



Fireswirl
Technologies Inc.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
AND MANAGEMENT INFORMATION CIRCULAR**

Date and Time: December 31, 2018 at 10:00 a.m.
(Vancouver time)

Place: Suite 2200, 885 West Georgia Street,
Vancouver, British Columbia, V6C 3E8



Fireswirl
Technologies Inc.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MONDAY, DECEMBER 31, 2018**

TO: The shareholders of Fireswirl Technologies Inc. (the “**Corporation**”)

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of the shareholders of the Corporation (the “**Shareholders**”) will be held at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, Canada, on Monday, December 31, 2018, at 10:00 a.m. (Vancouver time) (the “**Meeting**”), for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2017, together with the report of the auditors thereon;
2. to appoint MNP LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditors for the ensuing year;
3. to fix the numbers of directors at three (3);
4. to elect directors of the Corporation for the ensuing year;
5. to consider and, if thought fit, to affirm, ratify and approve by ordinary resolution the Corporation's stock option plan dated October 26, 2005, as amended and restated on August 20, 2013 and as more particularly described in the accompanying management information circular of the Corporation dated December 7, 2018 (the “**Circular**”);
6. to consider and, if deemed appropriate, to approve, with or without variation, a special resolution authorizing the board of directors of the Corporation (the “**Board**”), if it thinks appropriate, to file an amendment of the Articles of the Corporation to consolidate all of the issued and outstanding common share of the Corporation (“**Common Share**”) on the basis of one (1) post-consolidation Common Share for up to a maximum of 100 pre-consolidation Common Shares, or such lesser number of pre-consolidation Common Shares as may be approved by the Board and accepted by the TSX Venture Exchange; and
7. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice of Meeting are the Circular, a financial statement request form and either a form of proxy and for registered Shareholders or a voting instruction form for non-registered Shareholders (beneficial owners).

Registered Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out therein and in the Circular. A form of proxy will not be valid unless it is received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, by facsimile to 1-866-249-7775 (North America), or by telephone or over the internet as set forth in the form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The Chairman of the Meeting has the discretion to accept proxies received after that time.

Non-registered Shareholders (beneficial owners) should complete and return the voting instruction form or form of proxy provided to them in accordance with the specific instructions, and by the deadline specified therein.

DATED at Vancouver, British Columbia, this 7th day of December, 2018.

BY ORDER OF THE BOARD

/s/ “Ji Yoon”

Ji Yoon

Interim Chief Financial Officer, Chairman and Director



MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is being furnished to holders (the “**Shareholders**”) of common shares (“**Common Shares**”) in the capital of Fireswirl Technologies Inc. (the “**Corporation**”) in connection with the solicitation of proxies by management of the Corporation for use at the Annual General and Special Meeting of Shareholders to be held on Monday, December 31, 2018 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying notice of annual general and special meeting dated December 7, 2018 (the “**Notice of Meeting**”).

It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by officers of the Corporation at nominal cost. The cost of this solicitation will be borne by the Corporation. The Notice of Meeting, this Circular, a financial statement request form and a form of proxy (the “**Proxy**”) or voting instruction form (“**VIF**”), as applicable, will be mailed to Shareholders commencing on or about December 7, 2018. In this Circular, except if otherwise indicated, all dollar amounts are expressed in Canadian currency.

The information contained in this Circular is given as at December 7, 2018, unless otherwise noted.

RECORD DATE

The board of directors of the Corporation (the “**Board**”) has set the close of business (Vancouver time) on Friday, November 28, 2018, as the record date (the “**Record Date**”) for determining which Shareholders shall be entitled to receive notice of and to attend and vote at the Meeting. Only Shareholders of record as of the Record Date are entitled to receive notice of and to attend and vote at the Meeting. Persons who acquire Common Shares after the Record Date will not be entitled to vote such Common Shares at the Meeting.

APPOINTMENT OF PROXYHOLDERS

The persons named in the accompanying Proxy as proxyholders are management's representatives. **A Shareholder of record has the right to appoint a person or company, who need not be a Shareholder, other than the persons designated in the enclosed Proxy, to attend and act on behalf of the Shareholder at the Meeting.** A Shareholder wishing to exercise this right may do so either by striking out the printed names and inserting the desired person or corporation's name in the blank space provided in the Proxy or by completing another proper Proxy.

To be valid, the Proxy must be signed by the Shareholder of record or such Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. The Proxy, to be acted upon, must be deposited with the Corporation, c/o its registrar and transfer agent, Computershare Investor Services Inc. (“**Computershare**”), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. **Failure to properly complete or deposit a Proxy may result in its invalidation.**

VOTING BY PROXYHOLDER

Manner of Voting

If the Proxy is completed, signed and delivered to the Corporation, the persons named as proxyholders therein shall vote or withhold from voting the Common Shares in respect of which they are appointed as proxyholders at the Meeting in accordance with the instructions of the Shareholder appointing them, on any show of hands and/or on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the

persons appointed as proxyholders shall vote accordingly. The Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to all amendments, variations and other matters which may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Circular, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the Notice of Meeting. **However, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the Proxy.**

If no choice is specified by a Shareholder with respect to any matter identified in the Proxy or any amendment or variation to such matter, it is intended that the persons designated by management in the Proxy will vote the Common Shares represented thereby in favour of such matter.

Revocation of Proxy

Any Shareholder returning the enclosed Proxy may revoke the same at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited by hand or by mail with the Corporation's registrar and transfer agent, Computershare, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

Voting Thresholds Required for Approval

In order to approve a motion proposed at the Meeting, a majority of not less than one-half of the votes cast will be required (an “**Ordinary Resolution**”) unless the motion requires a special resolution (a “**Special Resolution**”), in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, shares held by Shareholders who have an interest in the motion and shares held by their “associates”, as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO REGISTERED SHAREHOLDERS

Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares (the “**Registered Shareholders**”) may choose to vote by Proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders who choose to submit a Proxy may do so by completing, signing, dating and depositing the Proxy with Corporation's registrar and transfer agent, Computershare, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by fax at 1-866-249-7775 (North America) or over the internet as set forth in the form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting. The Proxy may be signed by the Registered Shareholder or by his or her attorney in writing, or, if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

ADVICE TO BENEFICIAL HOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.

Shareholders who do not hold their Common Shares in their own name (the “**Beneficial Shareholders**”) should note that only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting.

If shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those shares will not be registered in the Shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the Shareholder's intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting shares for the intermediary's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

These proxy-related materials are being sent to both Registered Shareholders and Beneficial Shareholders of the Corporation. If you are a Beneficial Shareholder and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a Registered Shareholder and vote their shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their shares as proxyholder for a Registered Shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their shares as a proxyholder. There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities that they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (“**NOBOs**” for Non-Objecting Beneficial Owners).

Non-Objecting Beneficial Owners

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs. This year, the Corporation will rely on those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from the Corporation’s transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Objecting Beneficial Owners

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their shares are voted at the Meeting.

Applicable regulatory rules require intermediaries to seek voting instructions from OBOs in advance of shareholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to an OBO by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the OBO.

The form of proxy provided to OBOs by intermediaries will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. The majority of intermediaries now delegate responsibility for obtaining instructions from OBOs to Broadridge Investor Communications (“**Broadridge**”). Broadridge typically supplies VIFs, mails those forms to OBOs, and asks those OBOs to return the forms to Broadridge or follow specific telephonic or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the meeting. An OBO receiving a VIF from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the VIF must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.

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

Except as otherwise disclosed herein, no director or executive officer of the Corporation at any time since the Corporation's last financial year, or proposed nominee for election as a director of the Corporation, or any associate or affiliate of such director, officer or proposed nominee has any material interest, direct or indirect, by way of beneficial ownership of securities of the Corporation or otherwise, in any matter to be acted on at the Meeting, other than the approval of the Option Plan (as defined herein), the election of directors or the appointment of auditors of the Corporation.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation's authorized capital consists of an unlimited number of Common Shares without par value. The Corporation is also authorized to issue an unlimited number of preferred shares without par value, issuable in series. The Common Shares are the only issued and outstanding voting securities of the Corporation, the holders thereof being entitled to one vote for each Common Share held. As at November 28, 2018, being the Record Date, there were a total of 53,512,612 Common Shares issued and outstanding.

Principal Holders of Voting Securities

To the best of the knowledge of the directors and officers of the Corporation, as of the date of this Circular, no person beneficially owns, or controls or directs, directly or indirectly, 10% or more of the issued and outstanding Common Shares.

EXECUTIVE COMPENSATION

Pursuant to applicable securities legislation, the Corporation is required to provide a summary of all annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the most recently completed financial year in respect of any individual who served as its Chief Executive Officer (“CEO”) or Chief Financial Officer (“CFO”) during such period, the other three most highly compensated executive officers of the Corporation whose total compensation for the most recently completed financial year exceeded \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was neither serving as such an officer, nor acting in a similar capacity, at the end of the most recently completed financial year (each referred to as a “Named Executive Officer” or “NEO”).

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth compensation for each of Henry Au, Interim CEO and a director of the Corporation, Ji Yoon, Interim CFO, Chairman and a director of the Corporation, Lawrence Ng, a former Interim CEO and director of the Corporation, Liang Li a director of the Corporation, and James Borkowski, a former director of the Corporation.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each NEO (or former NEO), in any capacity, and each director, during the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Henry Au ⁽¹⁾ Interim CEO, Director	2017	102,125	20,000	10,000	4,550	Nil	136,675
	2016	16,000	Nil	30,000	Nil	Nil	46,000
Ji Yoon Interim CFO, Chairman and Director ⁽²⁾	2017	128,735	50,000	10,000	9,750	Nil	198,485
	2016	128,881	50,000	30,000	Nil	Nil	208,881
Lawrence Ng ⁽³⁾ Former Interim CEO and Former Director	2017	102,083	50,000	10,000	3,250	Nil	165,333
	2016	175,000	18,750	30,000	7,800	Nil	231,550
Liang Li	2017	Nil	Nil	Nil	Nil	Nil	Nil

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
James Borkowski ⁽⁴⁾	2017	8,000	Nil	Nil	Nil	Nil	8,000
Former Director	2016	16,000	Nil	Nil	Nil	Nil	16,000

Notes:

- (1) Mr. Au was appointed as interim Interim CEO of the Corporation effective June 16, 2017. Mr. Au received \$119,342 during the year in his capacity as Interim CEO and \$29,561 in his capacity as a director. Mr. Au received a monthly payment of \$14,583 pursuant to a consulting agreement with the Corporation. See “*Executive Compensation – Employment, Consulting and Management Agreements*”.
- (2) Mr. Yoon received \$209,509 during the year in his capacity as Interim CFO and Chairman of the Corporation and \$10,000 in his capacity as a director. Mr. Yoon received a monthly payment of \$10,417 pursuant to a consulting agreement with the Corporation. See “*Executive Compensation – Employment, Consulting and Management Agreements*”.
- (3) Mr. Ng was appointed as interim CEO of the Corporation effective September 23, 2015 and resigned effective June 16, 2017. Mr. Ng resigned from the Board effective November 7, 2017. Mr. Ng received \$176,292 during the year in his capacity as Interim CEO of the Corporation and \$10,000 in his capacity as a director. Mr. Ng received a monthly payment of \$14,583 pursuant to a consulting agreement with the Corporation and a severance payment of \$14,583 upon his resignation. See “*Executive Compensation – Employment, Consulting and Management Agreements*”.
- (4) Mr. Borkowski resigned from the Board effective November 7, 2017.

Director and NEO Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Corporation in the most recently completed financial year, December 31, 2017, for services provided or to be provided, directly or indirectly, to the Corporation. The footnotes to the table disclose the number of stock options held by the directors and NEOs of the Corporation as at December 31, 2017:

Table of Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Henry Au ⁽¹⁾ Interim CEO, Director	Option	200,000	June 7, 2017	0.05	0.05	0.05	June 7, 2022
Ji Yoon Interim CFO, Chairman and Director ⁽²⁾	Option	300,000	June 7, 2017	0.05	0.05	0.05	June 7, 2022
Lawrence Ng ⁽³⁾ Former Interim CEO and Former Director	Option	150,000	June 7, 2017	0.05	0.05	0.05	February 5, 2018
Liang Li ⁽⁴⁾ Director	Option	200,000	June 7, 2017	0.05	0.05	0.05	June 7, 2022
James Borkowski ⁽⁵⁾ Former Director	Option	100,000	June 7, 2017	0.05	0.05	0.05	February 5, 2018

Notes:

- (1) As at December 31, 2017, Mr. Au held 500,000 stock options of the Corporation entitling him to acquire, upon exercise, 500,000 Common Shares. 400,000 options are vested and 100,000 options have not vested.
- (2) As at December 31, 2017, Mr. Yoon held 1,000,000 stock options of the Corporation entitling him to acquire, upon exercise, 1,000,000 Common Shares. 850,000 options are vested and 150,000 options have not vested.
- (3) As at December 31, 2017, Mr. Ng held 950,000 stock options of the Corporation entitling him to acquire, upon exercise, 950,000 Common Shares. 950,000 options are vested and Nil options have not vested.
- (4) As at December 31, 2017, Mr. Li held 600,000 stock options of the Corporation entitling him to acquire, upon exercise, 600,000 Common Shares. 500,000 options are vested and 100,000 options have not vested.
- (5) As at December 31, 2017, Mr. Borkowski held 600,000 stock options of the Corporation entitling him to acquire, upon exercise, 600,000 Common Shares. 600,000 options are vested and Nil options have not vested.

During the financial year ended December 31, 2017, no options held by any NEO or director of the Corporation were exercised. As at December 31, 2017, no NEO or director of the Corporation held any "in-the-money" unexercised options.

Option Plans or Other Incentive Plans

The Corporation has adopted a "rolling" stock option plan (the "**Option Plan**") which sets the number of options available for grant by the Corporation at an amount equal to up to a maximum of 10% of the Corporation's issued and outstanding Common Shares from time to time, less any Common Shares reserved for issuance under other share compensation arrangements. A detailed discussion of the material terms of the Option Plan is set out under "*Particulars of Matters to be Acted Upon – Approval of the Option Plan*".

As of the date hereof, the Corporation does not have any incentive plans other than the Option Plan.

Employment, Consulting and Management Agreements

Mr. Ng received a monthly salary for his services as interim CEO of the Corporation pursuant to a consulting agreement dated September 23, 2015. Upon termination without just cause by the Corporation of Mr. Ng's employment agreement, Mr. Ng was entitled to a payment of \$14,583 in lieu of notice from the Corporation due to Mr. Ng under the agreement up

to the date of termination. Mr. Ng resigned as interim CEO of the Corporation effective June 16, 2017 and severance pay of \$14,583 is still payable to Mr. Ng.

Mr. Au received a monthly salary for his services as interim CEO of the Corporation pursuant to a consulting agreement dated June 16, 2017. The Corporation may terminate the consulting agreement at any time by providing 30 days' written notice, or providing a lump sum payment in lieu of notice, plus any amounts due to Mr. Ng under the agreement up to the date of termination.

Mr. Yoon received a monthly salary for his services as interim CFO of the Corporation pursuant to a consulting agreement dated December 15, 2008, as amended March 25, 2015. The Corporation may terminate the consulting agreement at any time by providing 30 days' written notice, or providing a lump sum payment in lieu of notice, plus any amounts due to Mr. Yoon under the agreement up to the date of termination.

Oversight and Description of Director and NEO Compensation

The Board has appointed a compensation and corporate governance committee (the “**CCG Committee**”) to assist it in determining compensation for its NEOs and directors. In determining compensation, the Corporation's goal is to provide sufficient compensation opportunities in order to attract, retain and motivate the best possible directors and NEOs and to align their interests with the interests of the Shareholders.

NEO Compensation

Compensation for the Corporation's NEOs consists of a base salary and options granted on a discretionary basis under the Corporation's Option Plan. The base salary of the NEOs is reviewed and set annually by the CCG Committee and the Board and the option grants under the Option Plan are made by the CCG Committee and the Board from time to time and in accordance with the Option Plan.

Each NEOs base salary is determined with reference to their experience, skill level, past performance, and level of responsibility in respect of the Corporation. In setting base salaries, the Board and the CCG Committee rely primarily on their own experience and knowledge and ensure that compensation remains at a level that is both in line with the Corporation's fiscal resources and its stage of development. Compensation of the Corporation's NEOs is reviewed annually to take into account performance contributions for the year and to reflect sustained performance contributions from past years.

The objective of making grants under the Option Plan is to encourage executive officers to acquire an ownership interest in the Corporation over a period of time. Options are granted in consideration of the level of responsibility of the NEO as well as the NEO's impact or contribution to the longer-term operating performance of the Corporation. In determining the number of options to be granted to the NEOs, the Board and the CCG Committee take into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange (the “**Exchange**”) and closely align the interests of the NEOs with the interests of Shareholders.

For the Corporation's fiscal year ended December 31, 2017, the significant elements of compensation paid and awarded to each NEO was management fees paid to Messrs. Au, Ng and Yoon. See “*Executive Compensation – Director and NEO Compensation, Excluding Compensation Securities*”, and “*Executive Compensation – Employment, Consulting and Management Agreements*”.

See “*Executive Compensation – Director and NEO Stock Options and Other Compensation Securities*” for a discussion on the stock options that were granted to NEOs during the year ended December 31, 2017.

Director Compensation

The CCG Committee determines director compensation from time to time and makes recommendations to the Board for their approval. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors, and the Corporation may, from time to time, grant to its directors incentive stock options to purchase Common Shares in the capital of the Corporation. See “*Executive Compensation – Director and NEO Compensation, Excluding Compensation Securities*” and “*Executive Compensation – Option Plans and Other Incentive Plans*” for a discussion on incentive stock options that may be awarded to the directors of the Corporation.

Recent Significant Changes to the Corporation's Compensation Policies

There have been no significant changes to the Corporation's compensation policies during the financial year ended December 31, 2017 that could or will have an effect on NEO or director compensation.

Pension Benefits

The Corporation does not have any pension, retirement or deferred compensation plans..

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out securities authorized for issuance under the Option Plan as of December 31, 2017, the end of the Corporation's most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders (Option Plan) ⁽¹⁾	3,850,000	\$0.05	901,261

Note:

⁽¹⁾ The aggregate number of Common Shares issuable upon the exercise of all options granted under the Option Plan may not exceed 10% of the issued and outstanding Common Shares from time to time.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who is or has been a director, executive officer or employee of the Corporation or any of its subsidiaries was, on or before the date of this Circular, indebted to the Corporation or any of its subsidiaries or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

Except as disclosed herein, the Corporation is not a party to a management contract whereby management functions are to any substantial degree performed other than by the directors or executive officers of the Corporation.

AUDIT COMMITTEE

The Corporation has an Audit Committee whose primary function is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and Shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes.

Audit Committee Charter

The Audit Committee operates under a written charter that sets out its responsibilities and composition requirements. The text of the Audit Committee's charter is set forth at Schedule "B" attached hereto.

Composition of the Audit Committee

Currently the Audit Committee is comprised of Henry Au, Canjian He and Liang Li. Mr. He joined the Board and the Audit Committee on April 2, 2018. Following the Meeting, the members of the Audit Committee are expected to be Rana Vig and Gurdeep Bains. All of the anticipated members of the Audit Committee are considered by the Board to be financially

literate, within the meaning of National Instrument 52-110 – *Audit Committees* (“NI 52-110”). Messrs. Bains and Vig are expected to be “independent” members of the Audit Committee within the meaning of NI 52-110.

Relevant Education and Experience

The education and experience of each anticipated member of the Audit Committee which is relevant to the performance of his responsibilities as an Audit Committee member, including education or experience that would provide the member with an understanding of accounting principles used by the Corporation to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, experience preparing, auditing, analysing or evaluating financial statements and an understanding of internal controls and procedures for financial reporting is set forth below.

Current Audit Committee

Henry Au – Mr. Au has over 25 years of experience in technology, banking and venture capital with numerous multi-national corporations. Mr. Au began his career at Cathay Pacific Airways Ltd., before being appointed Vice President of CitiBank and ABN AMRO Bank. Mr. Au has also been Regional Operations Director at Microsoft Corporation and Chief Investment Officer at the Carlyle Group. Mr. Au earned a Bachelor of Arts and Bachelor of Engineering degree from Trinity College, University of Dublin, a Master of Science in Computer Engineering degree from University of Hong Kong and an Masters in Business Administration from Hong Kong Polytechnic University.

Canjian He – Mr. He has over 15 years of marketing and e-commerce experience, having served as a director, officer and senior manager of a number of multi-national Fast-Moving Consumer Goods (FMCG) and Telecommunication companies. Mr. He is currently the Chief Operating Officer of Guangzhou Kernels Technology Co., Ltd., a company based in China. Mr. He earned a Diploma of International Trade from Guangdong University of Foreign Studies in 1998 and a Master of Science in Business Administration (Information Technology) from the University of Central Lancashire in 2001.

Liang Li – Mr. Li holds a Bachelor of Engineering degree in Software Engineering from the Xi'an University of Technology in China, has co-founded a successful technology company and is a current board member of a Chinese technology company.

Anticipated Audit Committee After Meeting

Rana Vig – Mr. Vig has over 30 years of business experience, during which time he has helped to launch five business ventures in private industry. He has been involved in publicly traded companies since 2010.

Gurdeep Bains – Mr. Bains received his Chartered Accountant Designation in 2003 from the Institution of the Chartered Accountants of BC and in 2004 graduated from Simon Fraser University with a Bachelor of Business Administration. From 2000 to 2005, he was the Senior auditor, Assurance Services at KPMG. Additionally, Mr. Bains was with Canaccord Genuity as Vice President, internal audit and financial analysis from 2005 to 2014.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemptions in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), Subsection 6.1.1(4) of NI 52-110 (*Circumstances Affecting the Business or Operations of the Venture Issuer*), Subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Members*), Subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 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 by its external auditors. The Audit Committee's charter provides that the Audit Committee shall pre-approve all non-audit-related services and the fees and other compensation for such non-audit services provided by the Corporation's external auditors.

External Auditor Service Fees (by category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending December 31,	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees
2017	\$86,388	Nil	\$5,350	Nil
2016	\$118,421	Nil	Nil	Nil

Notes:

- (1) Audit fees were for professional services rendered by the auditors for the audit of the Corporation's annual financial statements as well as services provided in connection with statutory and regulatory filings.
- (2) Audit related fees relate to performance of limited procedures performed by the Corporation's auditors related to interim reports.
- (3) Tax fees relate to tax compliance, tax advice and tax planning services.

Exemption

In providing the disclosure in this section, the Corporation is relying on the exemption in Section 6.1 of NI 52-110.

CORPORATE GOVERNANCE

The Board believes that sound corporate governance practices are essential to the effective, efficient and prudent operation of the Corporation and to the enhancement of shareholder value. The Board fulfils its mandate directly and through committees at regularly scheduled meetings or as required.

Board of Directors

The directors are responsible for managing and supervising the management of the business and affairs of the Corporation. Each year, the Board must review the relationship that each director has with the Corporation in order to satisfy itself that the relevant independence criteria have been met. The Board supervises the CEO and the CFO. Both the CEO and CFO are required to act in accordance with the scope of authority provided to them by the Board.

Messrs. Au and Yoon are executive officers of the Corporation and are therefore not “independent”. Messrs. Li and He are “independent” directors of the Corporation, in that they are free from any interest which could reasonably interfere with their exercise of independent judgment as directors of the Corporation. Messrs. Au, Li and He do not intend to stand for re-election to the Board at the Meeting. If elected to the Board at the Meeting, Messrs. Vig and Bains will be “independent” directors of the Corporation, in that they are free from any interest which could reasonably interfere with their exercise of independent judgment as directors of the Corporation.

Directorships

None of the directors of the Corporation currently serve as a director of any other reporting issuer.

Orientation and Continuing Education

The Corporation does not have a formal process of orientation and education for new members of the Board. The current directors are experienced in boardroom procedure and corporate governance and generally have a good understanding of the business. As necessary, new members of the Board are provided with information about the Corporation, the role of the Board and the Board's committees, as well as the Corporation's industry. In addition, the Corporation provides continuing education for its directors as such needs arise.

Ethical Business Conduct

Each director, officer and employee in the exercise of his or her duties and responsibilities must act in honesty and good faith in the best interest of the Corporation and in compliance with applicable laws, rules and regulations.

In addition, the Board must comply with conflict of interest provisions in the *Business Corporations Act* (British Columbia) (the “BCBCA”) and relevant securities regulatory instruments in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director has a material interest. To ensure

directors of the Corporation exercise independent judgement in considering transactions, agreements or decisions in respect to which a director has declared a material interest (in accordance with relevant corporate law requirements), the Board follows a practice whereby any such Board member must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter.

Nomination of Directors

Although the Corporation has not constituted a nominating committee to propose new director nominees, the CCG Committee is responsible for advising the Board with respect to the filling of vacancies on the Board and making recommendations as to nominees for the Board. The CCG Committee analyses the needs of the Board when vacancies arise and identifies and proposes new nominees who have the necessary competencies and characteristics to meet such needs. New candidates are introduced to the Board by members of the CCG Committee. In order to foster an objective nomination process, the independent members of the Board are encouraged to recommend nominees for the Board.

Compensation

The CCG Committee is appointed by the Board to, among other things, discharge the Board's responsibilities relating to compensation of the Corporation's directors and officers.

The CCG Committee annually reviews and approves corporate goals and objectives relevant to the compensation of the CEO, evaluates the CEO's performance in light of those goals and objectives and sets the CEO's compensation level based on this evaluation. The CCG Committee meets without the presence of other executive officers when approving the CEO's compensation but may invite the CEO to be present during approval of other executive officers' compensation.

Other Board Committees

The Board does not have any standing committees other than the Audit Committee and the CCG Committee.

Assessments

The Board is responsible for keeping management informed of its evaluation of the performance of the Corporation and its executive officers in achieving and carrying out the Board's established goals and policies and is also responsible for advising management of any remedial action or changes which it may consider necessary. Additionally, directors are expected to devote the time and attention to the Corporation's business and affairs as necessary to discharge their duties as directors effectively. The Board does not have a formal process to monitor the effectiveness of the Board, its committees and individual members, but rather relies on an informal review process. In order to gauge performance, the Board considers the following:

- (i) input from directors, when appropriate;
- (ii) attendance of directors at meetings of the Board and any committee; and
- (iii) the competencies and skills each individual director is expected to bring to the Board and each committee.

Advance Notice Policy

On September 3, 2015, the Board adopted an advance notice policy (the "**Advance Notice Policy**") for the Corporation which requires that advance notice be given to the Corporation in circumstances where nominations of persons for election as a director of the Corporation are made by Shareholders. The Advance Notice Policy was approved by Shareholders at the Corporation's 2015 Annual General and Special Meeting of Shareholders on December 30, 2015. Among other things, the Advance Notice Policy sets a deadline by which Shareholders must submit a notice of director nominations to the Corporation prior to any annual or special meetings of Shareholders where directors are being elected, and sets forth the information that a Shareholder must include in the notice for it to be valid. Additional information regarding the Advance Notice Policy can be found in the Corporation's management information circular dated November 27, 2015, which is available on the Corporation's SEDAR profile at www.sedar.com.

The Advance Notice Policy is designed to allow the Corporation to receive adequate prior notice of new proposed director nominations as well as sufficient information on such nominees. The Corporation is thus able to evaluate the proposed nominees' qualifications and suitability as directors of the Corporation and to communicate its views to Shareholders in a timely way. The Advance Notice Policy also facilitates an orderly and efficient meeting process and allows all Shareholders a reasonable opportunity to evaluate all proposed nominees in order that they be able to make an informed vote.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements

The Board has approved the audited consolidated financial statements for the financial year ended December 31, 2017, together with the auditors' report thereon. Copies of these financial statements have been sent to those Shareholders who have requested same. These materials are available on the Corporation's SEDAR profile at www.sedar.com.

2. Appointment and Remuneration of Auditors

Shareholders will be asked to vote for the re-appointment of MNP LLP, Chartered Professional Accountants, as the Corporation's auditors for the ensuing year, and to authorize the directors to fix the auditors' remuneration.

Management recommends that Shareholders vote for the re-appointment of MNP LLP as the Corporation's auditors for the ensuing year and the authorization of the Board to determine the remuneration to be paid to the auditors. **Unless you give other instructions, the persons named in the enclosed Proxy intend to vote FOR the appointment of MNP LLP as the auditors of the Corporation until the close of the next annual meeting and FOR the authorization of the Board to fix the remuneration to be paid to the auditors.**

3. Fixing Number of Directors

At the Meeting, the Shareholders will be asked to consider and, if thought appropriate, to pass an Ordinary Resolution fixing the number of directors of the Corporation at three (3) (the "**Fixing of Directors Resolution**").

The complete text of the Fixing of Directors Resolution, which the Corporation intends to place before the Shareholders at the Meeting for approval, with or without modification, is as follows:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

- (i) the number of directors of the Corporation be and the same is hereby fixed at three (3) until such time as the Shareholders determine by ordinary resolution to increase or decrease that number in accordance with the Corporation's Articles; and
- (ii) any one or more directors or officers of the Corporation, for and on behalf of the Corporation, is authorized and directed, to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments and do all such other acts or things that may be necessary or desirable to give effect to the provisions of this resolution."

Management recommends that the Shareholders vote in favour of the Fixing of Directors Resolution. In order to be approved, the Fixing of Directors Resolution must be passed by a simple majority of the votes cast by the Shareholders at the Meeting. **Unless you give other instructions, the persons named in the enclosed Proxy intend to vote FOR the Fixing of Directors Resolution.**

4. Election of Directors

The directors of the Corporation are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Corporation's Articles or until such director's earlier death, resignation or removal.

Management of the Corporation proposes to nominate the following three (3) directors set out in the table below for election by the Shareholders as directors of the Corporation to hold office until the next annual meeting or until their successors are duly elected or appointed. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed Proxy reserve the right to vote for other nominees in their discretion.

The following table (and notes thereto) sets out the names of the persons proposed to be nominated by management for election as a director, the Province or State and Country in which each person is ordinarily resident, the positions and offices which each presently holds with the Corporation, the period of time for which each person has been a director of the Corporation, the respective principal occupations or employment during the past five years if such nominee is not presently

an elected director and the number of Common Shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular.

Name, province/state and country of residence ⁽¹⁾	Principal occupation and, IF NOT an elected Director, principal occupation during the past five years ⁽¹⁾	Current position(s) with the Corporation	Director since ⁽³⁾	Number of securities beneficially owned or controlled or directed, directly or indirectly
Ji Yoon British Columbia, Canada	CFO and IT Lead of On Side Restoration Services, a leading privately owned restoration company.	Interim Chief Financial Officer, Chairman and Director	January 2, 2008	Nil ⁽²⁾
Rana Vig British Columbia, Canada	Management consultant - former president of Musgrove Minerals Corp., an Idaho focused gold and copper mining exploration company from 2011 to 2016. Former Chairman and CEO of Continental Precious Minerals Inc., a mining exploration company from 2013 to 2016. President of Blue Bay Capital from May 2017 to Oct 2018.	Proposed Director	N/A	Nil
Gurdeep Bains	CFO at OK Tire Stores Inc. from June 2014 to February 2018. Currently CFO at Monarch Group.	Proposed Director	N/A	Nil

Notes:

- (1) This information, not being within the knowledge of the Corporation, has been furnished by the respective nominees.
- (2) Mr. Yoon also holds options to purchase 1,000,000 Common Shares.
- (3) The Corporation does not set expiry dates for the terms of office of directors. Each director holds office as long as he is elected annually by Shareholders at Annual General Meetings, unless his office is earlier vacated in accordance with the Articles of the Corporation.

The current Audit Committee is made up of Messrs. Au, He and Li and after the Meeting is expected to be comprised of Messrs. Bains and Vig. For more information on the Corporation's Audit Committee, please see the section titled, "Audit Committee". The current CCG Committee is made up of Messrs. Au and Yoon, and after the Meeting is expected to be comprised of Messrs. Yoon, Vig and Bains. For more information on the Corporation's CCG Committee, please see the section titled, "Corporate Governance".

Management recommends that Shareholders vote for its nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed Proxy intend to vote FOR the election of the three (3) management nominees as directors of the Corporation for the ensuing year.**

Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Except as set forth below, to the knowledge of the Corporation, none of the proposed directors, including any personal holding company of a proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
 - (i) was subject to a cease trade order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or

- (ii) 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 a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, 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 the proposed director;
- (d) has 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 since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

5. Option Plan

Effective October 26, 2005, as amended and restated on August 20, 2013, the Corporation adopted the Option Plan, which is attached hereto as Schedule "A". The Option Plan is a "rolling" stock option plan which sets the number of options available for grant by the Corporation at an amount equal to up to a maximum of 10% of the Corporation's issued and outstanding Common Shares from time to time, less any Common Shares reserved for issuance under other share compensation arrangements. Under Exchange policies, the Option Plan must be approved by the Corporation's Shareholders on an annual basis. Therefore, Shareholders are being asked to approve the Option Plan (with no amendments) at the Meeting.

The purpose of the Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire Common Shares, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

Under the Option Plan, options may not be granted to an individual director, officer or employee to purchase a number of Common Shares equalling more than five percent (5%) of the issued Common Shares in any twelve-month period unless the Corporation has obtained disinterested Shareholder approval in respect of such grant and such grant meets Exchange requirements. Options may not be granted if the exercise thereof would result in the issuance to any one consultant or any one person employed to provide investor relations services in any twelve-month period of more than two percent (2%) of the issued Common Shares. Options issued pursuant to the Option Plan will have an exercise price determined by the directors of the Corporation, provided that the exercise price shall not be less than the price permitted by the Exchange.

Options granted under the Option Plan are non-transferable (unless specifically provided in the Option Plan or as may be permitted by the Exchange) and expire on the earlier of the period set by the directors of the Corporation (not to exceed the maximum term permitted by the Exchange) or ninety (90) days from the date the optionee ceases to be an officer, director, employee or consultant of the Corporation, unless such participant was engaged in investor relations activities, in which case such exercise must occur within thirty (30) days after the cessation of the participant's services to the Corporation. In the event of the death of an optionee, options held by such optionee will expire on the earlier of the period set by the directors of the Corporation (not to exceed the maximum term permitted by the Exchange) or one (1) year from the date of such optionee's ceasing to be an officer, director, employee or consultant of the Corporation due to death.

The Option Plan provides for a cash surrender option, pursuant to which, while the Common Shares are listed and posted for trading on a recognized stock exchange, participants may elect to surrender unexercised options granted pursuant to the Option Plan that are vested and exercisable to the Corporation in consideration for an amount equal to the excess, if any, of

the aggregate fair market value of the Common Shares (based on the weighted average trading price of the Common Shares on such stock exchange during the five trading days preceding the date of surrender or the price pursuant to an offer made for all of the issued and outstanding Common Shares, whichever is greater) able to be purchased pursuant to the vested and exercisable portion of such options on the date of surrender over the aggregate exercise price for the Common Shares pursuant to such options. In no circumstances will the participant at any time be obligated to surrender options as provided by the cash surrender option. The Corporation may, in its sole discretion, refuse to accept the surrender of unexercised options and if any such surrender is not accepted by the Corporation or completed for any reason, the notice of surrender shall be deemed to be withdrawn and the options in respect of which such notice was provided shall again become subject to their original terms as if such notice of surrender had not been provided.

Approval of the Option Plan

As at the date of this Circular, the Corporation had 53,512,612 Common Shares issued and outstanding so that a maximum of 5,351,261 Common Shares would be available for issuance pursuant to the stock options granted under the Option Plan. Currently there are 2,300,000 stock options outstanding under the Option Plan, leaving 3,051,261 Common Shares available for grant of further options.

The Exchange requires that “rolling stock option plans”, like the Option Plan, receive yearly approval at the Corporation's annual shareholder meeting. The Option Plan has previously been approved by the Shareholders and is required to be re-approved by the Shareholders at the Meeting. The Board is requesting that Shareholders affirm, ratify and approve the Option Plan. Accordingly, Shareholders will be asked at the Meeting to approve the following Ordinary Resolution affirming, ratifying and approving the Option Plan:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- (a) the Option Plan of the Corporation, in or substantially in the form attached as Schedule “A” to the Circular be, and is hereby, affirmed, ratified and approved.
- (b) (ii) the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders and each director and officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to execute and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to this resolution, the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and
- (c) (iii) notwithstanding this resolution having been duly passed by the Shareholders, the directors of the Corporation be, and are hereby, authorized and empowered to revoke this resolution at any time prior to it being acted upon without further approval of the Shareholders.”

In order to pass the resolution approving the Option Plan, a majority of the votes cast at the Meeting must be voted in favor of the resolution. The Board has determined that approval of the Option Plan is in the best interests of the Corporation. The Board therefore recommends that Shareholders vote FOR the resolution affirming, ratifying and approving the Option Plan. Unless you give other instructions, the persons named in the enclosed Proxy intend to vote FOR the resolution affirming, ratifying and approving the Option Plan.

6. Share Consolidation

Management is proposing to consolidate the Corporation's Common Shares because management believes it will be beneficial to the current Shareholders to have the issued share capital made more attractive to future investors. At the Meeting, Shareholders will be asked to pass a Special Resolution (the “**Consolidation Resolution**”) to approve the consolidation of the Common Shares on the basis of up to 100 pre-consolidation Common Shares being consolidated into one (1) post-consolidation Common Share (the “**Consolidation**”). The policies of the Exchange require a company to obtain Shareholder approval of a share consolidation that results in a consolidation ratio of greater than ten (10) to one (1) over a 24-month period.

As at the record date, the authorized share capital of the Corporation consists of an unlimited number Common Shares and an unlimited number of preferred shares, of which 53,512,612 Common Shares are outstanding. After the Consolidation, and provided that the Consolidation is completed on the basis of one (1) new for 100 old Common Shares, the authorized share capital will continue to consist of an unlimited number of Common Shares and preferred shares, of which

approximately 535,126 Common Shares will be issued and outstanding. The Special Resolution will provide the directors of the Corporation with the authority to amend the consolidation ratio as deemed appropriate, not to exceed 100:1.

Fractional Shares

No fractional shares will be issued as a result of the Consolidation. In the event that a given Shareholder's holdings would result in the issuance of fractional shares, the holdings of the Shareholder would be rounded up or down to the nearest whole number of shares.

Principal Effects of the Share Consolidation

Upon the Consolidation becoming effective, letters of transmittal will be sent by mail to all holders of Common Shares then issued and outstanding for use in transmitting their share certificates to the Corporation's registrar and transfer agent, Computershare, in exchange for new certificates representing the number of Common Shares to which such Shareholder is entitled as a result of the Consolidation. Upon return of a properly completed letter of transmittal, together with certificates evidencing the Common Shares, certificates for the appropriate number of new consolidated Common Shares will be issued at no charge.

Upon the Consolidation becoming effective, the number of shares reserved for issuance by the Corporation, including those shares reserved issuance pursuant to the Option Plan will be adjusted to give effect to the Consolidation, such that the number of consolidated Common Shares issuable will equal the number obtained when the number of Common Shares issuable is divided by the conversion number and the exercise prices of outstanding stock options to purchase consolidated Common Shares will equal the price obtained by multiplying the existing exercise price by the conversion number.

In accordance with the Articles of the Corporation and the BCBCA, the Consolidation must be approved by a special majority of the votes cast the Meeting on the resolution. At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass, the following Special Resolution:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- (a) the Corporation's authorized share structure be altered by consolidating all of the 53,512,612 fully paid and issued Common Shares without par value in the capital of the Corporation (or such other number fully paid and issued Common Shares that are outstanding on the effective date of the Consolidation) on the basis of up to 100 old Common Shares of the Corporation for one (1) new Common Share into a minimum of approximately 535,126 Common Shares, or such or other consolidation ratio as the board of directors and management of the Corporation may deem appropriate, nor to exceed 100:1, subject to the consent and approval of the Exchange;
- (b) no fractional Common Shares shall be issued upon the consolidation, each fractional Common Share that is less than $\frac{1}{2}$ of one (1) post-Consolidation Common Share will be cancelled and each fractional Common Share that is at least $\frac{1}{2}$ of one (1) post-Consolidation Common Share will be rounded up to one (1) whole post-Consolidation Common Share;
- (c) the directors of the Corporation, in their sole and complete discretion, may act upon this resolution to effect the Consolidation and to determine the actual Consolidation ratio (such ratio not to exceed 100 old Common Shares for one (1) new Common Share), or if deemed appropriate and without any further approval from the Shareholders, may choose not to act upon this resolution notwithstanding Shareholder approval of the Consolidation;
- (d) should the directors of the Corporation choose to act upon this resolution to effect the Consolidation and subject to the deposit of this resolution at the Corporation's records office, any one director or officer of the Corporation is authorized and directed to electronically file or cause to be filed, a Notice of Alteration with the Registrar of Companies of British Columbia, and
- (e) any one director or officer of the Corporation is authorized and directed on behalf of the Corporation to take all necessary steps and proceedings, and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things as may be necessary or desirable to give effect to this resolution."

To be effective, the foregoing resolution must be approved by two-thirds of votes cast at the meeting. The Corporation cannot proceed with the proposed Consolidation without prior approval of the Exchange. If Shareholders pass the

resolution and the Exchange approves the Consolidation, the Consolidation will take effect on a date to be coordinated with the Exchange and announced in advance by the Corporation.

Management of the Corporation recommends that Shareholders vote FOR the foregoing resolution. **Unless you give other instructions, the persons named in the enclosed Proxy intend to vote FOR the Consolidation Resolution.**

7. Other Matters

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. **However, if any other matters which are not known to management of the Corporation shall properly come before the Meeting, the Proxy given pursuant to the solicitation by management of the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.**

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no informed person of the Corporation, proposed director of the Corporation or any associate or affiliate of an informed person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of this Circular, an "informed person" means (i) a director or officer of the Corporation, (ii) a director or officer of a person or company that is itself an informed person or (iii) any person or company who beneficially owns, directly or indirectly, and/or exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Corporation.

In October 2009, the Corporation completed the acquisition of 50% of all rights and interests in XCXD. Pursuant to the terms thereof, the shareholders of XCXD (the "**XCXD Shareholders**") had the right to appoint one (1) director to the Board, and appointed Liang Li. In March 2016, the Corporation announced that it had entered into a purchase and sale agreement with, *inter alia*, XCXD and the XCXD Shareholders, pursuant to which it agreed to sell, assign and transfer all of its interest in XCXD to the XCXD Shareholders (the "**XCXD Disposition**"). Mr. Li has disclosed his interest to the Board and abstained from voting on the resolutions of the Board approving the XCXD disposition. On June 1, 2017, the Corporation completed the XCXD Disposition. Additional information regarding the XCXD Disposition can be found in the Corporation's management information circular dated December 1, 2016 and the Corporation's material change report dated June 1, 2017, which are both available on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis without charge by sending a written request to: Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Attention: Interim CFO.

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the directors of the Corporation.

DATED at Vancouver, British Columbia, this 7th day of December, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS OF
FIRESWIRL TECHNOLOGIES INC.**

/s/ "Ji Yoon"

Ji Yoon

Interim Chief Financial Officer, Chairman and Director

SCHEDULE "A"

Stock Option Plan of the Corporation

1. Purpose

The purpose of the Stock Option Plan (the "**Plan**") of **FIRESWIRL TECHNOLOGIES INC.**, a corporation continued under the *Business Corporations Act* (British Columbia) (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option to purchase shares (an "**Option**") granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the "**Exchange**").

4. Shares Subject to Plan

Subject to adjustment as provided in Section 16 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all Options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any Option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

However, other than in connection with a "Qualifying Transaction" (as defined in Policy 2.4 of the Exchange) or otherwise accepted by the Exchange, during the time that the Corporation is a "Capital Pool Corporation" (as defined in Policy 2.4 of the Exchange), the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Options shall be determined by the Board at the time the Options are granted, but shall not be less than the “market price” of the Shares subject to the maximum discount permitted by the Exchange on the last trading day prior to the date on which such options are granted. For purposes of the Plan, the “market price” is the last closing price of the Shares before the issuance of any news release disclosing the grant of an option or the filing of a price reservation form, subject to the exceptions provided for by the applicable Exchange's policies or, if the Corporation does not issue a news release to fix the price, the market price is the last closing price of the Shares on the Exchange prior to the date of the grant of the option (less the maximum applicable discount permitted by the Exchange). In the event that the Shares did not trade on the last business day prior to the issuance of the news release or the date of the grant of the option, as the case may be, the market price is the average of the bid and asked prices in respect of such shares at the close of trading on such date. In the event that the Shares are not listed and posted for trading on any exchange, the market price is the fair market value of such shares as determined by the Board in its sole discretion.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if at least 6 months have elapsed since the later of the date of the commencement of the term, the date the Corporation's shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

- (b) No single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) Unless otherwise permitted by the Exchange, Insiders (as defined in the policies of the Exchange), as a group, of the Corporation may not be granted options to purchase a number of Shares equalling more than 10% of the issued common shares of the Corporation in any twelve-month period, calculated at the date an Option is granted to any Insider, unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- (e) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1/4 of the options vesting in any 3 month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange (“**TSX Venture**”), the maximum term may not exceed 10 years if the Corporation is classified as a “Tier 1” issuer by the TSX Venture, and the maximum term may not exceed 5 years if the Corporation is classified as a “Tier 2” issuer by the TSX Venture.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and

until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. Ceasing To Be a Director, Officer, Consultant or Employee

- (a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.
- (b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.
- (c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Death of Participant

Notwithstanding Section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the option at the date of his death.

13. Rights of Optionee

No person entitled to exercise any Option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

14. Proceeds from Sale of Shares

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

15. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

16. **Transferability**

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and Options may only be exercised by the Participant.

17. **Amendment and Termination of Plan**

Subject to applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to applicable approval of the Exchange, the Board may also at any time amend or revise the terms of the Plan; provided that no such amendment or revision shall result in a material adverse change to the terms of any options theretofore granted under the Plan, unless shareholder approval, or disinterested shareholder approval, as the case may be, is obtained for such amendment or revision.

18. **Necessary Approvals**

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. **Effective Date of Plan**

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

20. **Interpretation**

The Plan will be governed by and construed in accordance with the laws of the Province of British Columbia.

SCHEDULE “B”

Audit Committee Charter of the Corporation

I. Mandate

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements.
- Review and appraise the performance of the Corporation's external auditors.
- Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the board of directors.

II. Composition

The Committee shall be comprised of three directors as determined by the board of directors, each of whom shall be free from any relationship that, in the opinion of the board of directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Corporation's charter, the definition of “financially literate” is the ability to read and understand a balance sheet, an income statement and a cash flow statement. The definition of “accounting or related financial management expertise” is the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with Canadian generally accepted accounting principles.

The members of the Committee shall be elected by the board of directors at its first meeting following the annual shareholders' meeting. Unless a Chairman is elected by the full board of directors, the members of the Committee may designate a Chairman by a majority vote of the full Committee membership.

III. Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee should meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

IV. Responsibilities and Duties

To fulfil its responsibilities and duties, the Committee shall:

Documents/Reports Review

1. Review and update this charter annually.
2. Review the Corporation's financial statements, MD&A and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

3. Review annually the performance of the external auditors who shall be ultimately accountable to the board of directors and the Committee as representatives of the shareholders of the Corporation.
4. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the auditors.
5. Take, or recommend that the full board of directors take, appropriate action to oversee the independence of the external auditors.
6. Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
7. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
8. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
9. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
10. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

11. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
12. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
13. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.

14. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to the appropriateness of such judgments.
15. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
16. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
17. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
18. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
19. Review the certification process.
20. Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Other

21. Review any related-party transactions.