

EMPOWER CLINICS INC.
Suite 918, 1030 West Georgia Street
Vancouver, BC V6E 2Y3

INFORMATION CIRCULAR
August 23, 2019

INTRODUCTION

This Information Circular accompanies the Notice of Annual General and Special Meeting of shareholders (the "Notice") and is furnished to shareholders holding common shares (each, a "Share") in the capital of Empower Clinics Inc. (the "Company") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the "Meeting") of the shareholders to be held at 11:00 a.m. on Thursday, September 26, 2019 at the offices of Bennett Jones LLP, 2500 – 666 Burrard Street, Vancouver, BC, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is August 23, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers who are NOBOs (as defined below), and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder holds on the record date of August 8, 2019 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders in the enclosed form of proxy (the "Designated Persons") are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM

OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY STRIKING OUT THE PRINTED NAMES OF THE DESIGNATED PERSONS AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY, AND PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE MUST BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at its offices located at 510 Burrard Street, 3rd Floor Vancouver BC, V6C 3B9, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY, INCLUDING FOR THE NOMINEES OF THE BOARD FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the Designated Persons with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are “non-registered” shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company. More particularly, a person is not a registered shareholder in respect of Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSP’s, RRIF’s, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 of the Canadian Securities Administrators (“**NI 54-101**”), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “voting instruction form”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

These Meeting Materials are being sent to both registered shareholders and NOBOs under NI 54-101. If you are a Non-Registered Holder who is a NOBO, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf. The Company's management does not intend to pay for Intermediaries to forward to OBOs the Information Circular and related proxy materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*, and OBOs will not receive the materials unless the OBOs' Intermediary assumes the cost of delivery.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the “**Board**”) to be the close of business on August 8, 2019, a total of 134,724,151 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

ELECTION OF DIRECTORS

The Board presently consists of three directors, being Steven McAuley, Dustin Klein and Andrejs Bunkse (collectively, the “**Current Directors**”). The shareholders are required to elect the directors of the Company to hold office until the next annual meeting of shareholders or until the successors of such directors are elected or appointed.

The Board unanimously recommends that the shareholders vote FOR the following resolution.

“RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the setting of the number of directors of the Company at three be and is hereby authorized and approved; and
2. the election of Steven McAuley, Dustin Klein and Andrejs Bunkse as directors of the Company, to hold office until the earlier of the next annual general meeting of the Company, or until their earlier resignation or such time as their successors are duly elected or appointed in accordance with the Company's constating documents.”

Unless authority to do so is withheld, the Designated Persons intend to vote in favour of setting the number of directors at three and for the election of the Current Directors, whose names are set forth in the resolution above.

The form of the proposed resolution set forth above is subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the proposed resolution. The resolution must be approved by more than 50% of the votes cast by shareholders present in person or represented by proxy at the Meeting.

Current Directors

The following table sets out biographical information with respect to each of the Current Directors:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Beneficially Owned ⁽¹⁾
Steven McAuley ⁽²⁾ <i>Vancouver, BC, Canada</i> CEO and Director	CEO of the Company since January 2019; Founder and CEO of Privatis Technology Corporation since September 2010.	January 4, 2019	7,000,000 ⁽³⁾
Dustin Klein ⁽²⁾ <i>Peoria, AZ, USA</i> Director	Senior Vice President of Business Development of the Company since April 2019; Owner of Sun Valley MMJ Certification Clinic since October 2013.	April 30, 2019	11,029,411
Andrejs Bunkse ⁽²⁾ <i>Phoenix, AZ, USA</i> Director	Owner and Attorney at Rain Legal since April 2018; Counsel at Nimbus Legal since May 2018; President of Endurance Strategies Group, LLC since May 2013.	May 26, 2019	Nil ⁽⁴⁾

⁽¹⁾ Information has been furnished by the respective nominees individually. All numbers are shown on a pre-Consolidation basis.

⁽²⁾ Member of the Audit Committee.

⁽³⁾ In addition to these Shares, Mr. McAuley holds 7,000,000 stock options, each of which is exercisable until June 17, 2024 at a price of \$0.14 per Share.

⁽⁴⁾ Mr. Bunkse holds 300,000 stock options, each of which is exercisable until June 17, 2022 at a price of \$0.14 per Share.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.

Corporate Cease Trade Orders

Other than as set out below, to the best of management's knowledge, no proposed director of the Company has, within 10 years before the date of this Information Circular, been a director or officer of any company that, while that person was acting in that capacity, (i) was the subject of a cease trade or similar order or an order that denied that person or company access to any exemption under securities legislation for a period of more than 30 consecutive days, or (ii) was subject to an event that resulted, after the director or officer ceased to be a director or officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

Bankruptcies

To the best of management's knowledge, no proposed director of the Company: (i) is or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company 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, was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, became subject to or instituted any proceedings,

arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

The following terms when used in this Statement of Executive Compensation will have the following meanings:

"compensation securities" includes Options, convertible securities, exchangeable securities and similar instruments, including stock appreciation rights, deferred share units and restricted share units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"NEO" or **"Named Executive Officer"** means:

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"plan" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, excluding Compensation Securities

On April 23, 2018, the Company completed a transaction to acquire the assets of SMAART Holdings Inc. (now Empower Holdings Inc.) ("**Holdings**"), that constituted a reverse take-over of the Company (the "**Transaction**"). Pursuant to the Transaction, a wholly-owned subsidiary of the Company amalgamated with Holdings. In return, all of the issued and outstanding securities of Holdings were exchanged for equivalent securities, including common shares in the capital of the Company, on a one for one basis. In connection with the Transaction, the Company underwent a 6.726254 to one share consolidation. Upon closing of the Transaction, the Company changed its name to "Empower Clinics Inc.".

As a result of the completion of the Transaction, information set forth in the table below (which sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years ended December 31, 2018 and 2017), for periods prior to the completion of the Transaction, represent fees paid by Holdings to the indicated NEOs and directors, unless otherwise indicated.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Steven McAuley ⁽²⁾ <i>President, CEO and Director</i>	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Mathew Lee ⁽³⁾ <i>CFO and Secretary</i>	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Andrejs Bunkse ⁽⁴⁾ <i>Director</i>	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Peter McDonough ⁽⁵⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	33,889	33,889
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Emily Davis ⁽⁶⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Craig Snyder ⁽⁷⁾ <i>Former President CEO and Director</i>	2018	206,666	75,000	Nil	Nil	631,068	912,734
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Carly Krivanek ⁽⁸⁾ <i>Former CFO and Secretary</i>	2018	95,000	10,000	Nil	Nil	109,920	214,920
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Lorne Gertner ⁽⁹⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	33,889	33,889
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Dan Ballister ⁽¹⁰⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	33,889	33,889
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Paul Uhlir ⁽¹¹⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	33,889	33,889
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Gadi Levin ⁽¹²⁾ <i>Former Director, CEO and CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Alan Rootenberg ⁽¹²⁾ <i>Former Director and CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Alan Friedman ⁽¹²⁾ <i>Former Director and Executive Vice President</i>	2018	Nil	Nil	US\$4,500	Nil	Nil	US\$4,500
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Dennis Bennie ⁽¹²⁾ <i>Former Chairman of the Board</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less; (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000; or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

⁽²⁾ Mr. McAuley was appointed as CEO and as a director on January 4, 2019.

⁽³⁾ Mr. Lee was appointed CFO on March 19, 2019.

- (4) Mr. Bunkse was appointed Director on June 13, 2019.
- (5) Mr. McDonough was appointed Director on May 23, 2018 and resigned on June 13, 2019.
- (6) Ms. Davis was appointed Director on January 17, 2019 and resigned on May 3, 2019.
- (7) Mr. Snyder served as CEO from April 27, 2018 to December 31, 2018. Previously, he served as CEO of the Company's wholly-owned subsidiary, Holdings.
- (8) Ms. Krivanek served as CFO from April 27, 2018 to February 5, 2019. Previously, she served as CFO of the Company's wholly-owned subsidiary, Holdings.
- (9) Mr. Gertner resigned on January 3, 2019.
- (10) Mr. Ballister resigned on January 4, 2019.
- (11) Mr. Uhlir resigned on January 3, 2019.
- (12) Mr. Friedman resigned on April 27, 2018.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company, or any subsidiary thereof, in the year ended December 31, 2018 for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities and Percentage of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price	Closing Price of Security or Underlying Security on Date of Grant ⁽²⁾	Expiry Date
Steven McAuley <i>President, CEO and Director</i>	N/A	N/A	N/A	N/A	N/A	N/A
Mathew Lee <i>CFO and Secretary</i>	N/A	N/A	N/A	N/A	N/A	N/A
Andrejs Bunkse <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A
Peter McDonough <i>Former Director</i>	Stock Option	200,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023
Emily Davis <i>Former Director</i>	Nil	Nil	Nil	Nil	Nil	Nil
Craig Snyder <i>Former President CEO and Director</i>	Share-based compensation	2,000,000	June 11, 2018	\$0.31	\$0.33	N/A
	Stock Option	700,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023 ⁽⁴⁾
Carly Krivanek <i>Former CFO and Secretary</i>	Stock Option	500,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023 ⁽⁵⁾

Name and Position	Type of Compensation Security	Number of Compensation Securities and Percentage of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price	Closing Price of Security or Underlying Security on Date of Grant ⁽²⁾	Expiry Date
Lorne Gertner <i>Former Director</i>	Stock Option	200,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023
Dan Ballister <i>Former Director</i>	Stock Option	200,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023 ⁽⁶⁾
Paul Uhlir <i>Former Director</i>	Stock Option	200,000 ⁽³⁾	May 25, 2018	\$0.38	\$0.38	May 25, 2023 ⁽⁷⁾
Gadi Levin <i>Former Director, CEO and CFO</i>	Nil	Nil	Nil	Nil	Nil	Nil
Alan Rootenberg <i>Former Director and CFO</i>	Nil	Nil	Nil	Nil	Nil	Nil
Alan Friedman <i>Former Director and Executive Vice President</i>	Nil	Nil	Nil	Nil	Nil	Nil
Dennis Bennie <i>Former Chairman of the Board</i>	Nil	Nil	Nil	Nil	Nil	Nil

(1) Each stock option is exercisable or redeemable into one Share.

(2) All of the compensation securities granted or issued in 2018 were comprised of Shares or securities exercisable into Shares. The closing price per Share on the Canadian Securities Exchange (the “CSE”) on December 30, 2018, being the last trading day of the Company’s most recently completed fiscal year, was \$0.095.

(3) These Options vested immediately

(4) Mr. Snyder’s Stock Options were cancelled on December 31, 2018.

(5) Ms. Krivanek’s Stock Options were cancelled on February 4, 2019.

(6) Mr. Ballister’s Stock Options were cancelled on January 4, 2019.

(7) Mr. Uhlir’s Stock Options were cancelled on January 3, 2019.

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised or redeemed any compensation securities, being solely comprised of Options, during the Company’s most recently completed fiscal year ended December 31, 2018.

Stock Option Plans and Other Incentive Plans

As at December 31, 2018, the Company had one equity incentive plan, being the stock option plan (the “**Stock Option Plan**”).

Stock Option Plan

The Stock Option Plan is a “rolling” stock option plan that is administered by the Board (or a committee thereof), pursuant to which the number of Shares reserved for issuance from time to time will not exceed 10% of the issued and outstanding Shares at the date of any grant, on an undiluted basis. The Stock Option Plan provides that the

Board may, from time to time, in its discretion, grant Options to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates. As at the date of this Information Circular, there were 10,450,000 Options outstanding under the Stock Option Plan.

Employment, Consulting and Management Agreements

The following is a summary of the terms of employment, consulting and management agreements for NEOs during the fiscal year ended December 31, 2018 and for current members of management, all of whom were appointed in 2019.

Steven McAuley – President, CEO and Director

On January 4, 2019, the Company entered into an employment agreement with Mr. McAuley pursuant to which the Company agreed to employ Mr. McAuley as CEO of the Company, effective as of January 4th, 2019, for an indefinite term in consideration of an annual base salary of US\$225,000. Mr. McAuley is eligible to receive a performance bonus upon achievement of reasonably attainable criteria to be agreed upon by Mr. McAuley and the Board on an annual basis, with the potential to earn a higher percentage when stretch target milestones are achieved. Additionally, Mr. McAuley will partake in a bonus incentive program to be based on the satisfaction of certain milestones, including the successful completion of financing rounds following which the annual base salary will be increased by an amount equal to 2% of the total amount of equity, debt or hybrid financing raised. He is also entitled to, among other things, participate in the Stock Option Plan and other employee benefit plans of the Company. In the event that the agreement is terminated by the Company without just cause or by Mr. McAuley for good reason (each as defined in the agreement), the Company shall pay Mr. McAuley any outstanding base salary and other amounts owing under the agreement. In the event that the agreement is terminated by the Company or Mr. McAuley in connection with a change of control of the Company (as defined in the agreement), the Company shall pay Mr. McAuley any outstanding base salary and other amounts owing under the agreement. In certain termination cases, the vesting of any unvested stock options will be accelerated. In connection with the employment agreement, the Company granted Mr. McAuley 7,000,000 stock options and 7,000,000 bonus Shares.

Mathew Lee – CFO and Secretary

On March 11, 2019, the Company entered into a consulting agreement with Mr. Lee pursuant to which the Company agreed to employ Mr. Lee as CFO and Secretary of the Company, effective as of March 11, 2019, for an indefinite term in consideration of an annual base salary of \$24,000.

Dustin Klein – Director and SVP, Business Development

On April 30, 2019, the Company entered into an employment agreement with Mr. Klein pursuant to which the Company agreed to employ Mr. Klein as a director of the Company, effective as of April 30, 2019, for an indefinite term in consideration of an annual base salary of US\$100,000.00. Mr. Klein is eligible to receive a performance bonus of US\$50,000.00, with reasonably attainable criteria to be agreed upon by Mr. Klein and the Board on an annual basis, with the potential to earn a higher percentage when stretch target milestones are achieved. He is also entitled to, among other things, participate in the Stock Option Plan and other employee benefit plans of the Company. In the event that the agreement is terminated by the Company without just cause or by Mr. Klein for good reason (each as defined in the agreement), the Company shall pay Mr. Klein any outstanding base salary and other amounts owing under the agreement. In the event that the agreement is terminated by the Company or Mr. Klein in connection with a change of control of the Company (as defined in the agreement), the Company shall pay Mr. Klein any outstanding base salary and other amounts owing under the agreement. In certain termination cases, the vesting of any unvested stock options will be accelerated. If, prior to the second anniversary of the date of the agreement, Mr. Klein's employment is terminated by the Company without cause (as defined in the agreement) or terminated by Mr. Klein for good reason (as defined in the agreement), then in addition to all accrued salary payable to Mr. Klein through the date of such termination, and subject to certain conditions, the Company shall continue to pay Mr. Klein's base salary as severance compensation until the earlier of: (i) the first anniversary of the date of such termination or (ii) the second anniversary of the date of the agreement.

Andrejs Bunkse – Director

On May 26, 2019, 2019, the Company entered into an agreement with Mr. Bunkse pursuant to which the Company agreed to employ Mr. Bunkse as a director of the Company, effective as of May 26, 2019, for an indefinite term in consideration of an annual base salary of US\$15,000. He is also entitled to, among other things, participate in the Stock Option Plan and other employee benefit plans of the Company. In connection with the employment agreement, the Company granted Mr. Bunkse 300,000 stock options.

Oversight and Description of Director and NEO Compensation

Given the Company's small size and early stage of development, the Board has not yet appointed a formal compensation committee and typical powers and responsibilities thereof are carried out by the Board as a whole. The CEO assists the Board in assessing the performance of all other executive officers, and the Board has authorized the CEO to make determinations with respect to salaries to be paid to certain officers within a set of fixed parameters. The proposed executive compensation is then presented to the Board for approval and/or ratification, as applicable. The Compensation Committee also has the responsibilities of reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees to the Board, and evaluating the performance of officers generally and in light of annual goals and objectives.

In addition to the foregoing, certain directors may be paid additional fees in special circumstances, as determined in the sole discretion of the Board, such as in connection with serving on a special committee of the Board from time to time.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details regarding the Stock Option Plan, being the Company's only equity compensation plan as of December 31, 2018. The Stock Option Plan was approved by the Board on August 23, 2019. The Shareholders are being asked to approve the Stock Option Plan at the Meeting. For more information on the Stock Option Plan, see "*Particulars to be Acted Upon – Approval of Stock Option Plan*".

Plan Category	Number of shares to be issued upon exercise of outstanding Options ⁽¹⁾	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Equity compensation plans approved by shareholders (Stock Option Plan)	10,450,000	\$0.16	3,208,283
Equity compensation plans approved by shareholders	N/A	N/A	N/A
Equity compensation plans not approved by shareholders	N/A	N/A	N/A
Total	10,450,000	\$0.16	3,208,283

⁽¹⁾ The Company does not have any warrants outstanding under any equity compensation plans.

⁽²⁾ The Stock Option Plan is a rolling plan under which the Company can issue such number of Options as is equal to 10% of the Company's issued and outstanding Shares from time to time. As of August 23, 2019, there were 136,582,832 Shares outstanding and the Company could issue up to 13,658,283 Options under the Stock Option Plan, of which 10,450,000 were outstanding on such date.

Copies of the Stock Option Plan are available for review at the office of the Company at the address set out on the first page of this Information Circular, during normal business hours up to and including the date of the Meeting.

APPOINTMENT OF AUDITOR

It is proposed that MNP LLP (“MNP”) of Suite 300 – 111 Richmond Street West, Toronto, Ontario, M5H 2G4, be appointed as auditor of the Company for the financial year ending December 31, 2019.

At the Meeting, shareholders will be asked to vote for the appointment of MNP, to serve as auditor of the Company for the Company’s fiscal year ending December 31, 2019 at a remuneration to be fixed by the Board.

Management recommends shareholders vote for the appointment of MNP as the Company’s auditor for the Company’s fiscal year ending December 31, 2019 at remuneration to be fixed by the Board.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee Charter

The full text of the Company’s Audit Committee Charter is as Schedule “B”.

Composition of the Audit Committee

The Company’s Audit Committee is currently comprised of three directors consisting of Steven McAuley, Dustin Klein and Andrejs Bunkse. As defined in National Instrument 52-110, Mr. McAuley and Mr. Klein are not independent as they are officers and/or significant shareholders of the Company. Mr. Bunkse is independent. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are “financially literate”, as defined in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Steven McAuley

Mr. McAuley is the Chairman and CEO of the Company, a position he has held since January 4, 2019. From January 2013 through January 2019, Mr. McAuley was the Founder & CEO of Privatis Technology Corporation in Vancouver, B.C. Canada. He is the former: SVP, Financial Services of Penske Automotive Group (NYSE: PAG); CEO of Xpel Technologies (TSXV: DAP); and CEO, United Kingdom of GE Capital Fleet Services.

Dustin Klein

Mr. Klein has been a member of the Board since May 2019. Mr. Klein is currently the co-founder of Sun Valley Science, LLC, a position he has held since its formation in May 2018. Between September 2013 and May 2019, Mr. Klein was a co-founder of Sun Valley Health Centers, LLC, Sun Valley Health Centers West, LLC, Sun Valley Health Centers Mesa, LLC, Sun Valley Health Centers NV, LLC and Sun Valley Health Centers Tucson, LLC which operate Sun Valley Health Businesses in the metropolitan Phoenix, Arizona, Tucson, Arizona and Las Vegas,

Nevada area. From September 2012 through July 2013, Mr. Klein was the Manager of Johns 4x4 in Boulder, Colorado. From January 2012 through August 2012, Mr. Klein was a Regional Account Manager for Solar City in Denver Colorado. From January 1, 2011 through December 31, 2011, Mr. Klein was the owner of Gutshot Entertainment in Denver, Colorado.

Andrejs Bunkse

Mr. Bunkse has been a member of the Board since June 2019. Mr. Bunkse is currently Of Counsel to Nimbus Legal PLLC in Scottsdale Arizona, a position he has held since May 2018. Mr. Bunkse is the founder of Rain Legal (Law Offices of Andrejs K. Bunkse), a position he has held since April 2018. Mr. Bunkse has been the President of Endurance Strategies Group in Phoenix, Arizona since May 2013.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Sections 2.4 or 8 of National Instrument 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of National Instrument 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the last two fiscal years, by category, are as follows:

Year Ended December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2018	\$81,250	\$Nil	\$Nil	\$Nil
2017	\$48,150	\$10,700	\$Nil	\$Nil

Exemption

The Company is relying on the exemption provided by Section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Information Circular.

None of the directors or executive officers of the Company is or, at any time since the beginning of the most recently completed financial year, has been indebted to the Company. None of the directors' or executive officers' indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board currently consists of three directors, being Steven McAuley, Dustin Klein and Andrejs Bunkse. Mr. Bunkse is "independent" in that he is independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with his ability to act in the best interest of the Company, other than the interests and relationships arising from being a shareholder. Mr. McAuley is the President and CEO of the Company and Mr. Klein is an officer and significant shareholder, therefore they are not considered to be independent.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director of the Company	Names of Other Reporting Issuers and Exchange Listing
Steven McAuley	N/A
Dustin Klein	N/A

Name of Director of the Company	Names of Other Reporting Issuers and Exchange Listing
Andrejs Bunkse	N/A

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company'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 Company.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board conducts reviews with regard to the compensation of the directors and CEO once a year.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Stock Option Plan, as further discussed below.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

On August 23, 2019, the Board adopted the Stock Option Plan (in this section, the "**Plan**"). The Plan provides more detailed information about the requirements with respect to stock option grants as mandated by the CSE. In addition, the Plan allows for the automatic extension of the expiry date of any stock options governed by the Plan if such expiry date falls within a blackout period during which the Company would otherwise prohibit optionees from

exercising their options. At the Meeting, shareholders will be asked to ratify, confirm and approve the Plan. A copy of the Plan is attached to this Information Circular as Schedule "A".

The Plan is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance under the Plan, together with any other Shares reserved for issuance under any other plan or agreement of the Company shall not exceed 10% percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted,

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which is attached as Schedule "A" to this Information Circular.

1. The Board shall establish the exercise price at the time each option is granted, subject to the following conditions:
 - (a) if the Shares are listed on the CSE, the exercise price will not be less than the minimum prevailing price permitted by CSE policies;
 - (b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
 - (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by CSE policies and the per share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
 - (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of Shares in respect of the expired or terminated option shall again be available for a grant under the Plan.
3. No option granted under the Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described below).
4. The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:
 - (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the CSE). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
 - (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten business days after the expiry of the blackout period; and
 - (c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.
5. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares, unless the Company has obtained disinterested shareholder approval.

6. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the CSE.
7. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the CSE.
8. Options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
9. If a director, employee or consultant of the Company is terminated for cause, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant of the Company by reason of termination for cause.
10. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability or termination of services for cause), or if an optionee resigns, as the case may be, then any option granted to the holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days following the date that the holder ceases to be a director, employee or service provider of the Company.
11. If the engagement of an option holder engaged in investor relations activities as a consultant is terminated for any reason other than cause, disability or death, any option granted to such holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the effective date of the holder ceasing to be a consultant.
12. If an option holder dies, the holder's lawful personal representatives, heirs or executors may exercise any option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
13. If an option holder ceases to be a director, employee or consultant of the Company as a result of a disability, the holder may exercise any option granted to the holder that had vested and was exercisable on the date of disability until the earlier of the expiry date and one year after the date of disability.
14. Options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
15. The Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
16. Options granted under the Plan shall not be assignable or transferable by an option holder.
17. The Board may from time to time, subject to regulatory or shareholder approval, amend or revise the terms of the Plan.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board. The Board has unanimously approved the Plan and recommends that shareholders vote FOR the ratification, confirmation and approval of the Plan.

At the Meeting, shareholders will be asked to approve the following ordinary resolution (the "**Plan Resolution**"), which must be approved by at least a majority of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

"RESOLVED, as an ordinary resolution of the shareholders of Empower Clinics Inc. (the "**Company**"), that:

1. The Company's Stock Option Plan (the "**Plan**"), as set forth in the Company's Information Circular dated August 23, 2019, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Plan by the Canadian Securities Exchange (the "**CSE**");
2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the CSE; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan."

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

Management of the Company recommends that shareholders vote in favour of the Plan Resolution at the Meeting. It is the intention of the Designated Persons, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.

Adoption of By-law No. 3

At the Meeting, shareholders will be asked to approve a special resolution (the "**New By-law Resolution**"): (i) repealing the current by-laws of the Company, being the current governing by-law of the Company (the "**Current By-law**"), and (ii) ratifying, confirming and approving the adoption of By-law No. 3 of the Company, a copy of which is attached as Schedule C to this Information Circular (the "**New By-law**").

The New By-law contains material changes as compared to the Current By-law, particularly due to the fact that at the time the Current By-law was adopted in 2012, the Company was engaged in the oil and gas business and had a strategic focus in Israel. As a result, the Current By-law references many matters that are specific to Israeli law and are no longer relevant to the current business of the Company. In addition, the New By-law contains an advance notice provision, the full text of which is set out at Section 4.19 of the New By-law (the "**Advance Notice Provision**"). The Board has determined that it is in the best interest of the Company to adopt and include the Advance Notice Provision in the New By-law as it: (i) facilitates orderly and efficient annual general or, where the need arises, special, meetings; (ii) ensures that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; and (iii) allows shareholders to make an informed vote.

The purpose of the Advance Notice Provision is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which shareholders of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

Subject only to the *Canada Business Corporations Act* (the "**CBCA**"), only persons who are nominated in accordance with the procedures set out in the Advance Notice Provision shall be eligible for election as directors of the Company. 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): (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the CBCA, or a requisition of the shareholders made in accordance with the provisions of the CBCA; or (c) by

any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the date of the giving of the notice provided for in the Advance Notice Provision 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 in the Advance Notice Provision.

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 president or chief executive officer of the Company at the principal executive offices of the Company. To be timely, a Nominating Shareholder’s notice must be given:

- in the case of an annual meeting of shareholders, not less than 30 and not 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 is to be given not later than the close of business on the 10th day after the Notice Date in respect of such meeting; and
- 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 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.

To be in proper written form, a Nominating Shareholder’s notice must set forth:

- as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (i) the name, age, business address and residential address of the person; (ii) the principal occupation or employment of the person during the past five years; (iii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by 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; (iv) a statement as to whether such person would be “independent” of the Company (as such term is defined under applicable securities legislation) if elected as a director at such meeting and the reasons and basis for such determination; (v) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand; and (vi) 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 CBCA and Applicable Securities Laws (as defined below);
- as to the Nominating Shareholder giving the notice: (i) any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company; (ii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of the record by the Nominating Shareholder 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 (iii) 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 CBCA and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the

Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the Advance Notice Provision and, if any proposed nomination is not in compliance with the Advance Notice Provision, to declare that such defective nomination shall be disregarded.

For purposes of the Advance Notice Provision: (a) "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 Company under its profile on SEDAR at www.sedar.com; and (b) "**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.

Notwithstanding any other provision of the Advance Notice Provision, notice given to the Secretary of the Company pursuant to the Advance Notice Provision may only be given by personal delivery or facsimile transmission, and shall be deemed to have been given and made only at the time it is served by personal delivery or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the president or chief executive officer at the address of the principal executive offices of the Company; 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. (Vancouver 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.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement of the Advance Notice Provision.

At the Meeting, shareholders will be asked to approve the New By-law Resolution, which is a special resolution and therefore must be approved by at least two-thirds of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the New By-law Resolution:

"RESOLVED, as a special resolution of the shareholders of Empower Clinics Inc. (the "**Company**"), that:

1. The current by-laws of the Company, as approved by the shareholders of the Company on May 30, 2012, and any other existing by-laws of the Company, be and are hereby repealed;
2. By-Law No. 3 of the Company attached as Schedule C to the Company's Information Circular dated August 23, 2019, be and is hereby ratified confirmed and approved as the by-law of the Company in substitution for, and to the exclusion of, any existing by-laws of the Company;
3. The board of directors of the Company be authorized, at any time in its absolute discretion, to determine whether or not to proceed with the foregoing resolutions, without further approval, ratification or confirmation by the shareholders of the Company; and
4. Any director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver for and on behalf of the Company, under the corporate seal of the Company or otherwise, all such certificates, instruments, agreements, notices and other documents as in such person's opinion may be

necessary or desirable for the purpose of giving effect to the foregoing resolutions.”

The form of the New By-Law Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the New By-law Resolution.

Management of the Company recommends that shareholders vote in favour of the New By-law Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the New By-law Resolution.

Amendment of Articles

At the Meeting, shareholders will be asked to approve a resolution to amend the articles of the Company in order to change the province in which the registered and records offices of the Corporation are located from the Province of Ontario to the Province of British Columbia (the "**Article Amendment Resolution**"), which is a special resolution and therefore must be approved by at least two-thirds of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the Article Amendment Resolution:

“RESOLVED, as a special resolution of the shareholders of Empower Clinics Inc. (the “**Company**”), that:

1. The Articles of the Company be amended by changing the province territory in Canada where the registered and records office of the Company is situated from the Province of Ontario to the Province of British Columbia;
2. The board of directors of the Company be authorized, at any time in its absolute discretion, to determine whether or not to proceed with the foregoing resolutions, without further approval, ratification or confirmation by the shareholders of the Company; and
3. Any director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver for and on behalf of the Company, under the corporate seal of the Company or otherwise, all such certificates, instruments, agreements, notices and other documents as in such person’s opinion may be necessary or desirable for the purpose of giving effect to the foregoing resolutions, including the execution and the delivery to the Director of Corporations Canada of Articles of Amendment.”

The form of the Article Amendment Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Article Amendment Resolution.

Management of the Company recommends that shareholders vote in favour of the Article Amendment Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Article Amendment Resolution.

Proposed Name Change

Subject to CSE approval, shareholders will be asked to consider and, if deemed appropriate, approve a special resolution authorizing the Board to amend the articles of the Company to effect the change of name of the Company to such other name as the Board and applicable regulatory authorities may approve (the “**Name Change**”).

The Board has unanimously approved the Name Change and recommends that shareholders vote FOR the Name Change. To be effective, the special resolution approving the Name Change must be approved by at least 66 2/3% of the votes cast in person or by proxy at the Meeting.

Notwithstanding the foregoing, as indicated in the text of the special resolution below, the Board may, in its sole discretion, determine that the Company not proceed with the Name Change.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption (the “**Name Change Resolution**”), with or without modification, is as follows:

“RESOLVED, as a special resolution of the shareholders of Empower Clinics Inc. (the “**Company**”), that:

1. Subject to the acceptance of the Canadian Securities Exchange and all other applicable regulatory authorities, the Company is hereby authorized to change its name to any name as the board of directors of the Company (the “**Board**”) and applicable regulatory authorities may approve;
2. Notwithstanding that this resolution has been passed by shareholders, the directors of the Company are hereby authorized and empowered without further notice to, or approval of, the shareholders, to determine not to proceed with the Name Change at any time prior to the filing of the articles of amendment giving effect to the Name Change, and the Board may, in its sole discretion, revoke this resolution before it is acted upon, without further approval or authorization of the shareholders;
3. Upon articles of amendment giving effect to the Name Change having become effective in accordance with the *Canada Business Corporations Act*, the articles of the Company be amended accordingly; and
4. Any one officer and director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such acts and things as may be deemed advisable in such individual’s discretion for the purpose of giving effect to this special resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

It is the intention of the Designated Persons, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Name Change Resolution.

The form of the Name Change Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Name Change Resolution.

Ratification of Prior Acts

At the Meeting, shareholders will be asked to approve a special resolution ratifying, confirming and approving all proceedings, resolutions, acts, deeds and things done by or on behalf of the Company by any of the directors or officers of the Company as of the date of this Information Circular since January 1, 2019, including the failure of the Company to hold a meeting of the shareholders since February 16, 2018 (the “**Ratification Resolution**”).

“RESOLVED, as a special resolution of the shareholders of Empower Clinics Inc. (the “**Company**”), that all proceedings, resolutions, acts, deeds and things done by or on behalf of the Company since January 1, 2019 by any directors or officers of the Company as at August 23, 2019, including the failure of the Company to hold a meeting of the shareholders since February 16, 2018, be and are hereby ratified, confirmed and approved.”

The form of the Ratification Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Ratification Resolution.

The Ratification Resolution must be approved by at least two-thirds of the votes cast by shareholders who, being entitled to do so, vote in person or by proxy at the Meeting in respect of the Ratification Resolution.

Management of the Company recommends that shareholders vote in favour of the Ratification Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Ratification Resolution.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at Suite 918, 1030 West Georgia Street Vancouver, BC V6E 2Y3 to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the year ended December 31, 2018, which is available, together with additional information relating to the Company, under the Company's profile on SEDAR at www.sedar.com.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

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

Dated at Vancouver, British Columbia this 23rd day of August, 2019.

ON BEHALF OF THE BOARD OF DIRECTORS OF

EMPOWER CLINICS INC.

"Steven McAuley"

Steven McAuley
Chief Executive Officer, President
and Director

**SCHEDULE “A” TO INFORMATION CIRCULAR
STOCK OPTION PLAN**

(August 31, 2009, amended April, 2011, May 30, 2012, August 15, 2019)

1. PURPOSE

1.1 Purpose

The purpose of the Plan is to advance the interests of Empower Clinics Inc. (the “**Corporation**”) by attracting, retaining and motivating persons as directors, officers, key employees and consultants of the Corporation and its Affiliated Corporations and providing them with a greater incentive to develop and promote the growth and success of the Corporation by granting to them options to purchase shares in the capital of the Corporation.

2. INTERPRETATION

2.1 Definitions

For the purposes of the Plan, unless they are otherwise defined elsewhere herein, the following terms have the following meanings, respectively:

- (a) “**Affiliate**” has the meaning set forth in the *Securities Act* (Ontario), as amended from time to time;
- (b) “**Affiliated Corporation**” is a corporation which is an “affiliate” (as such term is defined in the *Securities Act* (Ontario), as amended from time to time) of the Corporation;
- (c) “**Applicable Law**” means the requirements relating to the administration of stock option plans under the applicable corporate and securities laws of Ontario and Canada, any stock exchange or quotation system on which the Shares are listed or quoted and the applicable laws of any foreign country or jurisdiction which apply to Options granted under the Plan;
- (d) “**Associate**” has the meaning set forth in the *Securities Act* (Ontario), as amended from time to time;
- (e) “**Board**” means the board of directors of the Corporation;
- (f) “**Business Day**” means a day that is not a Saturday, a Sunday or a statutory or legal holiday in Toronto, Ontario;
- (g) “**Cause**” means any act or omission by the Optionee which would in law permit an employer to, without notice or payment in lieu of notice, terminate the Optionee’s employment or services, and shall include, without limitation, the meaning attributed thereto in the employment agreement or consulting agreement, as may be applicable, of such Optionee;
- (h) “**Change of Control**” has the meaning set forth in Subsection 4.11(a) hereof;

- (i) “**Change of Control Price**” has the meaning set forth in Subsection 4.11(a) hereof;
- (j) “**Committee**” has the meaning set forth in Subsection 3.1(c) hereof;
- (k) “**Consultant Optionee**” means an individual, other than an Employee Optionee or an Executive Optionee, that:
- (i) is engaged to provide on an ongoing bona fide basis consulting, technical, management or other services to the Corporation or to an Affiliated Corporation, other than services provided in relation to a distribution;
 - (ii) provides the services under a written contract between the Corporation or an Affiliated Corporation and the individual or a Consultant Company or Consultant Partnership of the individual;
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliated Corporation; and
 - (iv) has a relationship with the Corporation or an Affiliated Corporation that enables the Consultant to be knowledgeable about the business and affairs of the Corporation.
- (l) “**Consultant Company**” means, for an individual consultant, a company of which the individual consultant is an employee or shareholder;
- (m) “**Consultant Partnership**” means, for an individual consultant, a partnership of which the individual consultant is an employee or partner;
- (n) “**Corporation**” means Empower Clinic Inc. and includes any successor corporation thereto;
- (o) “**Date of Grant**” means, for any Option, the date specified by the Board at the time it grants the Option or, if no such date is specified, the date upon which the Option was granted;
- (p) “**Disability**” means the mental or physical state of the Optionee such that, as a result of illness, disease, mental or physical disability or similar cause, the Optionee has been unable to fulfil his or her obligations as an employee or consultant of the Corporation or an Affiliated corporation either for any consecutive six month period or for any period of twelve months (whether or not consecutive) in any consecutive 12-month period, provided that, where the Optionee has entered into a written employment or consulting agreement with the Corporation or an Affiliated Corporation, “Disability” will have the meaning attributed to that term, or the term equivalent in concept, contained in that employment or consulting agreement;
- (q) “**Eligible Person**” means a bona fide Consultant Optionee, Employee Optionee or Executive Optionee or any of their subsidiaries;
- (r) “**Eligible Transferee**” means, in respect of a particular Optionee, such of the following as have specifically been designated by the Board as an Eligible Transferee of such Optionee: (i) a

registered retirement savings plan or a registered retirement investment fund, of which the Optionee is the beneficiary; (ii) a Holding Company; or (iii) a trust, the beneficiary of which is the Optionee;

(s) “**Employee Optionee**” means a current full-time or part-time employee or contract employee of the Corporation or of an Affiliated Corporation and shall include, other than for the purposes of Sections 4.8 and 4.9, any registered retirement savings plans or registered income funds established by or for the employee (or under which such employee is the beneficiary) and a Holding Company of such individual;

(t) “**Exchange**” means the stock exchange or quotation system and, where the context permits, includes all other stock exchanges and quotation systems designated by the Board, on which the Shares are or may be listed or quoted from time to time (provided that if, for the purposes of the Plan it is necessary to have reference to a single Exchange, then such Exchange shall be any stock exchange or quotation system on which the Shares are then listed or quoted as designated by the Board);

(u) “**Executive Optionee**” means a current director or an officer of the Corporation or of an Affiliated Corporation and shall include, other than for the purposes of Sections 4.8 and 4.9, any registered retirement savings plans or registered retirement income funds established by or for the individual director or officer (or under which such director or officer is the beneficiary) and a Holding Company of such individual;

(v) “**Exercise Price**” has the meaning set forth in Section 4.2 hereof;

(w) “**Fair Market Value**” means, at any date in respect of Shares, the closing price of such Shares on the Exchange on the last Business Day preceding such date (less the applicable discount). In the event that such Shares did not trade on such Business Day, the Fair Market Value shall be the average of the bid and ask prices in respect of such Shares at the close of trading on such date or such other price determined by the Board, acting reasonably;

(x) “**Holding Company**” means a corporation wholly-owned and controlled by an Optionee;

(y) “**Insider**” has meaning ascribed thereto in the *Securities Act* (Ontario);

(z) “**Option**” means a right granted to an Eligible Person to purchase Shares on the terms of the Plan;

(aa) “**Optionee**” means the Eligible Person to whom an Option has been granted and includes, other than for the purposes of Sections 4.8 and 4.9 hereof, any Eligible Transferee to whom an Optionee has transferred an Option in accordance with the terms of the Plan;

(bb) “**Option Agreement**” has the meaning set forth in Section 4.5 hereof;

(cc) “**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association or organization, trust, trustee, executor, administrator or other legal personal representative,

regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

(dd) **“Plan”** means this stock option plan of the Corporation (as the same may be amended or varied from time to time);

(ee) **“Retirement”** means retirement from active employment with the Corporation or an Affiliated Corporation at or after the age of 65 or, with the consent for the purposes of the Plan of such officer of the Corporation or an Affiliated Corporation as may be designated by the Board, at or after such earlier age and upon the completion of such years of service as the Board may specify;

(ff) **“Shares”** means the common shares in the capital of the Corporation as constituted from time to time or, in the event of an adjustment contemplated by Section 5.1 hereof, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment;

(gg) **“Termination Date”** means:

(i) in the case of an Employee Optionee or Executive Optionee whose employment or term of office with the Corporation or an Affiliated Corporation, as the case may be, terminates in the circumstances set out in Sections 4.8 or 4.9 hereof, the date that is designated by the Corporation or an Affiliated Corporation, as the case may be, as the last day of the Optionee’s employment or term of office with the Corporation or an Affiliated Corporation, as the case may be, and **“Termination Date”** specifically does not mean the date on which any period of contractual or reasonable notice that the Corporation or an Affiliated Corporation, as the case may be, may be required by contract or at law to provide to the Optionee would expire;

(ii) in the case of an Executive Optionee who received Options in his or her capacity as a director of the Corporation or an Affiliated Corporation, the date which is the earliest of: (A) the date that such Executive Optionee resigns as a director of the Corporation or an Affiliated Corporation; (B) the date that such Executive Optionee is not re-elected as a director; and (C) the date that such Executive Optionee is removed from the board of directors of the Corporation or an Affiliated Corporation; and

(iii) in the case of a Consultant Optionee whose consulting agreement or arrangement with the Corporation or an Affiliated Corporation, as the case may be, terminates in the circumstances set out in Sections 4.8 or 4.9 hereof, the date that is designated by the Corporation or an Affiliated Corporation, as the case may be, as the date on which the Optionee’s consulting agreement or arrangement is terminated, and **“Termination Date”** specifically does not mean the date on which any period of notice of termination that the Corporation or an Affiliated Corporation, as the case may be, may be required to provide to the Optionee under the terms of the consulting agreement or arrangement would expire; or such later date as may be determined by the Board in the case of Options granted to a specific Optionee;

(hh) “**Transfer**” includes any sale, exchange, assignment, gift, bequest, disposition, hypothecation, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing; and the words “Transferred”, “Transferring” and similar words have corresponding meanings; and

(ii) “**Vesting Schedule**” has the meaning set forth in Section 4.4 hereof.

2.2 Interpretation

(a) Whenever the Board or, where applicable, the Committee is to exercise discretion in the administration of the terms and conditions of the Plan, the term “discretion” means the sole and absolute discretion of the Board or the Committee, as the case may be.

(b) As used herein, the terms “Article”, “Section”, “Subsection” and paragraph” mean and refer to the specified Article, Section, Subsection and paragraph hereof, respectively.

(c) Words importing the singular number only include the plural and vice versa, and words indicating gender include all genders.

(d) In the Plan, a Person is considered to be “controlled” by a Person if:

(i) in the case of a corporation or similar entity,

(A) voting securities of the first-mentioned Person carrying more than 50% of the votes ordinarily exercisable at meetings of shareholders of the corporation are held, otherwise than by way of security only, by or for the benefit of the other Person; and

(B) the votes carried by such securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned Person;

(ii) in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned Person holds more than 50% of the interests in the partnership; or

(iii) in the case of a limited partnership, the general partner is the second-mentioned Person.

3. ADMINISTRATION

3.1 Administration

(a) The Plan shall be administered by the Board in accordance with the rules and policies of the Exchange in respect of employee stock option plans. The Board shall receive recommendations of management and shall determine and designate from time to time those Eligible Persons to whom

an Option should be granted, the number of Shares which will be optioned from time to time to any Eligible Person and the terms and conditions of the Option.

(b) Subject to Applicable Law, Subsection 3.1(c) hereof and the limitations of the Plan, the Plan will be administered by the Board and the Board has the sole and complete authority, in its discretion, to:

- (i) grant Options to Eligible Persons;
- (ii) determine the terms, limitations, restrictions and conditions upon such grants;
- (iii) interpret and construe the terms and conditions of the Plan and the Options;
- (iv) adopt, amend and rescind such administrative guidelines and other rules relating to the Plan as the Board may from time to time deem advisable; and
- (v) make all other determinations and to take all other actions in connection with the implementation and administration of the Plan as the Board may deem necessary or advisable.

The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of the Plan. The Committee may adopt special guidelines and provisions for Persons who are residing in, or subject to, the taxes of, any jurisdiction outside of Canada (including, without limitation, countries, states, provinces and localities) to comply with applicable tax, and securities and other laws and may impose any limitations and restrictions that it deems necessary to comply with the applicable tax, securities and other laws of such jurisdiction outside of Canada.

Any decision, interpretation or other action made or taken in good faith by or at the direction of the Corporation, the Board or the Committee or any of its members arising out of or in connection with the Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding and conclusive on the Corporation, Optionees and their respective heirs, executors, administrators, successors and permitted assigns.

The Board's interpretation, construction or determination of its guidelines and rules will be conclusive and binding upon all parties concerned. The day-to-day administration of the Plan may be delegated to such officers and employees of the Corporation or of an Affiliated Corporation as the Board may in its sole discretion determine.

(c) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee (the "**Committee**") of the Board all or any of the powers conferred on the Board under the Plan. In such event, the Committee will exercise the powers delegated to it by the Board in the manner and on the terms authorized by the Board. Any decision made or action taken by the Committee arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive. If the Committee is appointed, the Board shall designate one of the members of the Committee as chairman and the Committee shall hold meetings, subject to

the by-laws of the Corporation, at such times and places as it shall deem advisable; including, without limitation, by telephone conference or by written consent to the extent permitted by Applicable Law. A majority of the Committee members shall constitute a quorum. All determinations of the Committee shall be made by a majority of its members. Any decision or determination reduced to writing and signed by all the Committee members in accordance with the by-laws of the Corporation, shall be fully as effective as if it had been made by a vote at a meeting duly called and held. The Committee shall keep minutes of its meetings and shall make such rules and regulations for the conduct of its business as it shall deem advisable.

(d) Notwithstanding the foregoing, the additional provisions set forth in Exhibit “A” attached hereto entitled “Provisions Applicable to Residents of Israel” shall apply to those Participants (as hereinafter defined) who are resident in the State of Israel (Participants who are residents of Israeli are referred to herein as “**Israeli Participants**”).

3.2 Shares Reserved

(a) Options may be granted in respect of authorized and unissued Shares. Subject to an increase by the Board in its sole and absolute discretion, Applicable Law and any shareholder or other approval which may be required, and subject further to any adjustments pursuant to Section 5.1, the maximum aggregate number of Shares which may be reserved by the Corporation for issuance under the Plan will be such number of Shares as is equal to 10% of the aggregate number of outstanding Shares from time to time.

(b) Any Shares subject to an Option which has been granted under the Plan and which is cancelled or terminated for any reason without having been exercised will be added back to the number of Shares reserved for issuance under the Plan and such Shares will again be available for grant under the Plan. No fractional Shares may be issued, and the Board may determine the manner in which any fractional Share value will be treated.

3.3 Eligibility

Participation in the Plan shall be limited to Eligible Persons. Participation shall be voluntary and the extent to which any Eligible Person shall be entitled to participate in the Plan shall be, subject to the terms of the Plan and Applicable Law, determined in the sole and absolute discretion of the Board. Eligibility to participate does not confer upon any Optionee any right to be granted Options pursuant to the Plan.

4. OPTIONS

4.1 Grants

(a) The Board may, from time to time, subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, grant Options to any Eligible Person.

(b) Subject to the Plan, the Board may impose limitations, restrictions and conditions, in addition to those set out in the Plan, that are applicable to the exercise of an Option, including, without limitation, the nature and duration of any restrictions applicable to a sale or other disposition of Shares acquired upon exercise of an Option and the nature of events, if any, that may cause any

Optionee's rights in respect of Shares acquired upon exercise of an Option to be forfeited and the duration of the period of such forfeiture.

(c) An Eligible Person may receive Options on more than one occasion under the Plan and may receive separate Options on any one occasion.

(d) the Corporation shall not grant Options:

(i) to any one person in any 12 month period which could, when exercised, result in the issuance of Shares exceeding five percent (5%) of the issued and outstanding Shares of the Corporation unless disinterested shareholder approval is obtained;

(ii) to any one Consultant which could, when exercised, in any 12 month period result in the issuance of Shares exceeding two percent (2%) of the issued and outstanding Shares of the Corporation;

(iii) to all persons employed by the Corporation who perform investor relations activities which could, when exercised, in any 12 month period result in the issuance of Shares exceeding two percent (2%) of the issued and outstanding Shares of the Corporation nor shall more than 1/4 of any such Options vest in any three month period;

(iv) if the aggregate number of Shares issuable pursuant to Options granted to Insiders pursuant to the Plan and other security based compensation arrangements would exceed 10% of the Corporation's total issued and outstanding Common Shares unless disinterested shareholder approval is obtained; or

(v) if the aggregate number of Shares issued to Insiders pursuant to the Plan and other security based compensation arrangements within any one-year period would exceed 10% of the Corporation's total issued and outstanding Shares, unless disinterested shareholder approval is obtained.

4.2 Exercise Price

(a) Subject to Applicable Law and to adjustment from time to time in accordance with Section 5.1 hereof, the exercise price (the "**Exercise Price**") of an Option granted pursuant to the Plan will be as determined by the Board but in any event, unless otherwise determined by the Board, shall not be less than the Fair Market Value of the Shares on the Business Day immediately prior to the Date of Grant.

(b) Furthermore, disinterested shareholder approval is required in order to reduce the exercise price of an Optionee that is an Insider of the Corporation at the time of the proposed amendment.

4.3 Term of Options

Subject to any accelerated termination as set forth in the Plan, Options must expire no later than ten (10) years after the Date of Grant or such lesser period as applicable regulatory authorities or Applicable Law may require.

4.4 Vesting of Options

(a) The Board may determine, in its sole discretion, in respect of an Option, when an Option will become exercisable and the extent to which an Option will vest or will be exercisable in instalments (the “**Vesting Schedule**”) and such Vesting Schedule shall be set forth in the applicable Option Agreement. For example, the Board may, in its sole discretion, provide that the vesting of an Option be dependent on the passage of time and/or on the achievement of specified milestones or thresholds.

(b) Any Options issued to a Consultant Optionee must vest in stages over at least a 12 month period with no more than $\frac{1}{4}$ of such Options vesting in any three (3) month period.

(c) Once a portion of an Option vests and becomes exercisable, it shall remain exercisable until expiration or termination of such Option, unless otherwise specified by the Board in connection with the grant of such Option or pursuant to Section 4.11 hereof with respect to a Change of Control. Each Option or portion thereof may be exercised at any time or from time to time, in whole or in part, for up to the total number of Shares with respect to which it is then exercisable.

4.5 Option Agreements

Each Option must be confirmed by an agreement (an “**Option Agreement**”), in the form of option agreement attached hereto as Exhibit “B” and for Israeli Participants, the form attached hereto as Exhibit “C”, as such forms may be amended by the Board from time to time, and with such changes thereto as may be necessary for any particular Option to a particular Optionee, signed by the Corporation and by the Optionee. In the event an Option is Transferred in accordance with the terms of the Plan, it shall be a condition to the effectiveness of such Transfer that the Eligible Transferee enter into an Option Agreement on the same terms and conditions.

4.6 Exercise of Option and Payment of Exercise Price

The Optionee may, from time to time and at any time after the vesting of an Option and prior to the expiry of such Option, elect to purchase all or a portion of the Shares available for purchase by lump sum payment by delivering to the Corporation at its registered office (or other office designated in writing by the Corporation to the Optionee), a completed Notice of Exercise substantially in the form attached hereto as Exhibit “D”. Such notice shall specify the number of Shares the Optionee desires to purchase and shall be accompanied by payment in full of the Exercise Price for such Shares. Subject to the provisions of the immediately following sentence, payment may be made by bank draft or certified cheque payable to the order of the Corporation at the time of exercise. Upon receipt of payment in full or, in the discretion of the Board, upon the determination that the fair value of property or past services provided by the Optionee is equal to or greater than the Exercise Price if the Shares had been issued for money, and in any event, subject to the terms of the Plan, the number of Shares in respect of which the Option is exercised will be duly issued as fully paid and non-assessable. Without derogating from the aforementioned, as long as the Corporation’s share are listed for trade on a recognized stock exchange, payment of the Exercise Price may be made all or in part by delivery (on a form prescribed by the Board) of an irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to the Corporation in payment of the aggregate Exercise Price.

4.7 Prohibition on Transfer of Options and Shares

(a) Subject to the other provisions of this Section 4.7 and Section 4.8, an Option is personal to the Optionee and is non-assignable, other than by will or laws of descent and distribution, and such Option shall be exercisable during the Optionee's lifetime only by the Optionee to which such Option has been granted. No Optionee may deal with any Option or any interest in it or Transfer any Option now or hereafter held by the Optionee except in accordance with the Plan. If an Optionee's Holding Company ceases to be wholly-owned by the Optionee, the Holding Company will be deemed to have Transferred any Options held by such Holding Company to the Optionee. A purported Transfer of any Option in violation of the Plan will not be valid and the Corporation will not be required to issue any Shares upon the attempted exercise of an improperly Transferred Option. Nothing contained herein shall permit any Optionee to transfer any Option, whether to an Eligible Transferee or otherwise, without the prior written consent of the Board. Subject to Applicable Law and subject to the prior written consent of the Board, an Option may be transferred to and from the Optionee and an Eligible Transferee provided that the transferor delivers to the Corporation at its registered office a completed Notice of Transfer substantially in the form attached hereto as "Exhibit "E".

(b) Options and Shares issued upon exercise thereof are subject to transfer and resale restrictions pursuant to the constating documents of the Corporation and Applicable Law. The Optionee is responsible for obtaining such legal advice as may be appropriate in connection with any transfer or resale of Options and Shares issued upon the exercise thereof.

4.8 Death, Disability or Retirement of Optionee

If,

(a) an Employee Optionee or an Executive Optionee dies or becomes Disabled while an employee, director or officer of the Corporation or an Affiliated Corporation, as the case may be;

(b) a Consultant Optionee's consulting agreement or arrangement with the Corporation or an Affiliated Corporation, as the case may be, is terminated by reason of the death or Disability of such Optionee; or

(c) the employment or term of office of an Employee Optionee or an Executive Optionee with the Corporation or an Affiliated Corporation, as the case may be, terminates due to Retirement,

then

(d) the executor, administrator or other legal representative of such Optionee's estate or such Optionee, as the case may be, may exercise any Options granted to such Optionee to the extent that such Options were exercisable at the date of such death, Disability or Retirement and the right to exercise such Options shall terminate on the earlier of:

(i) the date that is 180 days from the date of such Optionee's death, Disability or Retirement; and

(ii) the date of expiration specified in the Option Agreement or in the resolution of the Board granting such Option, as the case may be,

provided that any Options granted to such Optionee that were not exercisable at the date of the death, Disability or Retirement shall immediately expire and be cancelled on such date; and

(e) such Optionee's eligibility to receive further grants of Options under the Plan shall cease as of the date of such Optionee's death, Disability or Retirement, as the case may be.

With regard to Options held by a trustee of an Israeli Participant, this Section will apply to the Israeli Participants.

4.9 Termination of Employment or Services by reason other than Death, Disability or Retirement

(a) Where, in the case of an Employee Optionee or Executive Optionee, an Optionee's employment or term of office with the Corporation or an Affiliated Company ceases by reason of the Optionee's death, Disability or Retirement, then the provisions of Section 4.9 hereof shall apply.

(b) Where, in the case of an Employee Optionee or Executive Optionee, an Optionee's employment or term of office with the Corporation or an Affiliated Corporation terminates by reason of:

(i) termination by the Corporation or an Affiliated Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice);

(ii) voluntary resignation by such Optionee; or

(iii) in the case of an Executive Optionee who received Options in his or her capacity as a director of the Corporation or an Affiliated Corporation, the failure of such Executive Optionee to be re-elected as a director or the removal of such Executive Optionee from the board of directors of the Corporation or an Affiliated Corporation,

then any Options granted to such Optionee that are exercisable at the Termination Date shall continue to be exercisable until the earlier of: (A) the date that is 30 days following the Termination Date; and (B) the date of expiration specified in the Option Agreement or in the resolution of the Board granting such Option, as the case may be. Any Options granted to such Optionee that are not exercisable at the Termination Date shall immediately expire and be cancelled on the Termination Date.

(c) Where, in the case of an Employee Optionee or Executive Optionee, such Optionee's employment or term of office with the Corporation or an Affiliated Corporation is terminated by the Corporation or Affiliated Corporation for Cause then any Options granted to such Optionee, whether or not exercisable at the Termination Date, shall immediately expire and be cancelled on the Termination Date contemporaneously with such termination.

(d) Where, in the case of a Consultant Optionee, such Optionee's consulting agreement or arrangement terminates by reason of:

(i) termination by the Corporation or an Affiliated Corporation for any reason other than for material breach of the consulting agreement or arrangement (whether or not such

termination is effected in compliance with any termination provisions contained in such Optionee's consulting agreement or arrangement); or

(ii) voluntary termination by such Optionee,

then any Options granted to such Optionee that are exercisable at the Termination Date shall continue to be exercisable until the earlier of: (A) the date that is 30 days following the Termination Date; and (B) the date of expiration specified in the Option Agreement or in the resolution of the Board granting such Option, as the case may be. Any Options granted to such Optionee that are not exercisable at the Termination Date shall immediately expire and be cancelled on such date.

(e) Where, in the case of a Consultant Optionee, such Optionee's consulting agreement or arrangement is terminated by the Corporation or an Affiliated Corporation for material breach of the consulting agreement or arrangement (whether or not such termination is effected in compliance with any termination provisions contained in such Optionee's consulting agreement or arrangement), then any Options granted to such Optionee, whether or not such Options are exercisable at the Termination Date, shall immediately expire and be cancelled on the Termination Date contemporaneously with such termination.

(f) Unless the Board, in its discretion, otherwise determines at any time and from time to time, Options shall not be affected by any change of employment or consulting arrangement within or among the Corporation or an Affiliated Corporation for so long as an Employee Optionee continues to be an employee of the Corporation or an Affiliated Corporation, or for so long as the Executive Optionee continues to be a director or officer of the Corporation or an Affiliated Corporation, or for so long as the Consultant Optionee continues to be engaged as a consultant to the Corporation or an Affiliated Corporation, as the case may be. For greater certainty, if an Optionee ceases to be an Executive Optionee but remains an Employee Optionee, the Options granted to such Optionee shall not be affected by such change.

4.10 Discretion to Permit Exercise

Notwithstanding the provisions of Sections 4.8 and 4.9 hereof, the Board may, in its discretion, at any time prior to or following the events contemplated in such Sections, permit the exercise of any or all Options held by an Optionee in the manner and on the terms authorized by the Board, provided that the Board shall not, in any case, authorize the exercise of an Option pursuant to this Section beyond the date of expiration specified in the Option Agreement or in the resolution of the Board granting such Option, as the case may be.

4.11 Change of Control

(a) For the purposes of the Plan,

(i) "**Change of Control**" shall mean the happening of any of the following events: (A) any transaction pursuant to which the Corporation goes out of existence; (B) any transaction pursuant to which any Person or any Associate or Affiliate of such Person and any Person acting jointly or in concert with such Person (within the meaning of the *Securities Act* (Ontario)) (other than the Corporation, a subsidiary of the Corporation or an employee

benefit plan of the Corporation (including any trustee of such plan acting as trustee)), hereafter acquires the direct or indirect “beneficial ownership” (as such term is defined in the *Business Corporations Act* (Ontario)) of securities of the Corporation representing 50% or more of the aggregate votes of all of the Corporation’s then issued and outstanding securities; (C) the sale of all or substantially all of the Corporation’s assets to a Person other than a Person that is an Affiliated Corporation; (D) the dissolution or liquidation of the Corporation except in connection with the distribution of assets of the Corporation to one or more Persons which were Affiliated Corporations prior to such event; or (E) the occurrence of a transaction requiring approval of the Corporation’s shareholders involving the acquisition of the Corporation by an entity through purchase of assets, by amalgamation or otherwise; and

(ii) “**Change of Control Price**” shall mean the highest price per Share paid in any transaction related to a Change of Control.

(b) Notwithstanding anything else in the Plan or contained in any Option Agreement, unless otherwise determined by the Board, outstanding Options shall be converted or exchanged into or for options, rights or other securities in any entity participating in or resulting from a Change of Control, (each such Option hereinafter called an “**Alternative Option**”) and any such Alternative Option must meet the following criteria:

(i) the Alternative Option must be based on stock which is traded on an established securities market, or which will be so traded within 30 days of the Change of Control;

(ii) the Alternative Option must provide such Optionee with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Option, including, but not limited to, an identical or better exercise schedule; and

(iii) the Alternative Option must have economic value substantially equivalent to the value of such Option (determined at the time of the Change of Control) (having regard to such factors as the Board shall reasonably consider applicable).

(c) The Board may, in its sole discretion, accelerate the vesting of any or all outstanding Options to provide that, notwithstanding the Vesting Schedule or any Option Agreement, such outstanding Options shall be fully vested and conditionally exercisable upon (or prior to) the completion of the Change of Control, provided, however, that the Board shall not, in any case, authorize the exercise of Options pursuant to this Section beyond the date of expiration specified in the Option Agreement or resolution of the Board granting such Options, as the case may be. If the Board elects to accelerate the vesting of the Options, and if any of such Options are not exercised within five Business Days following the giving of notice of such acceleration, such unexercised Options shall terminate and expire upon the completion of the proposed Change of Control. If, for any reason, the Change of Control does not occur within the contemplated time period, the acceleration of the vesting of the Options shall be retracted and vesting shall instead revert to the manner provided in the Vesting Schedule or Option Agreement.

(d) The Board, in its sole discretion, may provide for the purchase of any Option by the Corporation or an Affiliate or other Person upon (or prior to) the completion of the Change of Control for an

amount equal to: (i) the Change of Control Price of each Share underlying an Option multiplied by the Shares underlying such Options, less (ii) the aggregate Exercise Price of such Options.

(e) If, in connection with a Change of Control, the shareholders of the Corporation are to receive consideration other than consideration consisting solely of cash, then the Board may determine, prior to the occurrence of the Change of Control, that upon the exercise of any Options after the Change of Control, that the Optionees shall be entitled to receive that consideration which they would have received had they exercised their Options immediately prior to the Change of Control and sold their Shares on the same terms and conditions as the shareholders of the Corporation who sold their Shares in connection with the Change of Control.

5. GENERAL

5.1 Capital Adjustments

(a) The existence of any Options shall not affect in any way the right and power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization, or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Subsection 5.1(a) would have an adverse effect on the Plan or any Option granted hereunder.

(b) If there is any change in the outstanding Shares by reason of a stock dividend or split, recapitalization, consolidation, combination or exchange of shares or other similar corporate change, other than a Change of Control, subject to any prior approval required of applicable regulatory authorities, the Board may make appropriate substitution or adjustment in:

(i) the Exercise Price of unexercised Options;

(ii) the number or kind of shares or other securities reserved for issuance pursuant to the Plan; and

(iii) the number and kind of shares subject to unexercised Options theretofore granted and in the Exercise Price of those shares,

provided, however, that no substitution or adjustment will obligate the Corporation to issue or sell fractional shares. The determination of the Board as to any adjustment, or as to there being no need for adjustment, will be final and binding on all parties concerned.

(c) The distribution of a cash dividend and/or any rights offering to other shareholders of the Company, shall not trigger any adjustment to the Options granted under this Plan.

5.2 Conditions of Exercise

The Plan and Options are subject to the requirement that if at any time the Board determines that: (a) the listing, registration or qualification of the Shares subject to such Option upon any stock exchange or quotation system or under any provincial, state or federal law, or that the consent or approval of any governmental body, stock exchange or quotation system or of the holders of the Shares generally, is necessary or desirable, as a condition of, or in connection with the granting of such Option or the issuance of Shares upon the exercise thereof; or (b) the grant of an Option or the issuance of Shares upon the exercise thereof is in conflict with or is inconsistent with Applicable Law, no such Option may be granted or exercised in whole or in part unless such listing, registration, qualification, consent or approval has been effected or obtained or such conflict or inconsistency is no longer outstanding, each free of any conditions not acceptable to the Board. The Optionees shall, to the extent applicable, co-operate with the Corporation in relation to such registration, qualification or other approval and shall have no claim or cause of action against the Corporation or any of its officers or directors as a result of any failure by the Corporation to obtain or to take any steps to obtain any such registration, qualification, or approval.

5.3 Amendment and Termination

(a) The Board may amend, suspend or terminate the Plan or any portion of it at any time in accordance with Applicable Law and subject to any required regulatory, Exchange or shareholder approval. However, subject to the terms hereof, unless consent is obtained from the Optionee affected, no amendment, suspension or termination may alter or impair any Options, or any rights related to Options, that were granted to that Optionee prior to the amendment, suspension or termination.

(b) If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules adopted by the Board and in force at the time of termination of the Plan will continue in effect as long as any Option remains outstanding. However, notwithstanding the termination of the Plan, the Board may make any amendments to the Plan or to any outstanding Option that the Board would have been entitled to make if the Plan were still in effect.

(c) Subject to Applicable Law and to any necessary prior approval of applicable regulatory authorities and with the consent of the affected Optionee, the Board may amend or modify any outstanding Option in any manner, including, without limitation, by changing the date or dates as of which, or the price at which, an Option becomes exercisable, so long as the Board would have had the authority to grant initially the Option as so modified or amended.

5.4 Status as Shareholder

Optionees shall not have any rights as a shareholder with respect to Shares until full payment of the Exercise Price for the Shares has been made to the Corporation and the Corporation has issued the Optionee's Shares. Upon becoming a shareholder of the Corporation, an Optionee may only transfer Shares in accordance with and subject to Applicable Law and the constating documents of the Corporation.

5.5 Withholding Taxes

The exercise of each Option granted under the Plan is subject to the condition that if at any time the Corporation determines, in its discretion, that the satisfaction of withholding tax or other withholding

liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Corporation. In such circumstances, the Corporation may require that an Optionee pay to the Corporation, in addition to and in the same manner as the Exercise Price for the Shares, such amount as the Corporation is obliged to remit to the relevant taxing authority in respect of the exercise of the Option. Any such additional payment is due no later than the date as of which any amount with respect to the Option exercised first becomes includable in the gross income of the Optionee for tax purposes.

5.6 Non Exclusivity and Corporate Action

(a) Subject to any required regulatory or shareholder approval, nothing contained herein will prevent the Board from adopting other additional compensation arrangements for the benefit of any Optionee.

(b) Nothing contained in the Plan or in the Options shall be construed so as to prevent the Corporation or any subsidiary of the Corporation from taking corporate action which is deemed by the Corporation or the subsidiary to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan.

5.7 Employment and Board of Directors Position Non-Contractual

The granting of an Option to an Optionee under the Plan does not confer upon the Optionee any right to continue in the employment of the Corporation or any Affiliated Corporation or as a member of the Board, as the case may be, nor does it interfere in any way with the rights of the Optionee or of the Corporation's rights to terminate the Optionee's employment or consulting arrangements at any time or of the shareholders' right to elect one or more directors of the Corporation.

5.8 Indemnification

Every member of the Board will at all times be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses whatsoever including any income tax liability arising from any such indemnification, that such Board member may sustain or incur by reason of any action, suit or proceeding, taken or threatened against the Board member, otherwise by the Corporation, for or in respect of any act done or omitted by the Board member in respect of the Plan, such costs, charges and expenses to include any amount paid to settle such action, suite or proceeding or in satisfaction of any judgement rendered therein.

5.9 Notices

All written notices to be delivered by the Optionee to the Corporation may be delivered personally, by facsimile or by registered mail, postage prepaid, addressed as follows:

Empower Clinics Inc.
1030 West Georgia Street
Suite 918
Vancouver, British Columbia
V6E 2Y3

Attention: Steven McAuley
s.mcauley@empowerclinics.com

Any notice delivered by the Optionee pursuant to the terms of the Option shall not be effective until actually received by the Corporation at the above address. Any notice to be delivered to the Optionee shall be effective when delivered personally (effective at the time of delivery), by facsimile transmission (effective one day after transmission) or by postage prepaid mail to the last address of the Optionee on the records of the Corporation (which shall be deemed effective the first Business Day after mailing).

5.10 Governing Law

This Plan is created under and is to be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, except for Exhibit "A", which will be governed and construed in accordance with the laws of the State of Israel.

EXHIBIT "A" (TO SCHEDULE
"A") OPTION AGREEMENT

Optionee: _____

(name)

(Address)

Grant: _____

Maximum Number of Shares

Option Exercise Price: \$_____ per Share

Date of Grant: _____, 20__

Expiry Date: _____, 20__

Vesting Schedule:

Instalment	Date of Vesting (Milestone)	Number of Optioned Shares Vested	Cumulative Number of Optioned Shares Vested
1			
2			
3			
4			
5			

This Option Agreement is made under and is subject in all respects to the Stock Option Plan dated August 31, 2009 (as may be supplemented and amended from time to time) (the "**Plan**") of Empower Clinics Inc. (the "**Corporation**"), and the Plan is deemed to be incorporated in and to be part of this Option Agreement. The Optionee is deemed to have notice of and to be bound by all of the terms and provisions of the Plan as if the Plan was set forth in full herein (including the restrictions on transfer of the Options and the Shares issuable upon exercise thereof). In the event of any inconsistency between the terms of this Option Agreement and the Plan, the terms of this Option Agreement shall prevail. The Plan contains provisions respecting termination and/or voiding of the Plan or the Option.

This Option Agreement evidences that the Optionee named above is entitled, subject to and in accordance with the Plan, to purchase up to but not more than the maximum number of Shares set out above at the option Exercise Price set out above upon delivery of an exercise form as annexed hereto duly completed and accompanied by certified cheque or bank draft for the aggregate Exercise Price. All undefined terms contained herein shall have the definitions provided in the Plan.

The Optionee hereby agrees that: (a) any rule, regulation or determination, including the interpretation by the Board of the Plan, the Option granted hereunder and the exercise thereof, is final and conclusive for all purposes and binding on all Persons including the Corporation or Affiliated Corporation, as the case may be, and the Optionee; and (b) the grant of the Option does not affect in any way the right of the Corporation or any Affiliated Corporation to terminate the services and/or employment of the Optionee.

This Option Agreement has been made in and is to be construed under and in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

This Option Agreement is not effective until countersigned by the Corporation and accepted by the Optionee.

Dated: _____, 20

Empower Clinics Inc.

Name:

Title:

Authorized Signing Officer

I have read the foregoing Option Agreement and hereby accept the Option to purchase Shares in accordance with and subject to the terms and conditions of such Option Agreement and the Plan. I understand that I may review the complete Plan by contacting the Secretary of the Corporation. I agree to be bound by the terms and conditions of the Plan governing the option.

Accepted: _____, 20

Signature of Optionee

EXHIBIT "B" (TO SCHEDULE

"A") NOTICE OF EXERCISE

To Exercise the Option, Complete and Return this Form

The undersigned Optionee (or his or her legal representative(s) permitted under the Stock Option Plan of Empower Clinics Inc., dated August 31, 2009 (as the same may be supplemented and amended from time to time) (the "Plan") hereby irrevocably elects to exercise the Option for the number of Shares as set forth below:

(a) Number of Options to be Exercised: _____

(b) Option Exercise Price per Share: \$_____

(c) Aggregate Purchase Price

[(a) multiplied by (b)]: \$_____

and hereby tenders a certified cheque or bank draft for such aggregate Exercise Price, and directs such Shares to be issued and registered in the name of the undersigned, all subject to and in accordance with the Plan. Unless otherwise defined herein, any capitalized terms used herein shall have the meaning ascribed to such terms in the Plan.

Dated: _____, 20

)
)
) _____
) Name of Optionee
)
)
) _____

Witness to the Signature of:

) Signature of Optionee

Address of Optionee

EXHIBIT "C" (TO
SCHEDULE "A") NOTICE OF
TRANSFER

**To Request Permission to Transfer an Option, Complete and Return This Form Along
with the Original Option Agreement**

The undersigned Optionee (or his or her legal representative(s) permitted under the Stock Option Plan of Empower Clinics Inc., dated August 15, 2019 (as the same may be supplemented and amended from time to time) (the "Plan") hereby irrevocably requests permission to transfer the Option evidenced by the attached Option Agreement to the undersigned Person(s), each of whom the Optionee hereby certifies is an Eligible Transferee in accordance with Sections 4.5 and 4.8 of the Plan:

Direction as to Registration:

Name of Registered Holder(s)

Address of Registered Holder(s)

The undersigned Optionee hereby directs such Option(s) to be registered in the name(s) of such Eligible Transferee(s). Unless they are otherwise defined herein, any defined terms used herein shall have the meaning ascribed to such terms in the Plan.

Dated: _____, 20____

)

)

)

)

Witness to the Signature of:

)

Name of Optionee

SCHEDULE “B” TO INFORMATION CIRCULAR**AUDIT COMMITTEE MANDATE**

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors (the “**Board**”) in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

Composition

- (i) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom should be independent as defined by applicable legislation.
- (ii) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the “**Chair**”) to serve for a term of one year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (iii) *Financially Literacy.* All members of the Audit Committee must be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate, such member will have a period of three months to acquire the required level of financial literacy.

Meetings

- (i) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (ii) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the Company’s external auditor (the “**Auditor**”). Agenda materials such as draft financial statements must be circulated to all Audit Committee members a reasonable time in advance of each meeting in order for members to have time to review the materials prior to the meeting.
- (iii) *Notice to Auditor.* The Auditor will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (iv) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (i) *Selection of the Auditor.* Select, evaluate and recommend the Auditor to the Board for shareholder approval, to examine the Company’s accounts, controls and financial statements.
- (ii) *Scope of Work.* Evaluate, prior to the annual audit of the Company’s financial statements, the scope and general extent of the Auditor’s review, including the Auditor’s engagement letter.
- (iii) *Compensation.* Recommend to the Board the compensation to be paid to the Auditor.

- (iv) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (v) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor.
- (vi) *Responsibility for Oversight.* Oversee the work of the Auditor, who must report directly to the Audit Committee.
- (vii) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditor regarding financial reporting.

Financial Statements and Financial Information

The Audit Committee will:

- (i) *Review Audited Financial Statements.* Review the Company's audited financial statements, discuss those statements with management and with the Auditor, and if appropriate, recommend their approval to the Board.
- (ii) *Review Interim Financial Statements.* Review and discuss with management the Company's interim financial statements, and if appropriate, recommend their approval to the Board.
- (iii) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review management's discussion and analysis, interim and annual press releases, and Audit Committee reports before the Company publicly discloses such information.
- (iv) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (i) *Internal Controls.* Review with management and the Auditor the general policies and procedures used by the Company with respect to internal accounting and financial controls, and remain informed, through communications with the Auditor, of any weaknesses in internal controls that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (ii) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in such functions.
- (iii) *Accounting Policies and Practices.* Review management's plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (iv) *Litigation.* Review with the Auditor and the Company's legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the Company's financial statements.
- (v) *Other.* Discuss with management and the Auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (i) *Accounting, Auditing and Internal Control Complaints.* Establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (ii) *Employee Complaints.* Establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

Authority

- (i) *Auditor.* The Auditor, and any internal auditor hired by the company, will report directly to the Audit Committee.
- (ii) *Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsel and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of such advisors.

Reporting

The Audit Committee will report to the Board on:

- (i) the independence of the Auditor;
- (ii) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (iii) the reappointment and termination of the Auditor;
- (iv) the adequacy of the Company's internal controls and disclosure controls;
- (v) the Audit Committee's review of the Company's financial statements, both annual and interim;
- (vi) the Audit Committee's review of the management's discussion and analysis, both annual and interim;
- (vii) the Company's compliance with legal and regulatory matters to the extent they affect its financial statements; and
- (viii) all other material matters dealt with by the Audit Committee.

**SCHEDULE “C” TO INFORMATION CIRCULAR
NEW BYLAW NO. 3**

**EMPOWER CLINICS INC.
(the “Corporation”)**

BE IT ENACTED, as By-law No. 3 of the Corporation, as follows:

**ARTICLE I
INTERPRETATION**

Section 1.01 Definitions. In this By-law No. 3, unless the context otherwise requires:

“**Act**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, and the regulations enacted pursuant to it and any statute and regulations that may be substituted for them, in each case, as amended from time to time;

“**appoint**” includes “elect” and vice versa.

“**Articles**” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, arrangement or revival of the Corporation, as amended or restated from time to time.

“**auditor**” means the auditor of the Corporation from time to time.

“**Board**” means the board of directors of the Corporation.

“**by-law**” means a by-law of the Corporation.

“**Director**” means a member of the Board.

“**electronic document**” means, except in the case of a statutory declaration or affidavit required under the Act, any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means and that can be read or perceived by a person or by any means.

“**entity**” means a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization.

“**meeting of shareholders**” means an annual meeting of shareholders and a special meeting of shareholders.

“**non-business day**” means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Canada).

“**officer**” has the meaning set forth in the Act but reference to any specific officer is to the individual holding that office of the Corporation.

“**person**” includes any individual, body corporate, partnership, trust, joint venture or unincorporated organization or association.

“**proxyholder**” means a person holding a valid proxy for a shareholder.

“**recorded address**” means

(a) in the case of a shareholder, his or her address as recorded in the securities register of the Corporation;

- (b) in the case of joint shareholders, the address appearing in the securities register of the Corporation in respect of the joint holding or the first address so appearing if there is more than one;
- (c) in the case of an officer, auditor or member of a committee of the Board, his or her latest address as recorded in the records of the Corporation; and
- (d) in the case of a Director, his or her latest address as recorded in the most recent notice filed under the Act.

“**shareholder**” means a shareholder of the Corporation.

“**special meeting**” 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.

“**voting person**” means, in respect of a meeting of shareholders, a shareholder entitled to vote at that meeting, a duly authorized representative of a shareholder entitled to vote at the meeting or a proxyholder entitled to vote at that meeting.

Section 1.02 Other Definitions. Unless otherwise defined herein, the defined terms set out in the Act have the same meanings as when used in this By-law. For the purposes of this By-law, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this By-law as a whole; (d) whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate; and (e) whenever the masculine is used herein, the same shall include the feminine, and whenever the feminine is used herein, the same shall include the masculine, where appropriate. Unless the context otherwise requires, references herein: (x) to sections mean the sections of this By-law; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute, including the Act, means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder.

Section 1.03 By-law Subordinate to Other Documents. This By-law is subordinate to, and should be read in conjunction with, the Act and the Articles.

Section 1.04 Computation of Time. The computation of time and any period of days shall be determined in accordance with the Act and the provisions of the *Interpretation Act* (Canada) and any statute that may be substituted for it, as amended from time to time.

ARTICLE II **Offices**

Section 2.01 Offices. The address of the registered office of the Corporation shall be in the province or territory within Canada specified in the Articles and at such location therein as the Board may from time to time determine.

Section 2.02 Books and Records. Any records maintained by the Corporation in the regular course of its business, including its securities register, books of account and minute books, may be maintained in a bound or loose-leaf book or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device. The Corporation shall make such records available for inspection only as required by, or pursuant to, applicable law.

ARTICLE III **Meetings of the Shareholders**

Section 3.01 Place of Meetings. All meetings of the shareholders shall be held at such place in Canada as the Board determines or, in the absence of such a determination, at the place stated in the notice of meeting. If all the

shareholders entitled to vote at that meeting so agree or the Articles specify a place outside Canada where a meeting of shareholders may be held, a meeting of shareholders may be held outside Canada.

Section 3.02 Annual Meeting. The annual meeting of the shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held at such date, time and place, if any, as shall be determined by the Board and stated in the notice of the meeting.

Section 3.03 Special Meetings. Special meetings of shareholders for any purpose or purposes shall be called pursuant to a resolution approved by the Board or requisition by shareholders in accordance with the Act.

Section 3.04 Fixing the Record Date.

(a) In order that the Corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 60 nor less than 30 days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the shareholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of shareholders entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the determination of shareholders entitled to vote at the adjourned meeting and in such case shall also fix as the record date for shareholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of shareholders entitled to vote therewith at the adjourned meeting.

(b) In order that the Corporation may determine the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or the shareholders entitled to exercise any rights in respect of any change, conversion or exchange of shares, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

Section 3.05 Adjournments. Any meeting of the shareholders, annual or special, may be adjourned from time to time to reconvene at the same or some other place, if any, as determined by the chair of the meeting, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof and the means of remote communication, if any, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If after the adjournment a new record date is fixed for shareholders entitled to vote at the adjourned meeting, the Board shall give notice of the new record date as well as notice of the adjourned meeting to each shareholder entitled to vote at the adjourned meeting in accordance with the Act and these By-laws.

Section 3.06 Notice of Meetings. Notice of the place, if any, date, hour and means of electronic communication, if any, of every meeting of shareholders shall be given by the Corporation not less than 21 days nor more than 60 days before the meeting to every shareholder entitled to vote at the meeting as of the record date, to each Director, and to the auditor. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called in sufficient detail to permit the shareholders to form a reasoned judgment on special business, and include the text of any special resolution or by-law to be submitted at the meeting. Except as otherwise provided herein or permitted by applicable law, notice to shareholders shall be in writing and delivered personally or mailed to the shareholders at their recorded address. Without limiting the manner by which notice otherwise may be given effectively to shareholders, notice of meetings may be given to shareholders by means of electronic transmission in accordance with applicable law. Notice of any meeting need not be given to any shareholder who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when

such shareholder attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Any shareholder so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 3.07 Who may Attend. The only persons entitled to attend a meeting of shareholders are voting persons, the Directors, the auditor and the president, if any, as well as others permitted by the chair of the meeting.

Section 3.08 Participation by Communication Facility. Any person entitled to attend a meeting of shareholders may participate in the meeting in accordance with the Act by means of a telephonic, electronic or other communication facility made available by the Corporation that permits all participants to communicate adequately with each other during the meeting and a person participating in a meeting by such means is deemed to be present at the meeting. A meeting of the shareholders called by either the Board or the shareholders may be held entirely by means of such a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting if the Board or shareholders calling the meeting so determine.

Section 3.09 Quorum. Unless otherwise required by law, a quorum at meetings of shareholders shall consist of one or more voting persons present and authorized to cast in the aggregate not less than 5% of the total votes attaching to all shares carrying the right to vote at that meeting. Once a quorum is established, it does not need to be maintained throughout the meeting.

Section 3.10 Chair of Meetings. The chair of the Board shall preside as chair of all meetings of shareholders. If there is no chair of the Board or the chair of the Board is not present or is unwilling to act as chair of a shareholder meeting, then the president of the Corporation shall preside as chair of the meeting if present and willing to act. In any other case, the Directors present shall choose one of their number to be the chair of the meeting.

Section 3.11 Conduct of Meetings. The secretary or, in his or her absence or inability to act, the person whom the chair of the meeting shall appoint secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof. The chair of any meeting of the shareholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include the following: (a) the establishment of an agenda or order of business for the meeting; (b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (c) rules and procedures for maintaining order at the meeting and the safety of those present; (d) limitations on attendance at or participation in the meeting to registered shareholders of the Corporation, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (e) restricting entry to the meeting after the time fixed for the commencement thereof; and (f) limiting the time allotted to questions or comments by participants.

Section 3.12 Voting; Proxies. Unless the chair of a meeting of shareholders directs a ballot or a voting person demands one, each motion shall be voted upon by a show of hands. Each voting person has one vote in a vote by show of hands. A ballot may be directed or demanded either before or after a vote by show of hands. If a ballot is taken, a prior vote by show of hands has no effect. A ballot so directed or demanded shall be taken in such manner as the chair of the meeting shall direct. If a ballot is taken, each voting person shall be entitled with respect to each share which he is entitled to vote at the meeting upon the motion, to one vote or such other number of votes as may be provided by the Articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said motion. Subject to compliance with the Act, any vote at a meeting of shareholders may be taken in whole or in part by means of a telephonic, electronic or other communication facility that the Corporation has made available for that purpose. Unless a ballot is directed or demanded, an entry in the minutes of a meeting to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Section 3.13 Scrutineers at Meetings of Shareholders. The chair of a meeting of shareholders may appoint for that meeting one or more scrutineers, who need not be voting persons.

Section 3.14 Omissions and Errors. The accidental omission to give any notice to any shareholder, Director, officer, member of a committee of the Board or auditor, the non-receipt of any notice by any such person where the

Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

ARTICLE IV
Board of Directors

Section 4.01 General Powers. The Board shall manage, or supervise the management of, the business and affairs of the Corporation.

Section 4.02 Number; Term of Office. If the Articles do not provide for a minimum and maximum number of Directors, the Board shall consist of the fixed number of Directors specified in the Articles. If the Articles provide for a minimum and maximum number of Directors, the Board shall be comprised of the fixed number of Directors as determined from time to time by the shareholders by ordinary resolution or, if the ordinary resolution empowers the Board to determine the number, by resolution of the Board. Each Director shall hold office until a successor is duly elected and qualified or until the Director's earlier death, resignation, disqualification or removal.

Section 4.03 Newly Created Directorships and Vacancies. Any newly created directorships resulting from an increase in the authorized number of Directors and any vacancies occurring in the Board, may be filled by the affirmative votes of a majority of the remaining members of the Board, or by a sole remaining Director, if constituting a quorum. A Director so elected shall be elected to hold office until the earlier of the expiration of the term of office of the Director whom he or she has replaced, the date a successor is duly elected and qualified or the earlier of such Director's earlier death, resignation, disqualification or removal.

Section 4.04 Resignation. Any Director may resign at any time by notice given in writing to the Corporation. Such resignation shall take effect at the date of receipt of such notice by the Corporation or at such later time as is therein specified.

Section 4.05 Removal. Except as prohibited by applicable law or the Articles, the shareholders entitled to vote in an election of Directors may remove any Director from office at any time, with or without cause, by ordinary resolution.

Section 4.06 Fees and Expenses. Directors shall receive such fees and expenses as the Board shall from time to time prescribe.

Section 4.07 Regular Meetings. Regular meetings of the Board may be held at such times and at such places as may be determined from time to time by the Board or its chairperson. No notice shall be required for any such regular meeting except if the purpose of the meeting or the business to be transacted includes:

- (a) submitting to the shareholders any question or matter requiring the approval of the shareholders;
- (b) filling a vacancy among the Directors or appointing additional Directors;
- (c) filling a vacancy in the office of auditor;
- (d) issuing securities except as authorized by the Board;
- (e) issuing shares of a series except as authorized by the Board;
- (f) declaring dividends;
- (g) purchasing, redeeming or otherwise acquiring shares issued by the Corporation;

- (h) paying a commission to any person in consideration of the person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- (i) approving a management proxy circular;
- (j) approving any annual financial statements; or
- (k) adopting, amending or repealing By-laws,

in which case at least two calendar days' notice of such meeting shall be provided to the Directors.

Section 4.08 Telephone Meetings. Board meetings or meetings of any committees of the Board may be held by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. Participation by a Director or a member of a committee in a meeting pursuant to this Section 4.08 shall constitute presence in person at such meeting.

Section 4.09 Adjourned Meetings. A majority of the Directors present at any meeting of the Board, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least 24 hours' notice of any adjourned meeting of the Board shall be given to each Director, whether or not present at the time of the adjournment, if such notice shall be given by one of the means specified in Section 4.10 hereof. Any business may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.

Section 4.10 Notices. Subject to Section 4.08, Section 4.09 and Section 4.11 hereof, whenever notice is required to be given to any Director by applicable law, the Articles or this By-law, such notice shall be deemed to be given effectively if given in person or by telephone, e-mail or other means of electronic transmission.

Section 4.11 Waiver of Notice. Whenever notice to Directors is required by applicable law, the Articles or these By-laws, a waiver thereof, in writing signed by the Director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except when the Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called. Neither the business to be transacted at, nor the purpose of, any regular or ad hoc meeting of the Board or committee of the Board need be specified in any waiver of notice.

Section 4.12 Organization. At each meeting of the Board, the chairperson or, in his or her absence, another Director selected by the Board shall preside. The secretary shall act as secretary at each meeting of the Board. If the secretary is absent from any meeting of the Board, an assistant secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the secretary and all assistant secretaries, the person presiding at the meeting may appoint any person to act as secretary of the meeting.

Section 4.13 Quorum of Directors. The presence of a majority of the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board.

Section 4.14 Majority Vote. Except as otherwise expressly required by this By-law, the Articles or by applicable law, the vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 4.15 Resolution in Writing of Board. Unless otherwise restricted by the Articles or this By-law, any resolution required or permitted to be passed at any meeting of the Board or of any committee thereof may be taken without a meeting if all Directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board or committee in accordance with the Act.

Section 4.16 Committees of the Board. The Board may designate one or more committees, each committee to consist of one or more of the Directors. If a member of a committee shall be absent from any meeting, or disqualified from voting thereat, the remaining member or members present at the meeting and not disqualified from voting shall vote on any matter. Any such committee, to the extent permitted by applicable law, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all documents that may require it to the extent so authorized by the Board. Unless the Board provides otherwise, at all meetings of such committee, a majority of the then authorized members of the committee shall constitute a quorum for the transaction of business, and the vote of a majority of the members of the committee present at any meeting at which there is a quorum shall be a resolution of the committee. Each committee shall keep regular minutes of its meetings. Unless the Board provides otherwise, each committee designated by the Board may make, alter and repeal rules and procedures, for the conduct of its business. In the absence of such rules and procedures each committee shall conduct its business in the same manner as the Board conducts its business pursuant to this ARTICLE IV.

Section 4.17 Limitation of Liability. Every Director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or officer shall be liable for the acts, omissions, failures, neglects or defaults of any other Director, officer or employee, or for joining in any act for conformity, or for any loss, damage or expense suffered or incurred by 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 monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his or her part, or for any other loss, damage or misfortune which shall happen in the execution of the duties of his or her office or in relation thereto. Nothing herein shall relieve any Director or officer from the duty to act in accordance with the Act or from liability for any breach thereof.

Section 4.18 Indemnity.

- (a) The Corporation shall indemnify a Director or officer of the Corporation, a former Director or officer of the Corporation 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.
- (b) The Corporation shall advance monies to a Director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 4.18(a). The individual shall repay the monies if he or she does not fulfill the conditions of Section 4.18(c).
- (c) The Corporation shall not indemnify an individual under Section 4.18(a) unless he or she (i) 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 he or she acted as a director or officer or in a similar capacity at the Corporation's request and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.
- (d) The Corporation shall also indemnify the individual referred to in Section 4.18(a) in such other circumstances as the Act or the law permits or requires. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

Section 4.19 Nominations of Directors.

- (a) Except as provided by applicable laws, only persons who are nominated in accordance with the procedures set forth in this Section 4.19 shall be eligible for election as directors of the Corporation.
- (b) 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) 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 Section 4.19 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 Section 4.19.
- (c) 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 (as provided for in Section 4.19(d)) in proper written form to the president or chief executive officer of the Corporation at the principal executive offices of the Corporation.
- (d) To be timely, a Nominating Shareholder’s notice to the president or chief executive officer 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 (as defined below) 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 10th day after the Notice Date in respect of such meeting; 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.

- (e) To be in proper written form, a Nominating Shareholder’s notice to the president or chief executive officer 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 during the past five years,
 - (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by 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,

- (D) a statement as to whether such person would be “independent” of the Corporation (as such term is defined under Applicable Securities Laws (as defined below)) if elected as a director at such meeting and the reasons and basis for such determination,
 - (E) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand, and
 - (F) 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:
- (A) any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation,
 - (B) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of the record by the Nominating Shareholder 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
 - (C) 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 (as defined below).
- (f) The Company 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.
- (g) The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the provisions set forth in this Section 4.19 and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.
- (h) For purposes of this Section 4.19:
- (i) “**Affiliate**”, when used to indicate a relationship with a person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
 - (ii) “**Applicable Securities Laws**” means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statutes, and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;

- (iii) “**Associate**”, when used to indicate a relationship with a specified person, means:
- (A) any corporation or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding,
 - (B) any partner of that person,
 - (C) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity,
 - (D) a spouse of such specified person,
 - (E) any person of either sex with whom such specified person is living in a conjugal relationship outside marriage, or
 - (F) any relative of such specified person or of a person mentioned in clauses D or E of this definition if that relative has the same residence as the specified person;
- (iv) “**Derivatives Contract**” means a contract between two parties (the “**Receiving Party**” and the “**Counterparty**”) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Corporation or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “**Notional Securities**”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Corporation or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;
- (v) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Corporation by a person:
- (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,
 - (B) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,
 - (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however, that the number of shares that a person owns beneficially pursuant to this clause in connection with a particular Derivatives Contract

shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate, and

- (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Corporation or any of its securities; and
- (vi) “**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 or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (i) Notwithstanding any other provision of this Section 4.19, notice given to the president or chief executive officer of the Corporation pursuant to this Section 4.19 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the president or chief executive officer 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 provided that receipt of confirmation of such transmission has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the president or chief executive officer of the Corporation 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. (Vancouver 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.
- (j) Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Section 4.19.

ARTICLE V Officers

Section 5.01 Positions and Election. The officers of the Corporation shall be elected annually by the Board and shall include, while the Corporation is a distributing corporation, a president or chief executive officer, a chief financial officer, and a secretary. The Board, in its discretion, may also elect a chair (who must be a Director), one or more vice-chairs (who must be Directors) and one or more other officers. Any two or more offices may be held by the same individual.

Section 5.02 Term. Each officer of the Corporation shall hold office until such officer's successor is elected and qualified or until such officer's earlier death, resignation or removal. Any officer elected or appointed by the Board may be removed by the Board at any time with or without cause by resolution of the Board. The removal of an officer shall be without prejudice to his or her contract rights, if any. The election or appointment of an officer shall not of itself create contract rights. Any officer of the Corporation may resign at any time by giving written notice of his or her resignation to the president or chief executive officer, or to the Board. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Should any vacancy occur among the officers, the position shall be filled for the unexpired portion of the term by appointment made by the Board.

ARTICLE VI Share Certificates and Share Transfers

Section 6.01 Certificates Representing Shares. The shares of the Corporation shall be represented by certificates. Share certificates shall be in the form, other than bearer form, approved by the Board and signed by two or more officers and/or Directors of the Corporation. Any or all such signatures may be facsimiles. Although any officer, Director, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such officer, Director, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such officer, Director, transfer agent or registrar were still such at the date of its issue.

Section 6.02 Transfers of Securities. Securities of the Corporation shall be transferable in the manner prescribed by law and in this By-law. Transfers of securities shall be made on the books of the Corporation only by the registered holder thereof, by such person's attorney lawfully constituted in writing and, in the case of certificated securities, upon the surrender of the certificate thereof, which shall be cancelled before a new certificate or uncertificated shares shall be issued. No transfer of securities shall be valid as against the Corporation for any purpose until it shall have been entered in the securities register of the Corporation by an entry showing from and to whom transferred.

Section 6.03 Transfer Agents and Registrars. The Board may appoint one or more transfer agents and one or more registrars.

Section 6.04 Lost, Stolen or Destroyed Certificates. The Board may direct a new certificate or uncertificated security to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed upon the making of a statutory declaration of that fact by the owner of the allegedly lost, stolen or destroyed certificate. When authorizing such issue of a new certificate or uncertificated security, the Board may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the Corporation an indemnity bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed or the issuance of such new certificate or uncertificated security.

ARTICLE VII General Provisions

Section 7.01 Seal. The seal of the Corporation shall be in such form as shall be approved by the Board. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise, as may be prescribed by law or custom or by the Board.

Section 7.02 Financial Year. The financial year of the Corporation shall be as determined by the Board.

Section 7.03 Cheques, Notes, Drafts, Etc. All cheques, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board or by an officer or officers authorized by the Board to make such designation.

Section 7.04 Dividends. Subject to applicable law and the Articles, dividends upon any shares of the Corporation may be (a) declared by the Board at any meeting of the Board and (b) paid in cash, in property or in shares of the Corporation.

Section 7.05 Conflict With Applicable Law or Articles. This By-law is enacted subject to any applicable law and the Articles. Whenever these By-laws may conflict with any applicable law or the Articles, such conflict shall be resolved in favour of such law or the Articles.

Section 7.06 Omission of Notice Does Not Invalidate Actions. All actions taken at a meeting in respect of which a notice has been given shall be valid even if:

- (a) by accident, notice was not given to any person;

- (b) notice was not received by any person; or
- (c) there was an error in a notice that did not affect the substance of the notice.

Section 7.07 Waiver of Notice. Any person entitled to notice under the Act, the articles or the by-laws may waive that notice. Waiver, either before or after the event referred to in the notice, shall cure any defect in giving that notice to such person.

ARTICLE VIII SIGNATORIES, INFORMATION

Section 8.01 Facsimile Signatures. The signature of any individual authorized to sign on behalf of the Corporation may, if specifically authorized by resolution of the Board, be written, printed, stamped, engraved, lithographed or otherwise mechanically reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that individual has ceased to hold office when anything so signed is issued or delivered, until revoked by resolution of the Board.

Section 8.02 Restriction on Information Disclosed. Except as required by the Act or authorized by the Board, no shareholder is entitled by virtue of being a shareholder to disclosure of any information, document or records respecting the Corporation or its business.

ARTICLE IX Amendment and Repeal

Section 9.01 Amendment. Subject to the Articles, the Board may, by resolution, make, amend or repeal any By-laws. Any such By-law, amendment or repeal shall be effective from the date of the resolution of the Board until the next meeting of shareholders where it may be confirmed, rejected or amended by the shareholders by ordinary resolution. If the By-law, amendment or repeal is confirmed or confirmed as amended by the shareholders, it remains effective in the form in which it was confirmed. Such By-law, amendment or repeal ceases to have effect if it is not submitted to the shareholders at the next meeting of shareholders or if it is rejected by the shareholders at the meeting.

Section 9.02 Repeal. All previous By-laws of the Corporation are repealed as of the coming into force of this By-law. The repeal shall not affect the previous operation of any By-laws so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any Articles or predecessor charter documents of the Corporation obtained pursuant to, any such By-law before its repeal. All officers and persons acting under the provisions of this By-law, and all resolutions of the shareholders or the Board or a committee of the Board with continuing effect passed under any repealed By-laws, shall continue to be good and valid except to the extent inconsistent with this By-law and until amended or repealed.

MADE by the Board effective August 23, 2019

“Steven McAuley”

Chief Executive Officer

CONFIRMED by the shareholders on _____