Record Date for Notice and Voting**

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of, and to vote at, any meeting of shareholders.

#### **10.6 Failure to Give Notice and Waiver of Notice**



The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person 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.

#### **10.7 Notice of Special Business at Meetings of Shareholders**

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (a) state the general nature of the special business; and
- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

#### **10.8 Class Meetings and Series Meetings of Shareholders**

Unless otherwise specified in these Articles, the provisions of these Articles relating to a meeting of shareholders will apply, with the necessary changes and so far as they are applicable, to a class meeting or series meeting of shareholders holding a particular class or series of shares.

#### **10.9 Electronic Meetings**

The directors may determine that a meeting of shareholders shall be held entirely by means of telephonic, electronic or other communication facilities that permit all participants to communicate with each other during the meeting. A meeting of shareholders may also be held at which some, but not necessarily all, persons entitled to attend may participate by means of such communications facilities, if the directors determine to make them available. A person participating in a meeting by such means is deemed to be present at the meeting.

#### **10.10 Advance Notice Provisions**

##### **(a) Nomination of Directors**

Subject only to the *Business Corporations Act* and these Articles, only persons who are nominated in accordance with the procedures set out in this Article 10.10 shall be eligible for election as directors to the board of directors of the Company. Nominations of persons for election to the board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose at which the election of directors is a matter specified in the notice of meeting, as follows:

- (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
- (ii) by or at the direction or request of one or more shareholders pursuant to a valid proposal made in accordance with the provisions of the *Business Corporations Act*

or a valid requisition of shareholders made in accordance with the provisions of the *Business Corporations Act*; or

(iii) by any person entitled to vote at such meeting (a “**Nominating Shareholder**”), who:

(A) is, at the close of business on the date of giving notice provided for in this Article 10.10 and on the record date for notice of such meeting, either entered in the securities register of the Company 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 Company; and

(B) has given timely notice in proper written form as set forth in this Article 10.10.

**(b) Exclusive Means**

For the avoidance of doubt, this Article 10.10 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 Company.

**(c) Timely Notice**

In order for a nomination made by a Nominating Shareholder to be timely notice (a “**Timely Notice**”), the Nominating Shareholder’s notice must be received by the corporate secretary of the Company at the principal executive offices or registered office of the Company:

(i) in the case of an annual meeting of shareholders (including an annual and special meeting), not later than 5:00 p.m. (Vancouver time) on the 30<sup>th</sup> day before the date of the meeting; provided, however, if the first public announcement made by the Company of the date of the meeting (each such date being the “**Notice Date**”) is less than 50 days before the meeting date, notice by the Nominating Shareholder may be given not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15<sup>th</sup> day following the Notice Date;

provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described in Article 10.10(c)(i) or 10.10(c)(ii), and the Notice Date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40<sup>th</sup> day before the date of the applicable meeting.

**(d) Proper Form of Notice**

To be in proper written form, a Nominating Shareholder’s notice to the corporate secretary must comply with all the provisions of this Article 10.10 and disclose or include, as applicable:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a “**Proposed Nominee**”):

- (A) the name, age, business and residential address of the Proposed Nominee;
  - (B) the principal occupation/business or employment of the Proposed Nominee, both presently and for the past five years;
  - (C) the number of securities of each class of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, 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;
  - (D) full particulars of any relationships, agreements, arrangements or understandings (including financial, compensation or indemnity related) between the Proposed Nominee and the Nominating Shareholder, or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee or the Nominating Shareholder;
  - (E) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the *Business Corporations Act* or applicable securities law; and
  - (F) a written consent of each Proposed Nominee to being named as nominee and certifying that such Proposed Nominee is not disqualified from acting as director under the provisions of subsection 124(2) of the *Business Corporations Act*; and
- (ii) as to each Nominating Shareholder giving the notice, and each beneficial owner, if any, on whose behalf the nomination is made:
- (A) their name, business and residential address;
  - (B) the number of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom the Nominating Shareholder is acting jointly or in concert with respect to the Company or any of its securities, 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;
  - (C) their interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Company or the person's economic exposure to the Company;
  - (D) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;
  - (E) full particulars of any proxy, contract, relationship arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person,

has any interests, rights or obligations relating to the voting of any securities of the Company or the nomination of directors to the board;

- (F) a representation that the Nominating Shareholder is a holder of record of securities of the Company, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;
- (G) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Company in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Company in support of such nomination; and
- (H) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* or as required by applicable securities law.

Reference to “**Nominating Shareholder**” in this Section 10.10(d) shall be deemed to refer to each shareholder that nominated 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.

**(e) Currency of Nominee Information**

All information to be provided in a Timely Notice pursuant to this Article 10.10 shall be provided as of the date of such notice. The Nominating Shareholder shall provide the Company with an update to such information forthwith so that it is true and correct in all material respects as of the date that is 10 business days before the date of the meeting, or any adjournment or postponement thereof.

**(f) Delivery of Information**

Notwithstanding Part 23 of these Articles, any notice, or other document or information required to be given to the corporate secretary pursuant to this Article 10.10 may only be given by personal delivery or courier (but not by fax or email) to the corporate secretary at the address of the principal executive offices or registered office of the Company and shall be deemed to have been given and made on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (Vancouver time) and otherwise on the next business day.

**(g) Defective Nomination Determination**

The chair of any meeting of shareholders of the Company shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this Article 10.10, and if any proposed nomination is not in compliance with such provisions, must as soon as practicable following receipt of such nomination and prior to the meeting declare that such defective nomination shall not be considered at any meeting of shareholders.

**(h) Failure to Appear**

Despite any other provision of this Article 10.10, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of shareholders of the Company to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Company.

**(i) Waiver**

The board may, in its sole discretion, waive any requirement in this Article 10.10.

(j) **Definitions**

For the purposes of this Article 10.10, “**public announcement**” means disclosure in a press release disseminated by the Company through a national news service in Canada, or in a document filed by the Company for public access under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

**PART 11  
PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

**11.1 Special Business**

At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
  - (i) business relating to the conduct of or voting at the meeting;
  - (ii) consideration of any financial statements of the Company presented to the meeting;
  - (iii) consideration of any reports of the directors or auditor;
  - (iv) the setting or changing of the number of directors;
  - (v) the election or appointment of directors;
  - (vi) the appointment of an auditor;
  - (vii) the setting of the remuneration of an auditor;
  - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
  - (ix) any non-binding advisory vote.

**11.2 Special Majority**

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

**11.3 Quorum**

Subject to the special rights or restrictions attached to the shares of any class or series of shares and to Article 11.4, a quorum for the transaction of business at a meeting of shareholders is present if shareholders who, in the aggregate, hold at least 5% of the voting rights attached to issued shares entitled to be voted at the meeting are present in person or represented by proxy, irrespective of the number of persons actually present at the meeting. The directors may, by ordinary resolution, change the quorum for meetings of shareholders.

**11.4 One Shareholder May Constitute Quorum**

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

### **11.5 Persons Entitled to Attend Meeting**

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the officers, any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

### **11.6 Requirement of Quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

### **11.7 Lack of Quorum**

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a meeting requisitioned by shareholders, the meeting is dissolved, and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

### **11.8 Lack of Quorum at Succeeding Meeting**

If, at the meeting to which the meeting referred to in Article 11.7(b) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

### **11.9 Chair**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any; or
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

### **11.10 Selection of Alternate Chair**

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director

present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

#### **11.11 Adjournments**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **11.12 Notice of Adjourned Meeting**

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

#### **11.13 Electronic Voting**

Any vote at a meeting of shareholders may be held entirely or partially by means of telephonic, electronic or other communications facilities, if the directors determine to make them available, whether or not persons entitled to attend participate in the meeting by means of communications facilities.

#### **11.14 Decisions by Show of Hands or Poll**

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands or the functional equivalent of a show of hands by means of electronic, telephonic or other communications facility, unless a poll, before or on the declaration of the result of the vote by show of hands or the functional equivalent of a show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

#### **11.15 Declaration of Result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands (or its functional equivalent) or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.14, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### **11.16 Motion Need Not be Seconded**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

#### **11.17 Casting Vote**

In the case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

#### **11.18 Manner of Taking Poll**

Subject to Article 11.19, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
  - (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
  - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn by the person who demanded it.

#### **11.19 Demand for Poll on Adjournment**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

#### **11.20 Chair Must Resolve Dispute**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

#### **11.21 Casting of Votes**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

#### **11.22 No Demand for Poll on Election of Chair**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

#### **11.23 Demand for Poll Not to Prevent Continuance of Meeting**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of the meeting for the transaction of any business other than the question on which a poll has been demanded.

#### **11.24 Retention of Ballots and Proxies**

The Company or its agent must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company or its agent may destroy such ballots and proxies.

### **PART 12 VOTES OF SHAREHOLDERS**

#### **12.1 Number of Votes by Shareholder or by Shares**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and



- (b) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

## **12.2 Votes of Persons in Representative Capacity**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

## **12.3 Votes by Joint Holders**

If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

## **12.4 Legal Personal Representatives as Joint Shareholders**

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

## **12.5 Representative of a Corporate Shareholder**

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing a representative must be received:
  - (i) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned or postponed meeting; or
  - (ii) at the meeting or any adjourned or postponed meeting, by the chair of the meeting or adjourned or postponed meeting or by a person designated by the chair of the meeting or adjourned or postponed meeting;
- (b) if a representative is appointed under this Article 12.5:
  - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
  - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company or its transfer agent by written instrument, fax or any other method of transmitting legibly recorded messages.

#### **12.6 When Proxy Holder Need Not Be Shareholder**

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (d) the Company is a public company.

#### **12.7 When Proxy Provisions Do Not Apply to the Company**

If and for so long as the Company is a public company, Articles 12.8 to 12.16 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company, any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

#### **12.8 Appointment of Proxy Holders**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy. The instructing of proxy holders may be carried out by means of telephonic, electronic or other communications facility in addition to or in substitution for instructing proxy holders by mail.

#### **12.9 Alternate Proxy Holders**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

#### **12.10 Deposit of Proxy**

A proxy for a meeting of shareholders must:

- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting;
- (b) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting; or

- (c) be received in any other manner determined by the board or the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages or by using such available internet or telephone voting services as may be approved by the directors.

**12.11 Validity of Proxy Vote**

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

**12.12 Form of Proxy**

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

**[name of company]**  
(the “Company”)

The undersigned, being a shareholder of the Company, hereby appoints **[name]** or, failing that person, **[name]**, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on **[month, day, year]** and at any adjournment of that meeting. Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

\_\_\_\_\_  
Signed [month, day, year]

\_\_\_\_\_  
[Signature of shareholder]

\_\_\_\_\_  
[Name of shareholder - printed]

**12.13 Revocation of Proxy**

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (a) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

**12.14 Revocation of Proxy Must Be Signed**

An instrument referred to in Article 12.13 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

**12.15 Chair May Determine Validity of Proxy.**

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

**12.16 Production of Evidence of Authority to Vote**

The board or the chair of any meeting of shareholders may, but need not, at any time (including before, at or subsequent to the meeting) inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence for the purposes of determining a person's share ownership as at the relevant record date and the authority to vote.

**PART 13 DIRECTORS**

**13.1 Number of Directors**

The Company shall have a minimum of three and a maximum of 15 directors. The number of directors is the number within the minimum and maximum determined by the directors from time to time. If the number of directors has not been determined as provided in this section, the number of directors is the number of directors holding office immediately following the most recent election or appointment of directors, whether at an annual or special general meeting of the shareholders, or by the directors pursuant to Article 14.7.

**13.2 Change in Number of Directors**

If the number of directors is set under Article 13.1:

- (a) the shareholders may elect the directors needed to fill any vacancies in the board of directors up to that number; or
- (b) the directors, subject to Article 14.7, may appoint directors to fill those vacancies.

No decrease in the number of directors will shorten the term of an incumbent director.

**13.3 Directors' Acts Valid Despite Vacancy**

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

**13.4 Qualifications of Directors**

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

### **13.5 Remuneration of Directors**

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine.

### **13.6 Reimbursement of Expenses of Directors**

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

### **13.7 Special Remuneration for Directors**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of, or not in his or her capacity as, a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

## **PART 14 ELECTION AND REMOVAL OF DIRECTORS**

### **14.1 Election at Annual General Meeting**

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set by the directors under these Articles; and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment, subject to being nominated in accordance with Article 10.10.

### **14.2 Consent to be a Director**

No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*; or
- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director.

### **14.3 Failure to Elect or Appoint Directors**

If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (c) when his or her successor is elected or appointed; and
- (d) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

#### **14.4 Directors May Fill Casual Vacancies**

Any casual vacancy occurring in the board of directors may be filled by the directors.

#### **14.5 Remaining Directors' Power to Act**

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

#### **14.6 Shareholders May Fill Vacancies**

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

#### **14.7 Additional Directors**

Notwithstanding Article 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.7 must not at any time exceed one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.7.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(a), but is eligible for re-election or re-appointment, subject to being nominated in accordance with Article 10.10.

#### **14.8 Ceasing to be a Director**

A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to Articles 14.9 or 14.10.

#### **14.9 Removal of Director by Shareholders**

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

#### **14.10 Removal of Director by Directors**

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company in accordance with the *Business Corporations Act* and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

### **PART 15 POWERS AND DUTIES OF DIRECTORS**

#### **15.1 Powers of Management**

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

#### **15.2 Appointment of Attorney of Company**

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

### **PART 16 INTERESTS OF DIRECTORS AND OFFICERS**

#### **16.1 Director Holding Other Office in the Company**

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

- (i) No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

#### **16.2 Director or Officer in Other Corporations**

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or

other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

## **PART 17 PROCEEDINGS OF DIRECTORS**

### **17.1 Meetings of Directors**

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

### **17.2 Voting at Meetings**

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

### **17.3 Chair of Meetings**

The following individual is entitled to preside as chair at a meeting of directors:

- (a) the chair of the board, if any; or
- (b) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (c) any other director chosen by the directors if:
  - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
  - (iii) the chair of the board and the president, if a director, have advised the corporate secretary, if any, or any other director, that they will not be present at the meeting.

### **17.4 Meetings by Telephone or Other Communications Medium**

A director may participate in a meeting of the directors or of any committee of the directors:

- (a) in person;
- (b) by telephone; or
- (c) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person, or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 17.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

### **17.5 Calling of Meetings**



A director may, and the corporate secretary or an assistant corporate secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

#### **17.6 Notice of Meetings**

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 17.1 or as provided in Article 17.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in Article 23.1 or orally or by telephone conversation with a director.

#### **17.7 When Notice Not Required**

It is not necessary to give notice of a meeting of the directors to a director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (b) the director has waived notice of the meeting.

#### **17.8 Meeting Valid Despite Failure to Give Notice**

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director, does not invalidate any proceedings at that meeting.

#### **17.9 Waiver of Notice of Meetings**

Any director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director.

Attendance of a director at a meeting of the directors is a waiver of notice of the meeting, unless that 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.

#### **17.10 Quorum**

The quorum necessary for the transaction of the business of the directors is a majority of the number of directors in office or such other number as the directors may determine from time to time.

#### **17.11 Validity of Acts Where Appointment Defective**

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

#### **17.12 Consent Resolutions in Writing**

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (a) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or

- (b) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article 17.12 may be by any written instrument, e-mail or any other method of transmitting legibly recorded messages in which the consent of the director is evidenced, whether or not the signature of the director is included in the record. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 17.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of the directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## **PART 18 BOARD COMMITTEES**

### **18.1 Appointment and Powers of Committees**

The directors may, by resolution:

- (a) appoint one or more committees consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:
  - (i) the power to fill vacancies in the board of directors;
  - (ii) the power to remove a director or appoint additional directors;
  - (iii) the power to set the number of directors;
  - (iv) the power to create a committee of directors, create or modify the terms of reference for a committee of the directors, or change the membership of, or fill vacancies in, any committee of the directors;
  - (v) the power to appoint or remove officers appointed by the directors; and
- (c) make any delegation permitted by paragraph (b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

### **18.2 Obligations of Committees**

Any committee appointed under Article 18.1, in the exercise of the powers delegated to it, must:

- (a) conform to any rules that may from time to time be imposed on it by the directors; and
- (b) report every act or thing done in exercise of those powers at such times as the directors may require.

### **18.3 Powers of Board**

The directors may, at any time, with respect to a committee appointed under Article 18.1:

- (a) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (b) terminate the appointment of, or change the membership of, the committee; and
- (c) fill vacancies in the committee.

#### **18.4 Committee Meetings**

Subject to Article 18.2(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Article 18.1:

- (a) the committee may meet and adjourn as it thinks proper;
- (b) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (c) a majority of the members of the committee constitutes a quorum of the committee; and
- (d) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

### **PART 19 OFFICERS**

#### **19.1 Directors May Appoint Officers**

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

#### **19.2 Functions, Duties and Powers of Officers**

The directors may, for each officer:

- (a) determine the functions and duties of the officer;
- (b) delegate to the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

#### **19.3 Qualifications**

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

#### **19.4 Remuneration and Terms of Appointment**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled

to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

## **PART 20 INDEMNIFICATION**

### **20.1 Definitions**

In this Part 20:

- (a) “**eligible penalty**” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (b) “**eligible proceeding**” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director or former director or an officer or former officer of the Company (each, an “**eligible party**”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or officer of the Company:
  - (i) is or may be joined as a party; or
  - (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (c) “**expenses**” has the meaning set out in the *Business Corporations Act*;
- (d) “**officer**” means an officer appointed by the board of directors.

### **20.2 Mandatory Indemnification of Directors and Officers**

Subject to the *Business Corporations Act*, the Company must indemnify an eligible party and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding to the fullest extent permitted by the *Business Corporations Act*.

### **20.3 Deemed Contract**

Each director and officer is deemed to have contracted with the Company on the terms of the indemnity contained in Article 20.2.

### **20.4 Permitted Indemnification**

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person, including directors, officers, employees, agents and representatives of the Company.

### **20.5 Non-Compliance with Business Corporations Act**

The failure of a director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part 20.

### **20.6 Company May Purchase Insurance**

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (a) is or was a director, officer, employee or agent of the Company;
- (b) is or was a director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (c) at the request of the Company, is or was a director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (d) at the request of the Company, holds or held a position equivalent to that of a director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, officer, employee or agent or person who holds or held such equivalent position.

## **PART 21 DIVIDENDS**

### **21.1 Payment of Dividends Subject to Special Rights**

The provisions of this Part 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

### **21.2 Declaration of Dividends**

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may consider appropriate.

### **21.3 No Notice Required**

The directors need not give notice to any shareholder of any declaration under Article 21.2.

### **21.4 Record Date**

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5:00 p.m. on the date on which the directors pass the resolution declaring the dividend.

### **21.5 Manner of Paying Dividend**

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

### **21.6 When Dividend Payable**

Any dividend may be made payable on such date as is fixed by the directors.

### **21.7 Dividends to be Paid in Accordance with Number of Shares**

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

### **21.8 Receipt by Joint Shareholders**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

### **21.9 Dividend Bears No Interest**

No dividend bears interest against the Company.

### **21.10 Fractional Dividends**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

### **21.11 Payment of Dividends**

Any dividend or other distribution payable in money in respect of shares maybe paid;

- (a) by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing; or
- (b) by electronic transfer, if so authorized by the shareholder.

The mailing of such cheque or the forwarding by electronic transfer will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

### **21.12 Capitalization of Retained Earnings or Surplus**

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

## **PART 22 ACCOUNTING RECORDS AND AUDITOR**

### **22.1 Recording of Financial Affairs**

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

### **22.2 Inspection of Accounting Records**

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

### **22.3 Remuneration of Auditor**

The directors may set the remuneration of the auditor of the Company.

## PART 23 NOTICES

### 23.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (a) mail addressed to the person at the applicable address for that person as follows:
  - (i) for a record mailed to a shareholder, the shareholder's registered address;
  - (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
  - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
  - (i) for a record delivered to a shareholder, the shareholder's registered address;
  - (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
  - (iii) in any other case, the delivery address of the intended recipient;
- (c) unless the intended recipient is the auditor of the Company, sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) unless the intended recipient is the auditor of the Company, sending the record by e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;
- (e) physical delivery to the intended recipient;
- (f) creating and providing a record posted on or made available through a general accessible electronic source and providing written notice by any of the foregoing methods as to the availability of such record; or
- (g) as otherwise permitted by applicable securities legislation.

### 23.2 Deemed Receipt

A notice, statement, report or other record that is:

- (a) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 23.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

- (b) faxed to a person to the fax number provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed;
- (c) e-mailed to a person to the e-mail address provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed; and
- (d) delivered in accordance with Section 23.1(f), is deemed to be received by the person on the day such written notice is sent.

### **23.3 Certificate of Sending**

A certificate signed by the corporate secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 23.1 is conclusive evidence of that fact.

### **23.4 Notice to Joint Shareholders**

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

### **23.5 Notice to Legal Personal Representatives and Trustees**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
  - (i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
  - (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in paragraph (a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

### **23.6 Undelivered Notices**

If, on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 23.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

## **PART 24 SEAL**

### **24.1 Who May Attest Seal**

Except as provided in Articles 24.1(b) and 24.1(c), the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (a) any two directors;



- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by the directors.

## **24.2 Sealing Copies**

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 24.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

## **24.3 Mechanical Reproduction of Seal**

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 24.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

### **FULL NAME AND SIGNATURE OF ONE OF THE DIRECTORS PURSUANT TO S.302(1)(C) OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

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Gary Bartholomew

Dated ●, 2021