

ZOOLANDER CORPORATION
MANAGEMENT INFORMATION CIRCULAR

Solicitation of Proxies

THIS INFORMATION CIRCULAR (THE “CIRCULAR”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF ZOOLANDER CORPORATION (THE “CORPORATION”) OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION (THE “MEETING”) TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE RELATED NOTICE OF MEETING. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Corporation's proxy solicitation materials to the beneficial owners of the common shares of the Corporation (the “**Common Shares**”) held of record by such parties. The Corporation may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Corporation.

Appointment and Completion of Proxies

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons named in the enclosed form of proxy are officers or directors of the Corporation. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT THEM AT THE MEETING MAY DO SO** either by inserting such person's name in the blank space provided in that form of proxy and by deleting therefrom the names of the management designees, or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent indicated on the enclosed envelope not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the Meeting or adjournment thereof. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxyholder and provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with them to the Meeting. To be valid, the proxy must be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy).

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Corporation's transfer agent, Equity Financial Trust Company (“**Equity**”), by mail or hand at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1; or by fax at (416) 595-9593;
- (b) using a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or

- (c) using the internet through the website of the Corporation's transfer agent at www.voteproxyonline.com. Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, and the Chairman is under no obligation to accept late proxies.

Beneficial Shareholders

The information set forth in this section is of significant importance as many shareholders do not hold shares in their own name.

Only shareholders whose names appear on the records of the Corporation as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are non-registered shareholders ("**Beneficial Shareholders**") because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (an "**Intermediary**"). If you purchased your shares through a broker, you are likely a Beneficial Shareholder.

In accordance with securities regulatory policy, the Corporation has distributed copies of the Meeting materials, being the notice of meeting, this Circular and the form of proxy. Intermediaries are required to forward the Meeting materials to Beneficial Shareholders who request copies and to seek their voting instructions in advance of the Meeting. Shares held by Intermediaries can only be voted in accordance with the instructions of the Beneficial Shareholder. The Intermediaries often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Intermediary in order that your shares are voted at the Meeting.

If you, as a Beneficial Shareholder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Intermediary and you should return the form to the Intermediary in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

There are two kinds of Beneficial Shareholders – those who object to their identity being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not (called "**NOBOs**" for Non-Objecting Beneficial Owners).

Non-Objecting Beneficial Owners

The Corporation is relying on the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**") from Equity. The VIF is to be completed and returned to Equity as set out in the instructions provided on the

VIF. Equity 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. These securityholder materials are being sent to both registered and non-registered owners of the shares. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address, and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions sent to you.

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. The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of the proxy provided by the Corporation. The VIF will name the same persons as the Corporation’s proxy to represent your shares at the Meeting. You have the right to appoint a person (who need not be a shareholder, and who can be yourself), other than any of the persons designated in the VIF, to represent your shares at the Meeting. To exercise this right, insert the name of the desired representative, who may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile, or provided to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting and the appointment of any shareholder’s representative. If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to have your shares voted or to have an alternate representative duly appointed to attend and vote your shares at the Meeting.

Voting of Proxies

Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed form of proxy **WILL BE VOTED FOR EACH OF THE MATTERS TO BE VOTED ON BY SHAREHOLDERS AS DESCRIBED IN THIS CIRCULAR OR WITHHELD FROM VOTING OR VOTED AGAINST IF SO INDICATED ON THE FORM OF PROXY**. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, or other matters which may properly come before the Meeting. At the time of printing this circular the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

Voting at the Meeting will be by a show of hands, each registered shareholder and each proxyholder (representing a registered or unregistered shareholder) having one vote, unless a poll is required or requested, whereupon each such shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each shareholder may instruct their proxyholder how to vote their Common

Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the management designees, if named as proxyholder, will vote in favour of the matters set out therein.**

The enclosed proxy confers discretionary authority upon the management designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the notice of meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the Corporation.

In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an "ordinary resolution") unless the motion requires a "special resolution" in which case a majority of 66 2/3% of the votes cast will be required.

Revocation of Proxies

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a Registered Shareholder personally attending at the Meeting and voting their shares. A shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the Registered Shareholder or by their authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Corporation's registrar and transfer agent at the foregoing address or the head office of the Corporation at Suite 600, 150 York Street, Toronto, Ontario M5H 3S5 at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such meeting on the day of the Meeting, or adjournment thereof, or in any other manner permitted by law. **Only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

The exercise of a proxy does not constitute a written objection for the purposes of subsection 185(6) of the *Business Corporations Act* (Ontario), as amended (the "OBCA").

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of Ontario, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the OBCA, certain of its directors and its executive officers are residents of Canada and elsewhere outside the United States and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Quorum

All of the shareholders or two shareholders, whichever is the lesser, present in person or represented by proxy, will constitute a quorum at the Meeting or any adjournment or postponement thereof. The Corporation's list of shareholders as of the Record Date (as defined below) has been used to deliver to shareholders the notice of meeting and this Circular as well as to determine who is eligible to vote at the meeting.

Voting Securities and Principal Holders Thereof

The authorized capital of the Corporation consists of an unlimited number of Common Shares. At the date hereof the Corporation had issued and outstanding 48,979,100 Common Shares.

The Corporation has prepared a list of all persons or entities who are registered holders of Common Shares on July 12, 2013 (the "**Record Date**") and the number of Common Shares registered in their name on that date. Each shareholder is entitled to one vote for each Common Share registered in their name as it appears on the list.

To the knowledge of the directors and officers of the Corporation, as of the date hereof, the following are the only persons who beneficially own or exercise control or direction over securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Corporation entitled to be voted at the Meeting:

<u>Name of Shareholder</u>	<u>Securities so Owned, Controlled or Directed</u>	<u>% of the Class of Outstanding Voting Securities of the Corporation</u>
Paul Ekon	25,765,700 Common Shares ⁽²⁾	52.6% ⁽²⁾
Lawrence Hood	5,044,400 Common Shares	10.3%

(1) The information as to the number and percentage of securities beneficially owned, controlled or directed, has been obtained from the persons listed individually and/or publicly available filings.

(2) Includes 765,700 Common Shares held directly, and 25,000,000 Common Shares held by Konstantine Resources Inc. ("Konstantine"), over which control and direction is exercised. Konstantine also holds warrants to acquire 15,000,000 Common Shares exercisable at a price of \$0.15 per share until August 30, 2014.

Executive Compensation

NAMED EXECUTIVE OFFICERS

For the purposes of this Circular, a Named Executive Officer (“NEO”) of the Corporation means each of the following individuals:

- (a) a chief executive officer (“CEO”) of the Corporation;
- (b) a chief financial officer (“CFO”) of the Corporation;
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The Corporation currently has the following two NEOs: Paul Ekon, President and Chief Executive Officer and Lawrence Schreiner, Chief Financial Officer.

COMPENSATION DISCUSSION AND ANALYSIS

Background

The Corporation is an exploration stage company engaged in the acquisition, exploration and development of properties prospective for rare earth metals in Zimbabwe, Africa. The Corporation has no commercial operations and does not earn any operating revenues from its mineral properties.

Overview

The Board of Directors annually reviews the base salary, incentive compensation and long-term compensation for the Corporation’s executive officers to determine if the compensation package for executive officers continues to be appropriate or if any modifications are required. Factors considered by the Board of Directors in recommending suitable compensation packages for its executive officers include, the early stage of development of the Corporation, the small number of executive officers, financial resources available to the Corporation, competitive factors and the time committed by the executive officer to the affairs of the Corporation.

Objectives of Compensation Program

It is the objective of the Corporation’s compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. It is the goal of the Board of Directors to endeavour to ensure that the compensation of executive officers is sufficiently

competitive to achieve the objectives of the executive compensation program. The Board of Directors gives consideration to the Corporation's contractual obligations, performance, quantitative financial objectives including relative shareholder return as well as to the qualitative aspects of the individual's performance and achievements.

Role of Executive Officers in Compensation Decisions

The Board of Directors will receive and review any recommendations of the President and Chief Executive Officer relating to the general compensation structure and policies and programs for the Corporation and the salary and benefit levels for executive officers.

Elements of the Compensation Program

The Corporation's compensation program comprises (i) base salary and (ii) long term incentives including an incentive stock option plan. Each component of the executive compensation program is addressed below.

Base Salaries and Benefits

Salaries for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility. Salaries of the executive officers are not determined based on a specific formula. As stated above, base salaries are established to be competitive in order to attract and retain highly qualified executives.

The Corporation does not provide any pension or retirement benefits to its executive officers.

Long Term Incentives and Stock Option Plan

The Board of Directors administers the Option Plan that is designed to provide a long-term incentive that is linked to shareholder value. The Board of Directors makes decisions on the number of options to be granted to each executive officer based on the level of responsibility and experience required for the position. The Board of Directors regularly reviews and makes appropriate adjustments to the number of options granted to individuals and the vesting provisions of such options. The Board of Directors sets the number of options as appropriate designed to attract and retain qualified and talented personnel. The Board of Directors also takes account of the Corporation's contractual obligations and the award history for all participants in the stock option plan.

Option based awards

A description of the process that the Corporation uses to grant option-based awards to executive officers including the role of the Board of Directors and executive officers, is included under the heading "*Compensation Discussion and Analysis – Elements of Compensation Program – Long Term Incentives and Stock Option Plan*" above.

The purpose of the stock option plan is to develop the interest of officers, directors, employees, management company employees, and consultants of the Corporation in the growth and development of the Corporation by providing them with the opportunity through stock options to acquire an increased proprietary

interest in the Corporation.

The stock option plan is a “rolling” 10% option plan whereby the number of Common Shares of the Corporation that may be issued on the exercise of stock options automatically increases to equal 10% of the number of outstanding Common Shares as more shares are issued by the Corporation.

The Corporation did not grant any options to its executive officers during the year ended December 31, 2012.

SUMMARY COMPENSATION

The following table sets forth a summary of all compensation for services earned during the financial years ended on December 31, 2012, 2011 and 2010 by the NEOs.

Summary Compensation Table

Name and principal position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽¹⁾	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Gavin Treanor President & Chief Executive Officer	2012	Nil	Nil	Nil	Nil	Nil	N/A	\$111,000 ⁽²⁾	\$111,000
	2011	Nil	Nil	Nil	Nil	Nil	N/A	\$129,783 ⁽²⁾	\$129,783
	2010	Nil	Nil	Nil	Nil	Nil	N/A	\$67,339 ⁽²⁾	\$67,339
Sanjiv Rai Chief Financial Officer	2012	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2011	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2010	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil

(1) Perquisites and other personal benefits that do not exceed the lesser of \$50,000 and 10% of the total annual salary for each of the Named Executive Officers are not disclosed.

(2) Paid to Xrossbridge Ventures Inc., a corporation controlled by Mr. Treanor, for management consulting services.

INCENTIVE PLAN AWARDS

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

There were no share-based awards and option-based awards outstanding at the end of the financial year ended December 31, 2012 in favour of the NEOs.

Incentive Plan Awards – Value Vested or Earned During the Year

There was no value vested or earned during the year ended December 31, 2012 in respect of

option-based awards, share-based awards and non-equity incentive plan compensation by the NEOs.

PENSION PLAN BENEFITS

Defined Benefit Plans Table

The Corporation does not have any pension or retirement plans.

Deferred Compensation Plans

The Corporation does not have any deferred compensation plans.

TERMINATION AND CHANGE OF CONTROL BENEFITS

On August 30, 2012, the Corporation entered into a consulting agreement (the “**Xrossbridge Agreement**”) with Xrossbridge Ventures Inc., which provided for a monthly retainer of \$12,000, to be paid for consulting services by Gavin Treanor, the former President and Chief Executive Officer of the Corporation, who is the beneficial owner of Xrossbridge. In addition, the Xrossbridge Agreement includes a change of control provision that provides for a termination payment equal to 6 months of consulting fees. Mr. Treanor resigned as President and Chief Executive Officer of the Corporation on February 20, 2013 and the Xrossbridge Agreement was terminated by mutual agreement of the parties.

Other than described above, the Corporation does not have in place any compensatory plan or arrangement with any NEO that would be triggered by the resignation, retirement or other termination of employment of such officer, from a change of control of the Corporation or a change in the executive officer’s responsibilities following any such change of control.

For illustrative purposes, if the NEO had been terminated without cause on December 31, 2012, the following amounts would have been payable:

Name	Aggregate amount payable for base salary	Aggregate amount payable for bonus	Aggregate amount payable for perquisites and benefits	Option-based awards – Value vested	Total
Gavin Treanor <i>President and Chief Executive Officer</i>	\$72,000	Nil	Nil	Nil	\$72,000

DIRECTOR COMPENSATION

Director Compensation Table

The following table (presented in accordance with Form 51-102F6) sets forth all amounts of compensation provided to the non-executive directors for the Corporation’s most recently completed financial year.

Name (a)	Fees earned (\$) (b)	Share- based awards (\$) (c)	Option- based awards (\$)⁽¹⁾ (d)	Non-equity incentive plan compensati on (\$) (e)	Pension value (\$) (f)	All other compensati on (\$) (g)	Total (\$) (h)
Chris Irwin	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Paul Ekon ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shawn Mace	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michael Delahunt	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Was appointed as an executive officer in March 2013.

Board Fees

Non-executive directors of the Corporation do not receive fees for serving on the Board of Directors but are entitled to reimbursement of out-of-pocket expenses incurred in connection with their duties and are also eligible to participate in the Corporation's stock option plan. See "Stock Option Plan". Directors are also entitled to receive compensation to the extent that they provide services to the Corporation at rates that would be charged by such directors for such services to arm's length parties. Except as otherwise disclosed in this Circular, during the year ended December 31, 2012, no compensation was paid or payable to directors or entities controlled by directors for services rendered.

Incentive Plan Awards for Directors

Outstanding Option-Based Awards and Share-Based Awards

There were no awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, in favour of directors of the Corporation (who are not also NEOs).

Incentive Plan Awards – Value Vested or Earning During the Year

There was no value vested or earned during the year ended December 31, 2012 in respect of option-based awards, share-based awards and non-equity incentive plan compensation by directors of the Corporation (who are not also NEOs).

Discussion

The significant terms of all plan-based awards, including non-equity incentive plan awards, issued or vested, or under which options have been exercised, during the year, or outstanding at year end, are set out above in the Compensation Discussion and Analysis section above. No options held by directors were exercised during the financial year ended December 31, 2012.

Generally, each year the Board considers whether to grant additional options to the directors. However, there are no definitive arrangements and such consideration is done after review and consideration by the Board of Directors. During the fiscal year ended December 31, 2012, no options were granted to non-executive directors.

Directors' and Officers' Insurance

The Corporation maintains insurance for the benefit of its directors and officers against liability in their respective capacities as directors and officers. The Corporation has purchased in respect of directors and officers an aggregate of \$5,000,000 in coverage. The amount of premiums paid by the Corporation in the fiscal year ended December 31, 2012 in respect of such insurance was \$11,223.

Stock Option Plan

The Corporation has a 10% rolling incentive stock option plan (the “**Option Plan**”) to attract, retain and motivate directors, officers, employees and persons engaged to provide ongoing management and consulting services (“**service providers**”) by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth.

The number of Common Shares reserved for issue under the Plan may not exceed 10% of the issued and outstanding Common Shares of the Corporation at any given time. The options granted under the Plan are non-assignable and may be granted for a term not exceeding ten years. Options may be granted under the Plan only to directors, officers, employees and other service providers subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Common Shares may be listed or may trade from time to time. The exercise price of options issued under the Plan may not be less than the market price of the Common Shares at the time the option is granted, subject to any discounts permitted by applicable legislative and regulatory requirements.

The Plan contains the following restrictions as to insider and individual eligibility thereunder: (i) the maximum number of Common Shares which may be reserved for issuance to insiders under the Plan, any other employer stock option plans or options for services, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis); (ii) the maximum number of options which may be granted to insiders under the Plan, any other employer stock option plans or options for services, within any 12 month period, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis); and (iii) the maximum number of Common Shares which may be issued to any one optionee, together with any other previously established or proposed share compensation arrangements, within a one year period shall be 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to any one consultant under the Plan, any other employer stock options plans or options for services, within any 12 month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to “investor relations persons” under the Plan, any other employer stock options plans or options for services, within any 12 month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).

As at the date hereof, there were no options outstanding under the Plan.

Indebtedness of Management and Directors

No present or former officer or director of the Corporation or associate thereof is indebted to the Corporation or any subsidiary at the date hereof.

Interest of Informed Persons in Material Transactions

No director or officer of the Corporation, proposed nominee for election as a director of the Corporation, principal shareholder of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of its subsidiaries other than as disclosed below, elsewhere in this Circular or in a prior information circular:

On November 1, 2012 the Corporation entered into a separation agreement with Mr. Lawrence Hood whereby Mr. Hood's consulting contract would be terminated and the Corporation would purchase from Mr. Hood US\$100,000 worth of shares at a price not to exceed C\$0.10 per share. The Corporation completed the share repurchase on June 20, 2013 purchasing 1,008,400 Common Shares for cancellation for an aggregate purchase price C\$100,840.

Interest of Certain Persons in Matters to be Acted Upon

No director or officer of the Corporation since the commencement of the Corporation's last financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any matter to be acted upon other than as disclosed under the heading "Particulars of Matters to be Acted Upon".

PARTICULARS OF MATTERS TO BE ACTED UPON

ANNUAL BUSINESS

Election of Directors

At the Meeting, shareholders will be asked to elect four directors (the "Nominees"). The following table provides the names of the Nominees and information concerning them. Shareholders may vote for all of the Nominees, some of them and withhold for others, or withhold from all of them. The persons in the enclosed form of proxy intend to vote for the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director. Each director will hold office until the next annual meeting or until his successor is duly elected unless his office is earlier vacated in accordance with the by-laws.

Name and Residence	Office Held with the Corporation	Period of Service as a Director	Principal Occupation If Different from Office Held ⁽¹⁾	Number of Common Shares Beneficially Owned or Over Which Control is Exercised ⁽²⁾
Paul Ekon ⁽³⁾ London, United Kingdom	President, Chief Executive Officer and Director	since Aug. 2012	Self-employed businessman focusing on investing in mineral assets in Africa.	25,765,700 ⁽⁴⁾
Shawn Mace ⁽³⁾ Sunset Beach, South Africa	Director	since Aug. 2012	Owner and Director of Intrax (Pty) Ltd, a company that operates in Africa selling large format digital printers, ink, consumables and a range of PVC substrates as well as offering brand design, re-imaging and re-branding services.	Nil
Yi (Christine) He Johannesburg, South Africa ⁽³⁾	Director	since February 2013	Deputy General Manager of Cri-Eagle Investments (PVT) Ltd. (a private investment and property development company)	Nil
Jason Chen Vancouver, Canada	Director	since April 2013	Systems Analyst, Aurea Software (a private business process management, application and data integration company)	Nil

1. All of the Nominees have held the indicated positions for the past five years, except for Mr. Chen, who from September 2007 to December 2012 was a Systems Analyst with Progress Software (a private software development company).
2. The information as to shares beneficially owned or over which the above-named officers and directors exercise control or direction not being within the knowledge of the Corporation has been furnished by the respective Nominees individually.
3. Member of the Audit Committee. The Corporation does not have an Executive Committee.
4. Includes 25,000,000 Common Shares owned by Konstantine Resources Inc., a corporation controlled by Mr. Ekon.

IF ANY OF THE ABOVE NOMINEES IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THEIR SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

None of the Nominees is as at the date of the 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 any personal holding company of such director, chief executive officer or chief financial officer, that was subject to an order that was issued while that person was acting in that capacity, or was subject to an order, that was issued after the director or executive officer 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 such capacity.

None of the Nominees 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 any personal holding company of such director or executive officer, 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 the assets of such company.

No Nominee 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 such individual.

No Nominee has been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Reappointment of Auditors

The Corporation's auditors, Schwartz Levitsky Feldman LLP Chartered Accountants, were first appointed as independent auditors of the Corporation on April 30, 2011.

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the reappointment of Schwartz Levitsky Feldman LLP, Chartered Accountants, Toronto, Ontario, as auditors of the Corporation for the year ending December 31, 2013, and to authorize the directors to fix their remuneration.

SPECIAL BUSINESS

Ratification of New Stock Option Plan

At the Meeting shareholders will be asked to consider ratifying a new stock option plan (the “**2013 Option Plan**”) for directors, officers, employees and other service providers of the Corporation, a copy of which is attached at Schedule A to this Circular. The Board of Directors adopted the 2013 Option Plan on July 15, 2013, which is substantially similar to the previous option plan but incorporates a number of new regulatory requirements relating to incentive stock option plans. The 2013 Option Plan replaces and supersedes all prior option plans of the Corporation. The following summary of the 2013 Option Plan is qualified in its entirety by reference to the full 2013 Option Plan attached as Schedule A to this Circular.

The number of Common Shares reserved for issue under the 2013 Option Plan may not exceed 10% of the issued and outstanding capital of the Corporation at any given time. The options granted under the 2013 Option Plan are non-assignable (other than in the event of death to an option holder) and may be granted for a term not exceeding ten years. Options may be granted under the 2013 Option Plan only to directors, senior officers, or employees of the Corporation and any of its subsidiaries or consultants or persons who are employees of companies providing management services (other than investor relations services) to the Corporation or any of its subsidiaries. Except as otherwise agreed by the administrators the 2013 Option Plan, during the time that the shares of the Corporation are listed and posted for trading on the TSX Venture Exchange (“**TSXV**”), the exercise price of options issued under the 2013 Option Plan may not be less than the Discounted Market Price of the Common Shares (as defined in TSXV policies) at the time the option is granted. The 2013 Option Plan contains the following restrictions as to insider and individual eligibility thereunder: (i) the aggregate number of Common Shares reserved for issuance at any time to any one eligible person shall not exceed 5% of the number of Common Shares outstanding on a non-diluted basis at such time, less the total of all Common Shares reserved for issuance to such eligible person pursuant to any other share compensation arrangement of the Corporation or its Affiliates (collectively, the “**Corporate Group**”); (ii) the aggregate number of Common Shares issuable (or reserved for issuance) to Insiders of the Corporate Group under the 2013 Option Plan or any other share compensation arrangement of the Corporate Group, cannot at any time exceed 10% of the issued and outstanding Common Shares of the Corporation; (iii) the aggregate number of Common Shares issued to insiders of the Corporate Group under the 2013 Option Plan or any other share compensation arrangement of the Corporate Group, within a one-year period, cannot exceed 10% of the issued and outstanding Common Shares; and (iv) the aggregate number of Common Shares issued to any one consultant or to all persons conducting Investor Relations Activities (as defined in TSXV policies) under the 2013 Option Plan within a one-year period cannot, for each consultant and for all persons conducting Investor Relations Activities in the aggregate, exceed 2% of the issued and outstanding Common Shares. In the event of termination for cause or the participant voluntarily ceasing to be an eligible participant in the 2013 Option Plan, the right to exercise any vested options shall immediately cease. In the event of termination without cause or death, vested options may only be exercised by a participant prior to the earlier of: (i) the original expiry time; and (ii) the expiry time on the date that is: (a) 90 days following the termination date; or (b) 30 days following the termination if the participant was engaged in Investor Relation Activities; or (c) one year from the date of death in the case of death.

At the Meeting, shareholders will be asked to consider, and if thought fit, approve an ordinary resolution (substantially in the form below (the “**Option Plan Resolution**”) to ratify, confirm and approve the 2013 Option Plan. To be approved, the resolution must be passed by a majority of the votes cast at the Meeting.

IT IS INTENDED THAT THE SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION.

BE IT RESOLVED as an ordinary resolution of shareholders that:

1. all previous stock option plans of the Corporation are hereby terminated;
2. subject to approval of the TSX Venture Exchange, a new stock option plan (the “**2013 Plan**”) substantially in the form attached hereto as Schedule A to the management information circular of the Corporation dated July 15, 2013 and subject to any amendments as may be required by the TSX Venture Exchange to comply with their policies, be authorized and approved as the stock option plan

of the Corporation;

3. the number of common shares of the Corporation issuable pursuant to the 2013 Plan be set at 10% of the total number of common shares of the Corporation issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies;
4. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing resolutions; and
5. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the directors are hereby authorized in their sole discretion to revoke this resolution before it is acted on without further approval of the shareholders of the Corporation.

Name Change

The Corporation is proposing to change its name to “Mezzotin Minerals Inc.” or such other name as shall be acceptable to the Board of Directors of the Corporation and applicable regulatory authorities, to better reflect the Corporation's business activities and better link the Corporation with its operating subsidiary which uses the same descriptive name “Mezzotin”.

The Board of Directors of the Corporation recommends that shareholders vote for the adoption of the special resolution set out below (the “**Name Change Resolution**”). In order to be effective, the Name Change Resolution must be approved by the affirmative vote of not less than 66 2/3% of the votes cast at the Meeting in respect of such special resolution. **Proxies received in favour of management will be voted FOR the approval of the Name Change Resolution to authorize the board of directors to amend the articles of the Corporation to effect the name change, unless the shareholder has specified in the proxy that their Shares are to be voted against such resolution.**

The Name Change Resolution authorizing the name change will empower the directors of the Corporation to revoke the resolution, without further approval of the shareholders, at any time prior to the issue of a certificate of amendment giving effect thereto.

“**BE IT RESOLVED**, as a special resolution of the shareholders of the Corporation, that:

1. Zoolander Corporation (the “Corporation”) is hereby authorized to file articles of amendment with the Ontario Ministry of Government and Consumer Services to amend the articles of the Corporation to change the name of the Corporation to “Mezzotin Minerals Inc.” or such other name as may be acceptable to the directors of the Corporation and applicable regulatory authorities;
2. any one director or officer of the Corporation be and they are hereby authorized, for and on behalf of the Corporation, to execute and deliver articles of amendment, in duplicate, to the Director under the *Business Corporations Act* (Ontario) and all documents and instruments and take such other actions as such director or officer may determine to be necessary or desirable to implement this special

resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions; and

3. notwithstanding that this special resolution has been duly passed by shareholders of the Corporation, the directors are hereby authorized in their sole discretion to revoke this special resolution before it is acted on without further approval of the shareholders.

IT IS INTENDED THAT THE SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION.

Ratification of New General By-Law

The Corporation's By-Law No. 1, relating generally to the conduct of the affairs of the Corporation, was originally enacted on October 28, 1995. In order to conform the Corporation's by-laws to its current obligations as a public company and other revisions which are contained in the OBCA, the Board determined that it is in the best interest of the Corporation to enact new by-laws and on July 15, 2013, the Board repealed the existing By-Law No. 1 of the Corporation and adopted a new By-Law No. 1 ("**New By-Law No. 1**"), attached hereto as Schedule A to this Circular. In large measure, New By-Law No. 1 reflects requirements of the OBCA to which the Corporation is already subject. New By-Law No. 1 is currently effective but is subject to confirmation by the Shareholders at the Meeting.

Among other things, New By-law No. 1:

- Updates the residency qualifications of directors and members of committees to be consistent with the requirements under the OBCA.
- Includes a provision that requires advance notice to the Corporation in circumstances where nominations of persons for election to the board of directors are made by shareholders of the Corporation other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the OBCA, or (ii) a shareholder proposal made pursuant to the provisions of the OBCA (the "**Advance Notice Provision**").
- Includes limits on the liability of directors and officers consistent with the OBCA and updates the Corporation's indemnity obligations to directors and officers.

Among other things, the Advance Notice Provision fixes a deadline by which holders of record of Common Shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 nor more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Advance Notice Provision provides a clear process for shareholders to follow to nominate directors and sets out a reasonable time frame for nominee submissions along with a requirement for accompanying information. The purpose of the Advance Notice Provision is to treat all shareholders fairly by ensuring that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provision should assist in facilitating an orderly and efficient meeting process.

The above is a partial review of the provisions contained in the New By-Law No. 1. Shareholders are urged to review the New By-Law No. 1 in its entirety, attached hereto as Schedule B to this Circular. New By-Law No. 1 was approved by the Board of Directors on July 15, 2013 and is in effect until it is confirmed, confirmed as amended or rejected by shareholders at the Meeting, and if confirmed or confirmed as amended, the New By-Law No. 1 will continue in effect in the form in which they were so confirmed. If shareholders reject the confirmation of New By-Law No. 1, the former By-Law No. 1 will become effective again, as of the date of the Meeting (and not retroactively).

The Board of Directors recommends that the shareholders vote **FOR** the following resolution. To become effective, the resolution must be passed by shareholders, with or without amendment, by the affirmative vote of at least a simple majority of the votes cast at the Meeting, or any adjournment thereof.

“BE IT RESOLVED, as an ordinary resolution of the shareholders of the Corporation, that:

1. New By-Law No. 1 substantially in the form attached as Schedule B to the Corporation’s management proxy circular dated July 15, 2013 is hereby approved, ratified and confirmed as a by-law of the Corporation; and
2. any director or officer of the Corporation be and he or she 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 or things as he or she may determine to be necessary or advisable to give effect to the new By-Law No. 1 and to the intent of the above paragraph of this resolution and to all authorized matters.”

IT IS INTENDED THAT THE SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION.

Ratification of Past Acts

As a result of the changes in management of the Corporation over the past year, to ensure that the actions of prior directors and officers are effective and not defeated by any technical deficiencies, management of the Corporation believes that it would be appropriate for shareholders to approve, ratify, and confirm all acts, proceedings, contracts, appointments, elections, payments and by-laws, done, instituted, made and enacted by the directors and officers of the Corporation since the date of incorporation (October 28, 2005) to the date of the Meeting, as disclosed or referred to in the minute books and records of the Corporation, in information disseminated by the Corporation to its shareholders or in the financial statements of the Corporation

or otherwise properly enacted, passed, made done or taken.

At the Meeting, shareholders will also be asked to approve an ordinary resolution ("**Ratification Resolution**") approving, ratifying and confirming past acts of the directors and officers. To approve the Ratification Resolution, a majority of not less than one-half or 50% of the votes cast by the shareholders of the Corporation, whether in person or by proxy, must be voted in favour of it. The full text of the Ratification Resolution is set out below.

BE IT RESOLVED as an ordinary resolution of the shareholders of the Corporation, that:

1. notwithstanding (i) any failure to properly convene, constitute, proceed with, hold or record any meeting of the board of directors or shareholders of the Corporation for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with a notice of a meeting, have a quorum present at a meeting, or sign the minutes of a meeting; or (ii) any failure to pass any resolution of the directors or shareholders of the Corporation or any by-law of the Corporation for any reason whatsoever, all by-laws, approvals, appointments, elections, resolutions, contracts, acts and proceedings, enacted, passed, made, done or taken since the date of incorporation of the Corporation as set forth or referred to in the minutes and record book of the Corporation, or in the financial statements of the Corporation, and all actions hereto taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, confirmed and approved; and
2. without limiting the generality of paragraph 1 above, all by-laws, resolutions, contracts, acts and proceedings of the board of directors of the Corporation enacted, passed, made, done or taken since the date of incorporation of the Corporation as set forth or referred to in the minutes or resolutions of the board of directors in the minute and record book of the Corporation or in the financial statements of the Corporation are hereby approved, ratified and confirmed.

IT IS INTENDED THAT THE SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ABOVE RESOLUTION.

* * * * *

Audit Committee and Relationship with Auditor

The Audit Committee is responsible for monitoring the Corporation's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Corporation's external auditors. The committee is also responsible for reviewing the Corporation's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the full board of directors.

The Audit Committee's charter sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the board of directors. A copy of the audit committee charter can be found at Schedule "A" to the management information circular of the Corporation dated September 17, 2012 filed on SEDAR at www.sedar.com or can be obtained by a shareholder upon request without charge from the Corporation at Suite 1600, 150 York Street, Toronto, Ontario M5H 3S5, telephone no. (416) 496-3077 or fax no. (416) 496-3839.

The Audit Committee is comprised of Mr. Shawn Mace (Chair), Mr. Paul Ekon and Ms. Christine He. Mr. Mace and Ms. He are considered to be "independent" for service on the audit committee within the meaning of that term in National Instrument 52-110 *Audit Committees* ("NI 52-110"). Mr. Ekon is not considered to be independent by virtue of serving as President & Chief Executive Officer of the Corporation. All members of the audit committee are considered to be "financially literate" within the meaning of that term in NI 52-110.

Relevant Education and Experience

Set out below is a description of the education and experience of each of the Corporation's audit committee members, which is relevant to the performance of his responsibilities as an audit committee member.

Mr. Shawn Mace – Mr. Mace is the owner and Director of Intrax (Pty) Ltd, a company that operates in Africa selling large format digital printers, ink, consumables and a range of PVC substrates as well as offering brand design, re-imaging and re-branding services. Intrax operates in Zambia, Tanzania, Uganda, Kenya, Namibia, Ivory Coast, Nigeria, Ghana, Algeria, Tunisia and Morocco. Intrax has successfully rolled out campaigns in Africa for companies such as Coke, Heineken, MTN, Vodacom, Cell C, Mobil, and Johnny Walker. Mr. Mace's presence in Africa and his various contacts give him access to many opportunities in industries ranging from mining to telecom. Mr. Mace studied law at the University of Stellenbosch.

Mr. Paul Ekon – Mr. Ekon is currently self-employed focusing on investing in mineral assets in Africa. Mr. Ekon has a long family pedigree in the mining sector, with over thirty years of international mining deal flow, structuring and finance experience.

Ms. Christine He – Ms. He currently serves as Deputy General Manager of CRI – Eagle Investments (PTY) Ltd., a private investment and property development company located in South Africa. She has previously been self-employed in the property development business and holds a bachelor degree in literature and business.

Pre-Approval Policies and Procedures

The Audit Committee's charter sets out responsibilities regarding the provision of non-audit services by the Corporation's external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor's independence and requires Audit Committee pre-approval of permitted audit and audit-related services.

External Auditor Service Fees

Audit Fees

The aggregate audit fees billed by the Corporation's external auditors for the year ended December 31, 2012 were \$27,000 (December 31, 2011 –\$22,500). The audit fees relate to the audit of financial statements.

Audited-Related Fees

There were no other audit-related fees billed by the Corporation's external auditors for the years ended December 31, 2012 and 2011.

Tax Fees

There were no tax fees in respect of tax compliance, tax advice and tax planning billed by the Corporation's external auditors for the years ended December 31, 2012 and 2011.

All Other Fees

There were no other fees billed by the Corporation's external auditors for the years ended December 31, 2012 and 2011.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of its reporting obligations under NI 52-110 for the year ended December 31, 2012. This exemption exempts a "venture issuer" from the requirement for all members of its audit committee to be independent, as would otherwise be required by NI 52-110.

Corporate Governance

General

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose annually the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The board of directors of the Corporation believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA has implemented Form 58-101F2 under NP 58-101 which prescribes the disclosure required to be made by the Corporation about its corporate governance practices. This section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the board, be reasonably expected to interfere with the exercise of a director's independent judgment.

Management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Corporation's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its audit committee, the board examines the effectiveness of the Corporation's internal control processes and management information systems. With the assistance of its compensation committee, the board reviews executive compensation and recommends stock option grants.

The independent members of the board currently are currently Shawn Mace, Christine He and Jason Chen. The sole non-independent director is Paul Ekon by virtue of his present service as an executive officer of the Corporation. A majority of the board is therefore independent.

Directorships

None of the directors currently serve as directors of any other company that is a reporting issuer or equivalent in any Canadian or foreign jurisdiction.

Orientation and Continuing Education

The board does not have a formal orientation or education program for its members. The board's continuing education is typically derived from information provided by the Corporation's legal counsel on recent developments in relevant corporate and securities' law matters. Additionally, historically board members have been nominated who are familiar with the Corporation and the nature of its business.

Ethical Business Conduct

The board is currently reviewing a formal code of business conduct for adoption. At this time however, the board has not adopted specific guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct. The board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of

the board in which the director has an interest have been sufficient to ensure that the board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The Corporation does not have a nominating committee. Prior to standing for election, new nominees to the board are reviewed by the entire board.

Compensation

Non-executive directors of the Corporation do not receive any fees for service on the board but are entitled to reimbursement of out-of-pocket expenses incurred in connection with their duties and are eligible to participate in the Corporation's stock option plan.

Other Board Committees

The Corporation has no board committees other than the audit committee.

Assessments

Currently the board takes responsibility for monitoring and assessing its effectiveness as a whole, and the performance of its committees and individual directors, including reviewing the board's decision-making processes and the quality of information provided by management.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table details the number of securities to be issued upon the exercise of outstanding stock options under the Corporation's stock option plan. The Corporation does not have any other equity compensation plan.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted –average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Plan Category			
Equity compensation plans approved by securityholders ⁽¹⁾	Nil	N/A	4,897,910
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	Nil	N/A	4,897,910

(1) Stock Option Plan. See "Stock Option Plan" for a description of the Plan.

Additional Information and Availability of Documents

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Financial information is provided in the Corporation's financial statements for its most recently completed financial year. Copies of the following documents are available without charge to shareholders upon written request to the Chief Financial Officer of the Corporation at Suite 1600, 150 York Street, Toronto, Ontario M5H 3S5:

1. the consolidated financial statements for the year ended December 31, 2012, together with the accompanying report of the auditor; and
2. this Circular.

* * * * *

The contents and sending of this Circular have been approved by the board of directors of the Corporation.

DATED as of the 15th day of July, 2013.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Lawrence Schreiner"

Lawrence Schreiner
Chief Financial Officer

SCHEDULE “A”

ZOOLANDER CORPORATION SHARE OPTION PLAN

1. Interpretation

In this Plan, the following terms shall have the following meanings:

- (a) “**Administrators**” means the Board or such other persons as may be designated by the Board from time to time;
- (b) “**Affiliate**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario);
- (c) “**Associate**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario);
- (d) “**Board**” means the Board of Directors of the Corporation;
- (e) “**Black Out Period**” means the period during which the directors, officers and other employees of the Corporation or its Subsidiaries cannot trade the Shares pursuant to the Corporation or its Subsidiaries’ policy respecting restrictions on trading which is in effect at such time;
- (f) “**Control**” means, in relation to a company, a company whose voting securities of the first-mentioned company carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of another person or company or by or for the benefit of the other companies, or the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of the first-mentioned company,
and “**Controlled**” shall have a corresponding meaning;
- (g) “**Corporation**” means Zoolander Corporation and its successors;
- (h) “**Common Shares**” means common shares in the capital of the Corporation;
- (i) “**Consultant**” has the meaning ascribed thereto in Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, in the Exchange Policies of such other Exchange on which the Common Shares are then listed and posted for trading;
- (j) “**Eligible Person**” means any director, senior officer or Employee of the Corporation or any of its Subsidiaries or a Consultant or Management Company Employee, in each case as determined by the Administrators from time to time;
- (k) “**Employee**” has the meaning ascribed thereto in Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, in the Exchange Policies of such other Exchange on which the Common Shares are then listed and posted for trading;

- (l) **“Event of No Fault Termination”** means the termination of employment of the Participant with the Corporation or a Subsidiary of the Corporation:
 - (i) without cause; or
 - (ii) on the death of the Participant;
- (m) **“Event of Termination”** means:
 - (i) the termination of employment with cause of the Participant with the Corporation or a Subsidiary of the Corporation (excluding, for greater certainty, termination of employment arising from the death of the Participant);
 - (ii) the voluntary termination of employment of the Participant, retirement, resignation or leaving of employment with the Corporation or a Subsidiary of the Corporation (except on death, and except for the purpose of entering into employment with the Corporation or a Subsidiary of the Corporation); or
 - (iii) a Participant who is not an Employee of the Corporation ceasing to be a director or officer of, or advisor or Consultant to, the Corporation or any Subsidiary of the Corporation;
- (n) **“Exchange”** means the TSXV or, if the Common Shares are not then listed and posted for trading on the TSXV, in the Exchange Policies of such other Exchange on which the Common Shares are then listed and posted for trading;
- (o) **“Exchange Policies”** means the policies of the TSXV set forth in the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, the policies of such other Exchange on which the Common Shares are then listed and posted for trading;
- (p) **“Expiry Time”** means 4:00 p.m. (Toronto time) on the applicable day;
- (q) **“Insider”** has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, in the *Securities Act* (Ontario);
- (r) **“Investor Relations Activities”** has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, in the Exchange Policies of such other Exchange on which the Common Shares are then listed and posted for trading;
- (s) **“Management Company Employee”** has the meaning ascribed thereto in Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual or, if the Common Shares are not then listed and posted for trading on the TSXV, in the Exchange Policies of such other Exchange on which the Common Shares are then listed and posted for trading;
- (t) **“Market Price”** means the volume weighted average trading price of the Common Shares on the Exchange for the five (5) trading days immediately preceding the date of the grant;
- (u) **“Option”** means an option granted to a Participant hereunder the Plan to purchase Shares;
- (v) **“Optioned Shares”** means the Shares issuable pursuant to an exercise of Options;

- (w) “**Participant**” means such Eligible Persons or certain corporations controlled by such individuals or family trusts as determined by the Administrators from time to time who are granted or who hold Options to purchase Shares pursuant to the Plan;
- (x) “**Person**” includes an individual, partnership, unincorporated association, organization, syndicate, body corporate, joint venture, trust and a trustee, executor, administrator or other legal or personal representative, the Crown and any other entity recognized by law;
- (y) “**Plan**” means this Share Option Plan, as it may be amended from time to time;
- (z) “**Shares**” means the Common Shares, or such other class of voting and fully participating shares as may be agreed to by the Board or the Administrators;
- (aa) “**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (Ontario);
- (bb) “**TSXV**” means the TSX Venture Exchange;
- (cc) “**Unvested Options**” means Options that have not yet become exercisable by a Participant to purchase Shares;
- (dd) “**Vested Options**” means Options that have become exercisable by a Participant to purchase Shares; and
- (ee) “**Voting Shares**” means the Common Shares and such other class or classes of Shares of the Corporation that have the right to vote at a meeting of shareholders of the Corporation.

2. Purpose

The purpose of the Plan is to advance the interests of the Corporation and its shareholders by:

- (i) providing to the directors, senior officers and Employees of, and advisors and Consultants to, the Corporation and its Subsidiaries a performance incentive for continued and improved service with the Corporation and its Subsidiaries; (ii) enhancing such persons’ contribution to the future success of the Corporation by encouraging capital accumulation and share ownership; and (iii) increasing the ability of the Corporation and its Subsidiaries to attract, motivate and retain such persons as well as new directors, officers, Employees, advisors and Consultants.

3. Shares Subject to the Plan

- (a) The shares subject to the Plan shall be the Shares.
- (b) Options may be granted for authorized and unissued Shares, provided that,
 - (i) the aggregate number of Shares reserved for issuance upon the exercise of all Options granted under the Plan shall not exceed 10% of the issued and outstanding Shares in the capital of the Corporation;
 - (ii) the aggregate number of Shares reserved for issuance at any time to any one Eligible Person shall not exceed 5% of the number of Shares outstanding on a non-diluted basis at such time, less the total of all Shares reserved for issuance to such Eligible Person pursuant to any other share compensation arrangement of the Corporation or its Affiliates (collectively, the “**Corporate Group**”);

- (iii) the aggregate number of Shares issuable (or reserved for issuance) to Insiders of the Corporate Group under the Plan or any other share compensation arrangement of the Corporate Group, cannot at any time exceed 10% of the issued and outstanding Shares of the Corporation;
 - (iv) the aggregate number of Shares issued to Insiders of the Corporate Group under the Plan or any other share compensation arrangement of the Corporate Group, within a one-year period, cannot exceed 10% of the issued and outstanding Shares; and
 - (v) the aggregate number of Shares issued to any one Consultant or to all persons conducting Investor Relations Activities under the Plan within a one-year period cannot, for each Consultant and for all persons conducting Investor Relations Activities in the aggregate, exceed 2% of the issued and outstanding Shares.
- (c) Optioned Shares that are cancelled or not purchased as a result of Options having terminated or expired, for any reason, without being fully exercised shall not be counted for purposes of Section 3(b) and shall be available for subsequent Options. No fractional Shares may be purchased or issued under the Plan.
 - (d) Options issued or granted to persons conducting Investor Relations Activities must vest in stages over 12 months with no more than 25% of the Options vesting in any three-month period.
 - (e) All Options granted pursuant to this Plan shall be subject to the Exchange Policies.

4. Administration of the Plan

- (a) The Plan shall be administered by the Administrators. Subject to the provisions hereof and the Administrators' duty to act without unfair prejudice or oppressiveness to a Participant or holder of Options under the Plan, the Administrators shall have full and final power and authority to:
 - (i) adopt policies, rules and regulations and prescribe forms and procedures for implementing the Plan;
 - (ii) determine the eligibility of persons to participate in the Plan, when Options to eligible persons shall be granted, the number of Shares subject to each Option and the vesting period for each Option;
 - (iii) interpret and construe the provisions of the Plan;
 - (iv) subject to regulatory requirements (including, without limitation, shareholder approval if required by the Exchange), prescribe, amend, rescind, make exceptions and waive to the Plan and its rules and regulations in circumstances which they determine to be exceptional; and
 - (v) take such other steps as they determine to be necessary or desirable to give effect to the Plan.
- (b) All decisions and interpretations of the Board respecting the Plan and all Options granted hereunder shall be conclusive and binding on the Corporation and the Participants and their respective legal personal representatives.

5. Option Agreement

All Options granted hereunder shall be evidenced by an agreement between the Corporation and the Participant substantially in the form of the attached Schedule 1.

6. Grant of Options

Subject to the terms of the Plan, the Administrators may, from time to time, grant Options to Participants to purchase that number of Shares on such terms, conditions and limitations that the Administrators, in their sole and absolute discretion, determine. Notwithstanding the foregoing, the Corporation cannot grant Options unless and until the Options have been allocated to a particular Eligible Person or Eligible Persons.

7. Grants to Employees, Consultants or Management Company Employees

If Options are granted to a Participant who is an Employee, Consultant or Management Company Employee, the Corporation shall represent that such Participant is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be, and is otherwise eligible to participate under the Plan, at the time such Options are granted.

8. Exercise Price

Except as otherwise agreed by the Administrators, the exercise price per Share of each Option shall be no lower than: (i) if the Common Shares are then listed and posted for trading on the TSXV, the Discounted Market Price (as determined under the Exchange Policies); or (ii) if the foregoing clause (i) were not applicable, the Market Price, per Share on the date that the grant of the Option is approved. In all cases, (A) the exercise price per Share shall not be less than that permitted under the applicable Exchange Policies at such time, (B) the exercise price must be paid for in cash and (C) a minimum exercise price cannot be established unless the Options are allocated to particular Eligible Person or Eligible Persons.

9. Term of Option

The term of each Option shall be determined by the Administrators, provided that no Option shall be exercisable after ten years from the date on which it is granted. Each Option and all rights thereunder shall expire at the Expiry Time, subject to earlier termination in accordance with the Plan (including, without limitation, Sections 12, 13 and 18 hereof).

10. Black Out Period Extension

Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, the expiry date of such Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes (other than Section 9) under the Plan. Notwithstanding any other provision continued herein, the ten business day period referred to in this Section 10 may not be extended by the Board or the Administrators.

11. Vesting

Except as otherwise provided herein (including, without limitation, Sections 3(d), 12 and 19 hereof), the Shares subject to each Option shall become available for purchase by the Participant on the date or dates determined by the Administrators when the Option is granted.

12. Change of Control

If an offer is made to purchase outstanding voting Shares of the Corporation and it is accepted by a sufficient number of holders of such Shares to constitute the offeror a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attached to the outstanding voting Shares (provided that prior to the offer, the offeror was not entitled to exercise more than 50% of the voting rights attached to the outstanding voting Shares) or if there is a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the voting Shares of the consolidated, merged or amalgamated corporation, including a sale whereby all or substantially all of the Corporation's undertakings and assets become the property of any other corporation, then a Participant shall be entitled to exercise his or her Option with respect to all of the Shares subject to the Option and not yet purchased thereunder, notwithstanding any determination by the Administrators pursuant to Section 10 hereof with respect to the Option.

In addition, if an offer is made to purchase 50% or more of the outstanding voting Shares of the Corporation, a Participant shall be entitled to exercise his or her Option with respect to all of the Shares subject to the Option and not yet purchased thereunder and tender such Shares into such offer, conditional upon the take-up of Shares under such offer.

If the Shares are not taken up under such offer, the Option shall remain outstanding on the same terms and conditions and any funds tendered on the conditional exercise of the Option shall be returned to the Participant forthwith.

13. Acceleration on Transaction with Third Party

Notwithstanding anything else contained herein, the Administrators may, in connection with any transaction involving the Corporation or its shareholders (including, without limitation, an offering of securities), determine to accelerate the vesting of all issued and outstanding Options to render the Shares subject to the Option to become immediately available for purchase by the Participant, and to determine that the Options shall terminate no less than ten (10) business days following such date of vesting.

14. Option Confirmation

Upon the grant of each Option, a stock option confirmation, substantially in the form of Schedule 2, shall be delivered by the Administrators to the Participant in question.

15. Exercise of Option

- (a) Except as set forth in Section 18 or as otherwise determined by the Administrators, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, senior officer, Employee, advisor or Consultant of the Corporation or its Subsidiaries,

- (b) Subject to this Section 15 and any provisions of this Plan that accelerate or affect vesting, an Option may be exercised at any time, or from time to time, during its term as to some or all of the number of whole Shares that are then available for purchase. A Participant electing to exercise an Option shall give written notice of the election to the Administrators, substantially in the form of Schedule 3 or in any other form acceptable to the Administrators, and the full aggregate amount to be paid for the Shares to be acquired pursuant to the exercise of an Option shall accompany the written notice.
- (c) Upon actual receipt by the Administrators of written notice and a wire transfer, certified cheque or bank draft for the full aggregate exercise price, the appropriate number of Optioned Shares shall be issued and registered in the name of the Participant exercising the Option and the Corporation shall use reasonable efforts to deliver, or cause the registrar and transfer agent of the Optioned Shares to deliver, to the Participant (or as otherwise directed by the Participant) a certificate representing such Optioned Shares.

16. Certain Adjustments

Appropriate adjustments, as regards Options granted or to be granted, in the number of Shares that are available for purchase and/or in the purchase price for such Shares under the Plan and to the maximum number of Shares available for issuance under the Plan shall be made by the Administrators, acting reasonably, to give effect to the number of Shares of the Corporation resulting from subdivisions, consolidations or reclassifications of the Shares, the payment of stock dividends by the Corporation (other than cash dividends) or other changes in the capital stock of the Corporation that the Administrators may, in their discretion, consider relevant for purposes of ensuring that the rights of the Participants are not prejudiced thereby (including amalgamations, mergers, reorganizations, liquidations and similar material transactions).

17. Shareholder Approval

- (a) In the event that the Administrators seek a reduction in the exercise price per Share of any Options where the recipient of the Options is an Insider of the Corporation at the time of the proposed reduction, the Corporation will obtain disinterested shareholder approval in respect of such reduction prior to such reduction taking force and effect
- (b) In addition, so long as the Plan remains a rolling stock option plan, the Plan must receive shareholder approval yearly at the Corporation's annual general meeting of shareholders.

18. Effect of Termination on Participation in the Plan

- (a) Upon the occurrence of an Event of Termination, the right of the relevant Participant to exercise Vested Options shall cease immediately without taking into account any notice or severance period to which the Participant may be entitled whether by contract or at law.
- (b) Upon the occurrence of an Event of No Fault Termination, the Vested Options granted to the relevant Participant may be exercised only before the earlier of the following:
 - (i) the Expiry Time on the expiry date of the Vested Option; and
 - (ii) the Expiry Time on the date that is:

- (1) 90 days following the date of the Event of No Fault Termination (which date shall be calculated without reference to any notice or severance period to which the Participant may be entitled whether by contract or at law);
 - (2) 30 days following the date of the Event of No Fault Termination (which date shall be calculated without reference to any notice or severance period to which the Participant may be entitled whether by contract or at law) if the Participant was engaged in Investor Relations Activities; or
 - (3) one calendar year from the date of the Event of No Fault Termination if the Event of No Fault Termination is the death of the Participant.
- (c) Upon the occurrence of an Event of Termination or Event of No Fault Termination, all Unvested Options granted to the relevant Participant shall terminate immediately.

19. Transferability

- (a) The interest of any Participant in the Plan (including, without limitation, in respect of Options granted hereunder and the Shares underlying any such granted Options) is personal to the Participant, and except as expressly provided for in this Section 19 with respect to a Participant's death, may not be assigned or transferred and may not be made subject to execution, attachment or similar process otherwise than by will or by the laws of descent and distribution.
- (b) Options may be exercised by the Participant, Trust or Personal Holding Corporation and, upon the Participant's death, the legal representative of his or her estate or any other person who acquires his or her rights in respect of an Option by bequest or inheritance.
- (c) A person exercising an Option may subscribe for Shares only in his or her own name, on behalf of a Trust established for his or her sole benefit, in the name of his or her Personal Holding Corporation or in his or her capacity as a legal representative.

20. Amendments to and Administration of the Plan

- (a) The provisions of this Plan (including without limitation, the form of certificate evidencing the Options or any instrument to be executed pursuant to the Plan) may be amended at any time and from time to time without the consent of the Participants or other Eligible Persons upon the approval of the Administrators, in its sole and absolute discretion, including, without limitation, as follows:
 - (i) amendments of a "housekeeping" nature, including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the Plan, or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
 - (ii) amendments necessary to comply with the provisions of applicable law or the applicable Exchange Policies;
 - (iii) amendments to the vesting provisions of any Option (provided that, for greater certainty, for Options issued or granted to persons conducting Investor Relations Activities, subject to the Exchange Policies, the vesting restrictions for such Options prescribed in Section 3(d) may not be so amended);

- (iv) amendments to the termination provisions of any Option that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of Section 10);
- (v) amendments to add a form of financial assistance and any amendment to a financial assistance provision that is adopted;
- (vi) amendments to the definition of Eligible Persons or otherwise relating to the eligibility of any Participant;
- (vii) amendments respecting the administration of the Plan;
- (viii) amendments necessary to suspend or terminate the Plan; and
- (ix) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable Exchange Policies,

provided however, that the Administrators will not, without the approval of the shareholders of the Corporation, amend the Plan in any manner that requires shareholder approval, and no amendment to the Plan may be made without: (i) obtaining the consent of the Participant if such amendment would adversely alter or impair the existing rights of such Participant in respect of Options granted to, or Shares that have been acquired under the Plan prior to the date of such amendment by, such Participant; and (ii) if applicable, obtaining any required regulatory approval to such amendment.

- (b) The Plan, as amended, shall govern the rights and obligations of the Corporation and the Participants with respect to all then outstanding Options.

21. Termination of Plan

The Administrators may suspend, discontinue or terminate this Plan at any time without the consent of the Participants or other Eligible Persons, in the Administrators sole and absolute discretion. If the Plan is so suspended, discontinued or terminated, no further Options shall be granted, but the Options then outstanding shall continue in full force and effect in accordance with the provisions of this Plan.

22. Compliance with Statutes and Regulations

- (a) The granting of Options and the sale and delivery of Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and applicable stock exchanges, including without limitation, statutory “hold” periods for the distribution of securities pursuant to applicable securities laws. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the granting of an Option or the issue or purchase of Shares under an Option, that Option may not be exercised in whole or in part unless that action shall have been completed in a manner satisfactory to the Administrators.
- (b) Notwithstanding the generality of Section 22(a), in addition to any statutory “hold” periods for the distribution of securities pursuant to applicable securities laws, all Options issued to Insiders are subject to a four-month resale restriction imposed by the TSXV.
- (c) Other than the grant of Options to Employees or Consultants who are not directors or officers of the Corporation or performing Investor Relations Activities (unless such grant otherwise constitutes Material information under applicable securities laws), the grant of

Options must be disclosed to the public on the day the Option is granted. The press release for such disclosure should include the terms of the Option and any subsequent approvals that may be required.

23. Right to Employment or Other Relationship

Nothing in the Plan or any Option (including, without limitation, the selection of any person as a Participant and the granting of any Option) shall: (A) confer upon any person any right to continue as a director, officer, Employee, advisor, Consultant or otherwise in the employ of the Corporation or any Subsidiary thereof; (B) be construed, interpreted or otherwise deemed to be a guarantee of any such right; or (C) affect in any way the right of the Corporation or any Subsidiary thereof to discharge, terminate or otherwise cease his or her employment or relationship with the Corporation or any Subsidiary, as the case may be, at any time for any reason whatsoever, with or without cause.

24. Application of Policies

Notwithstanding any other provision of the Plan, each Participant shall be subject to the terms and restrictions contained in the Corporation's policies on trading of securities of the Corporation, including without limitation, any applicable Black Out Periods, as same may be amended, modified, supplemented, replaced or restated from time to time, in connection with any withdrawal, sale, disposition or other transfer of Shares under the Plan.

25. Rights of Participants

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation or any of its Subsidiaries in respect of any Shares issuable upon exercise of any such Option until such Shares have been paid for in full and issued to such person in accordance with the Plan. Participation in the Plan by a Participant shall be voluntary.

26. Rights to Issue Other Securities

The Corporation shall not by virtue of this Plan or any Options be in any way restricted from declaring and paying stock dividends, issuing further Shares or other securities, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

27. No Liability

None of the Corporation, the Administrators, any member of the Board or committee thereof, or any officer, agent, representative or advisor to the Corporation shall be liable to any Participant for any loss resulting from (1) a decline in the market value of any Shares purchased by a Participant pursuant to the Plan, (2) any change in the market price of the Shares between the date of grant and the time of purchase of the Shares pursuant to any such grant and/or (3) any exercise of discretion by the Corporation, the Administrators, the Board or any committee thereof pursuant to the terms hereof.

28. Successor Corporation

The Plan applies without any further formality or action to any corporation resulting from the amalgamation of the Corporation with one or more other corporations.

29. Currency

Unless otherwise specified, all references to amounts of money in the Plan refer to Canadian currency.

30. Governing Law

The Plan, and any and all determinations made and actions taken in connection with the Plan, shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein.

31. Subject to Approval

To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in full force and effect.

ADOPTED this _____ day of _____, .

ZOOLANDER CORPORATION

Per: _____
Authorized Signatory

SCHEDULE 1
AGREEMENT

This agreement is entered into this ● day of ●, ● between Zoolander Corporation (the “**Corporation**”) and ● (the “**Participant**”) pursuant to the share option plan (the “**Plan**”) adopted by the Corporation as of _____, 20____.

Pursuant to the Plan and in consideration of \$1.00 paid and service provided to the Corporation by the Participant, the Corporation agrees to grant options (“**Options**”) and issue Common Shares of the Corporation (the “**Shares**”) to the Participant in accordance with the terms of the Plan. The grant of the Options and the terms thereof are confirmed by the Option Confirmation attached to this agreement.

The granting and exercise of the Options and the issue of Shares are subject to the terms and conditions of the Plan, as amended from time to time, which terms and conditions are incorporated into and form an integral part of this agreement.

By executing this agreement, the Participant confirms and acknowledges that he or she has not been induced to enter into this agreement or acquire any Option by expectation of employment or continued employment with the Corporation.

This agreement shall be binding upon and enure to the benefit of the Corporation and its successors and assigns.

ZOOLANDER CORPORATION

Per: _____
Authorized Signatory

Witness

[PARTICIPANT]

SCHEDULE 2
OPTION CONFIRMATION

TO: • (the “Participant”)

Pursuant to the share option plan (the “Plan”) adopted by Zoolander Corporation (the “Corporation”) as of _____, 20____, and an agreement between the Corporation and the Participant dated _____, the Corporation confirms the grant to the Participant of the sole and exclusive right and option (the “Option”) to acquire all or any part of _____ Common Shares (the “Shares”) of the Corporation at any time and from time to time on or before 4:00 p.m. (Toronto time) on _____ at an exercise price of \$_____ per Share. The Option is non-assignable and non-transferable.

The granting and exercise of this Option are subject to the terms and conditions of the Plan. It is also a condition of this grant of the Option that the TSX Venture Exchange accepts notice of this grant.

DATED this _____ day of _____, 20●.

ZOOLANDER CORPORATION

Per: _____
Authorized Signatory

The undersigned Participant hereby acknowledges and agrees to the foregoing this _____ day of _____, 20____.

Witness

[PARTICIPANT]

SCHEDULE 3
ELECTION

TO: **ZOOLANDER CORPORATION.** (the “Corporation”)

Pursuant to the share option plan (the “**Plan**”) of the Corporation adopted as of _____, 20____, the undersigned elects to purchase _____ Common Shares (the “**Shares**”) of the Corporation which are subject to an option granted on _____, _____, and encloses a certified cheque/bank draft payable to the Corporation in the aggregate amount of \$_____, being \$_____ per Share.

The undersigned requests that the Shares be issued in his, her or its name as follows in accordance with the terms of the Plan:

(Print name as name is to appear on share certificate)

The undersigned acknowledges that he or she has not been induced to purchase the Shares by expectation of employment or continued employment with the Corporation.

DATED this _____ day of _____, 20_____.

Witness

Participant’s Signature
Print Name:

SCHEDULE "B"

BY-LAW NO. 1

A by-law relating generally to
the conduct of the affairs of

ZOOLANDER CORPORATION

CONTENTS

1. Interpretation
2. Business of the Corporation
3. Directors
4. Committees
5. Officers
6. Protection of Directors, Officers and Others
7. Shares
8. Dividends and Rights
9. Meetings of Shareholders
10. Notices
11. Electronic Documents
12. Effective Date
13. Repeal

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Zoolander Corporation (the "Corporation") as follows:

SECTION ONE INTERPRETATION

1.01 Definitions

In the by-laws of the Corporation, unless the context otherwise requires:

- (1) "Act" means the Business Corporations Act, R.S.O. 1990 c. B.16 and the regulations under the Act, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (2) "appoint" includes "elect" and vice versa;
- (3) "articles" means the articles of the Corporation as from time to time amended or restated;
- (4) "board" means the board of directors of the Corporation;
- (5) "by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

- (6) "meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders; "special meeting of shareholders" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;
- (7) "non-business day" means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Ontario);
- (8) "recorded address" means in the case of a shareholder his address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of a director, officer, auditor or member of a committee of the board his latest address as recorded in the records of the Corporation;
- (9) "*Securities Transfer Act*" means the *Securities Transfer Act* (Ontario) 2006, c.8. as amended from time to time;
- (10) "signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by paragraph 2.03 or by a resolution passed pursuant thereto;
- (11) all terms contained in the by-laws that are not otherwise defined in the by-laws and which are defined in the Act, such as "resident Canadian", shall have the meanings given to such terms in the Act; and
- (12) the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter genders; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

1.02 Conflict with Laws

In the event of any inconsistency between the by-laws and mandatory provisions of the Act or the *Securities Transfer Act*, the provisions of the Act or the *Securities Transfer Act*, as applicable, shall prevail.

SECTION TWO BUSINESS OF THE CORPORATION

2.01 Corporate Seal

The Corporation may, but need not adopt a corporate seal and if one is adopted it shall be in such form as the directors may by resolution adopt from time to time.

2.02 Financial Year

The financial year of the Corporation shall be as determined by the board from time to time.

2.03 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any two officers or directors, or a combination thereof and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board shall have power from time to time by resolution to appoint any officer or officers

or any person or persons or any legal entity on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Corporation, if any, may when required be affixed to contracts, documents and instruments in writing signed as set out above or by any officer or officers, person or persons, appointed as set out above by resolution of the board.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, movable or immovable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities and all paper writings.

The signature or signatures of the Chairman of the Board (if any), the Vice- Chairman of the Board, the President, any Executive Vice-President, or any Vice-President together with any one of the Secretary, the Treasurer, an Assistant Secretary, an Assistant Treasurer or any one of the foregoing officers together with any one director of the Corporation and/or any other officer or officers, person or persons, appointed as aforesaid by resolution of the board may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon any contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation on which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation.

2.04 Banking Arrangements

The banking business of the Corporation, or any part thereof, including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time by resolution prescribe or authorize.

2.05 Custody of Securities

All shares and securities owned by the Corporation shall be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the board, with such other depositaries or in such other manner as may be determined from time to time by resolution of the board.

All share certificates, bonds, debentures, notes or other obligations or securities belonging to the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

2.06 Voting Shares and Securities in other Companies

All of the shares or other securities carrying voting rights of any other body corporate held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such other body corporate and

in such manner and by such person or persons as the board shall from time to time by resolution determine. The proper signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the board.

SECTION THREE

DIRECTORS

3.01 Number of Directors and Quorum

The number of directors of the Corporation shall be the number of directors as specified in the articles or, where a minimum and maximum number of directors is provided for in the articles, the number of directors of the Corporation shall be the number of directors determined from time to time by special resolution or, if a special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. Subject to the Act, the quorum for the transaction of business at any meeting of the board shall be a majority of the number of directors then in office and or such greater number of directors as the board may from time to time by resolution determine.

3.02 Qualification

No person shall be qualified for election as a director if disqualified in accordance with the Act (which would currently include: a person who is less than 18 years of age; a person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere; a person who is not an individual; or a person who has the status of a bankrupt). A director need not be a shareholder. The board shall be comprised of the number of Canadian residents as may be prescribed from time to time by the Act (which is currently a minimum of 25%). If the Corporation is or becomes an offering corporation within the meaning of the Act, at least one-third of the directors of the Corporation shall not be officers or employees of the Corporation or any of its affiliates.

3.03 Election and Term

The election of directors shall take place at the first meeting of shareholders and at each succeeding annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined by special resolution or, if the special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

3.04 Advance Notice of Nominations of Directors

- (a) Subject only to the Act and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (i) by or at the direction of the board, including pursuant to a notice of meeting, (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act or (iii) by any person (a "Nominating Shareholder") (A) who, at the close of business on the date of the giving of the notice provided for below in this paragraph 3.04 and on the record date for notice of such

meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (B) who complies with the notice procedures set forth below in this paragraph 3.04.

- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation in accordance with this paragraph
- (c) To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be given (i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.
- (d) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residential address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares in the capital of the Corporation which are owned beneficially or of record by the person or under the control or direction of the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- (e) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this paragraph 3.04; provided, however, that nothing in this paragraph 3.04 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- (f) For purposes of this paragraph 3.04, (i) “public announcement” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) “Applicable Securities Laws” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (g) Notwithstanding any other provision of By-law No. 1, notice given to the Secretary of the Corporation pursuant to this paragraph 3.04 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (h) Notwithstanding the foregoing, with respect to only the first annual meeting of shareholders held after the adoption by the board of this by-law, the timely notice requirements set forth in paragraph 3.04(c) shall be varied such that a Nominating Shareholder’s notice to the Secretary of the Corporation must be given no later than the close of business on the 10th day following the first public announcement of the requirements of this paragraph 3.04. All other requirements of this paragraph 3.04 shall strictly apply to such notice and any such Nominating Shareholder.
- (i) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this paragraph 3.04.

3.05 Removal of Directors

Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a meeting specially called for such purpose remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by a quorum of the directors.

3.06 Vacation of Office

A director ceases to hold office when he dies or, subject to the Act, resigns; he is removed from office by the shareholders in accordance with the Act; he becomes of unsound mind and is so found by a court in Canada or elsewhere or if he acquires the status of a bankrupt.

3.07 Vacancies

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or maximum number of directors or from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

3.08 Action by the Board

The board shall manage or supervise the management of the business and affairs of the Corporation. Subject to paragraph 3.09, the powers of the board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

3.09 Electronic Participation

Subject to the Act, if all of the directors consent, a director may participate in a meeting of the board or a committee of the board by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other, and a director participating in a meeting by such means shall be deemed to be present at that meeting. A consent is effective whether given before or after the meeting and may be given with respect to all meetings of the board and committees of the board.

3.10 Place of Meetings

Meetings of the board may be held at any place within or outside Ontario. In any financial year of the Corporation a majority of the meetings of the board need not be held within Canada.

3.11 Calling of Meetings

Subject to the Act, meetings of the board shall be held from time to time on such day and at such time and at such place as the board, the Chairman of the Board (if any), the President, an Executive Vice-President or a Vice-President who is a director or any one director may determine and the Secretary or Assistant Secretary, when directed by the board, the Chairman of the Board (if any), the President, an Executive Vice-President or a Vice-President who is a director or any one director shall convene a meeting of the board.

3.12 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in paragraph 10.01 to each director not less than 48 hours (exclusive of any part of a non-business day) before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

3.13 First Meeting of New Board

Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

3.14 Adjourned Meeting

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.15 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of a schedule of regular meetings of the board setting forth the proposed dates, times and places of such regular meetings shall be sent to each director at the

commencement of each calendar year, however, each director shall also be provided with a follow-up notice of meeting and agenda prior to each regularly scheduled meeting.

3.16 Chairman

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: the Chairman of the Board, the President, an Executive Vice-President or a Vice- President. If no such officer is present, the directors present shall choose one of their number to be chairman.

3.17 Votes to Govern

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.

3.18 Conflict of Interest

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders, and a director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders.

3.19 Remuneration and Expenses

The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for traveling and other expenses properly incurred by them in attending meetings of the shareholders or of the board or any committee thereof or otherwise in the performance of their duties. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION FOUR

COMMITTEES

4.01 Committee of Directors

The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of directors has no authority to exercise.

4.02 Transaction of Business

The powers of a committee of directors may be exercised by a meeting at which a quorum

is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place within or outside Ontario.

4.03 Audit Committee

The board may, and shall if the Corporation becomes an offering corporation within the meaning of the Act, elect annually from among its number an audit committee to be composed of not fewer than three directors of whom a majority shall not be officers or employees of the Corporation or its affiliates. The audit committee shall have the powers and duties provided in the Act.

4.04 Advisory Committees

The board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees shall be advisory only.

4.05 Procedure

Unless otherwise determined by the board, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

SECTION FIVE

OFFICERS

5.01 Appointment

The board may from time to time appoint a Chairman of the Board, a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to paragraph 5.02, an officer may but need not be a director and one person may hold more than one office. In case and whenever the same person holds the offices of Secretary and Treasurer, he may but need not be known as the Secretary-Treasurer. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

5.02 Chairman of the Board

The Chairman of the Board, if appointed, shall be a director and shall, when present, preside at all meetings of the board. Each committee of the board shall appoint a Chairman which shall be a member of the relevant committee of the board and shall, when present, preside at all meetings of committees of the board. The Chairman of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board. During the absence or disability of the Chairman of the Board, his duties shall be performed and his powers exercised by the President.

5.03 President

The President shall, and unless and until the board designates any other officer of the Corporation to be the Chief Executive Officer of the Corporation, be the Chief Executive Officer and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the board may specify. The President shall be vested

with and may exercise all the powers and shall perform all the duties of the Chairman of the Board if none be appointed or if the Chairman of the Board is absent or unable or refuses to act.

5.04 Executive Vice-President or Vice-President

Each Executive Vice-President or Vice-President shall have such powers and duties as the board or the President may specify. The Executive Vice-President or Vice-President or, if more than one, the Executive Vice-President or Vice-President designated from time to time by the board or by the President, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that an Executive Vice-President or a Vice-President who is not a director shall not preside as chairman at any meeting of the board.

5.05 Secretary or Assistant Secretary

The Secretary or Assistant Secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board may specify.

5.06 Treasurer or Assistant Treasurer

The Treasurer or Assistant Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions as Treasurer or Assistant Treasurer and of the financial position of the Corporation; and he shall have such other powers and duties as the board may specify. Unless and until the board designates any other officer of the Corporation to be the Chief Financial Officer of the Corporation, the Treasurer or Assistant Treasurer shall be the Chief Financial Officer of the Corporation.

5.07 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

5.08 Variation of Powers and Duties

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

5.09 Term of Office

The board, in its discretion, may remove any officer of the Corporation, with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed or until the earlier of his resignation or death.

5.10 Terms of Employment and Remuneration

The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

5.11 Conflict of Interest

An officer shall disclose his interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with paragraph 3.18.

5.12 Agents and Attorneys

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

SECTION SIX

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

6.02 For the Protection of Directors and Officers

In supplement of and not by way of limitation upon any rights conferred upon directors by the provisions of the Act, it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit; and, subject to the provisions of the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to the provisions of the Act and to paragraph 3.18, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director is in any way directly or indirectly interested.

6.03 Limitation of Liability

Except as otherwise provided in the Act, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage

or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact of his being a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

6.04 Indemnity

Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, if

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request;
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful; and
- (c) a court or other competent authority has not judged that the individual has committed any fault or omitted to do anything that the individual ought to have done.

The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires. The Corporation may advance monies to a director, officer or other individual for costs, charges and expenses of a proceeding referred to above. The individual shall repay the monies if he or she does not fulfill the conditions set out in paragraphs (a) and (b) above. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

6.05 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in paragraph 6.04 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

SECTION SEVEN

SHARES

7.01 Allotment

The board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act. Shares may be issued as uncertificated securities or be represented by share certificates in accordance with the provisions of the Act and the Securities Transfer Act.

7.02 Commissions

The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

7.03 Registration of Transfers

All transfers of securities of the Corporation shall be made in accordance with the Act and the *Securities Transfer Act*. Subject to the provisions of the Act and the Securities Transfer Act, no transfer of shares represented by a security certificate (as defined in the Act) shall be registered in a securities register except upon presentation of the certificate representing such shares with an endorsement which complies with the Act and the *Securities Transfer Act* made thereon or delivered therewith duly executed by an appropriate person as provided by the Act and the *Securities Transfer Act*, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in paragraph 7.05.

7.04 Transfer Agents and Registrars

The board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Corporation issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to his functions and one person may be designated both registrar and transfer agent. The board may at any time terminate such appointment.

7.05 Lien for Indebtedness

The Corporation shall have a lien on any share registered in the name of a shareholder or his legal representatives for a debt of that shareholder to the Corporation, provided that if the shares of the Corporation are listed on a stock exchange in or outside Canada, the Corporation shall not have such lien. The Corporation may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Corporation by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

7.06 Non-recognition of Trusts

Subject to the provisions of the Act and the Securities Transfer Act, the Corporation may treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

7.07 Share Certificates and Written Evidence of Ownership

Every holder of one or more shares of the Corporation that are certificated securities under the Act shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with paragraph 2.03 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it

reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate. Holders of uncertificated securities of the Corporation shall be entitled to receive a written notice or other documentation as provided by the Act.

7.08 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee, not exceeding \$3.00, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

7.09 Joint Shareholders

If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such shares.

7.10 Deceased Shareholders

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

SECTION EIGHT

DIVIDENDS AND RIGHTS

8.01 Dividends

Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

8.02 Dividend Cheques

A dividend payable in cash shall be paid either electronically by direct deposit or by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and, if paid by cheque, mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders any cheque issued shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as set out in this section, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

8.03 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as set out in paragraph 8.02, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.04 Record Date for Dividends and Rights

The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

8.05 Unclaimed Dividends

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION NINE

MEETINGS OF SHAREHOLDERS

9.01 Annual Meetings

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine, in any event no later than fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

9.02 Special Meetings

The board, the Chairman of the Board (if any) or the President shall have the power to call a special meeting of shareholders at any time.

9.03 Place of Meetings

Subject to the Corporation's articles, a meeting of shareholders of the Corporation shall be held at such place in or outside of Ontario as the board may determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located. If the Corporation makes available a telephonic, electronic or other communication facility that permits all participants of a shareholders meeting to communicate adequately with each other during the meeting and otherwise complies with the Act, any person entitled to attend such meeting may participate by means of such communication facility in the manner prescribed by the Act, and any person participating in the meeting by such means is deemed to be present at the meeting.

9.04 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 10.01 not less than 21 days nor more than 50 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

9.05 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to paragraph 9.06, the list of shareholders entitled to receive notice of the meeting shall be prepared not later than ten days after such record date. If no record date is fixed, the list of shareholders entitled to receive notice of the meeting shall be prepared as of the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting of shareholders for which the list was prepared.

9.06 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days (or pursuant to the time limitations as may be prescribed by the Act from time to time), as a record date for the determination of the shareholders entitled to receive notice of the meeting, provided that notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

9.07 Meetings Held by Electronic Means

If the directors or shareholders of the Corporation call a meeting of shareholders pursuant to the Act, the directors may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting.

9.08 Meetings without Notice

A meeting of shareholders may be held without notice at any time and place permitted by the Act:

- (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy waive notice of or otherwise consent to such meeting being held, and
- (b) if the auditor and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditor and directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

9.09 Chairman, Secretary and Scrutineers

The Chairman of the Board or any other director or officer of the Corporation, as determined by the board, may act as chairman of any meeting of shareholders. If no such director or officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the Secretary or Assistant Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

9.10 Persons Entitled to be Present

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

9.11 Quorum

Subject to the Act, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or proxyholder for an absent shareholder so entitled, holding or representing in the aggregate not less than 25% of the issued shares of the Corporation enjoying voting rights at such meeting.

9.12 Right to Vote

The persons entitled to vote at any meeting of shareholders shall be the persons entitled to vote in accordance with the Act.

9.13 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney authorized in writing (or by electronic signature) and shall conform with the requirements of the Act.

9.14 Time for Deposit of Proxies

The board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, only if it has been received by the Secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

9.15 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented by proxy and vote, they shall vote as one the shares jointly held by them.

9.16 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairman of the meeting shall not be entitled to a second or casting vote.

9.17 Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands, which may include such other indication of a vote made by means of the telephonic, electronic or other communication facility, if any, made available by the Corporation for that purpose, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present, in person or by means of the telephonic, electronic or other communications facility, if any that the Corporation has made available for such purpose, and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question,

unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question. For the purpose of this section, if at any meeting the Corporation has made available to shareholders the means to vote electronically, any vote made electronically shall be included in tallying any votes by show of hands.

9.18 Ballots

On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

9.19 Adjournment

The chairman at the meeting of shareholders may with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

9.20 Resolution in Writing

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditor in accordance with the Act.

SECTION TEN

NOTICES

10.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the directors shall be sufficiently given if delivered personally to the person to whom it is to be given; delivered to the recorded address of the person; mailed to the person's recorded address by prepaid or ordinary or air mail; sent to the person's recorded address by any means of prepaid transmitted or recorded communication; or an electronic document is provided in accordance with section eleven of this by-law.

A notice delivered as set out in this section is deemed to have been given when it is delivered personally or to the recorded address; a notice mailed as set out in this section shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent by means of transmitted or recorded communication as set out in this section is deemed to have been dispatched or delivered to the appropriate communication company or agency or its representative for dispatch; and a notice sent by electronic means as set out in this section and Part Twelve shall be deemed to have been given upon receipt of reasonable confirmation of transmission to the designated information system indicated by the person entitled to receive such notice. The corporate secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the directors in accordance with any information believed by him or her to be reliable. The Secretary or Assistant Secretary may change or cause to

be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

10.02 Signature to Notices

The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, mechanically reproduced or electronically reproduced in whole or in part.

10.03 Proof of Service

With respect to every notice sent by post it is sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in this by-law and put into a post office or into a letter box.

With respect to every notice or other document sent as an electronic document it is sufficient to prove that the electronic document was properly addressed to the designated information system as provided in this by-law and sent by electronic means. A certificate of the Chairman of the Board (if any), the President, an Executive Vice-President, a Vice-President, the Secretary, the Assistant Secretary, the Treasurer or the Assistant Treasurer or of any other officer of the Corporation in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Corporation as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation as the case may be.

10.04 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Corporation in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.

10.05 Computation of Time

In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event both the date of giving the notice and the date of the meeting or other event shall be excluded.

10.06 Undelivered Notices

If any notice given to a shareholder pursuant to paragraph 10.01 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

10.07 Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise found thereon.

10.08 Deceased Shareholders

Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased, and whether or not the Corporation has notice of his decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any person or persons) until some other person be entered in his stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons,

if any, interested with him in such shares.

10.09 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

10.10 Waiver of Notice

Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board or of a committee of the board which may be given in any manner.

SECTION ELEVEN

ELECTRONIC DOCUMENTS

11.01 Creation and Provision of Information

Unless the Corporation's articles provide otherwise, and subject to and in accordance with the Act, the Corporation may satisfy any requirement of the Act to create or provide a notice, document or other information to any person by the creation or provision of an electronic document. Except as provided in the Act, "electronic document" means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means that can be read or perceived by a person by any means.

SECTION TWELVE

EFFECTIVE DATE

12.01 Effective Date

This by-law shall come into force upon being passed by the board.

SECTION THIRTEEN

REPEAL

13.01 Repeal

Upon this by-law coming into force, by-law number 1 of the Corporation shall be repealed, provided that such repeal shall not affect the previous operation of such by-law number 1 so repealed or affect the validity of any act done or right, privilege, obligation, acquired or incurred, or the validity of any contract or agreement made pursuant to such by-law number 1 prior to its repeal. All resolutions of the shareholders and of the board with continuing effect passed under such repealed by-law number 1 shall continue to be good and valid except to the extent that such resolutions are inconsistent with this by-law.