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BRUNSWICK
Resources inc.

Management Information Circular
For the Annual and Special Meeting of the Shareholders

to be held on **February 24, 2021**
at 10:00 a.m. (E.T.)

Dated as of January 26, 2021



101A, Principale Avenue, Suite 100
Rouyn-Noranda, Québec, J9X 4P1

NOTICE OF THE ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of the shareholders (“**Meeting**”) of Brunswick Resources Inc. (the “**Corporation**”) will be held at the offices of McMillan LLP at 1000 Sherbrooke W., Suite 2700, Montréal, Québec on February 24, 2021, at 10:00 a.m. E.T.. **In light of the ongoing public health concern related to COVID-19 and in order to comply with measures imposed by the federal and provincial governments, the Company is encouraging Shareholders and others to not attend the Meeting in person.** The Company is offering the Shareholders the option to listen and participate (but not vote) at the Meeting in real time by conference call at the following coordinates:

| | |
|---|---|
| Guest access code is: 132 232 3077 | <u>Dial by your location</u> Canada Toll free: 1-855-244-8677 US Toll free: 1-855-282-6330 |
|---|---|

While as of the date of this Information Circular, we are intending to hold the Meeting in physical face to face format with a conference call for participation, we are continuously monitoring the current coronavirus outbreak. **In light of the rapidly evolving news and guidelines related to COVID-19, anyone who plans to attend the Meeting in person is asked to advise Andjela Sabet of McMillan LLP by email at: andjela.sabet@mcmillan.ca by February 22, 2021.** In order to ensure the health and safety of all attendees, the Company and McMillan LLP (as host of the Meeting) will reserve the right to restrict access to the Meeting depending on available health and safety information at the time of the Meeting and make such arrangements as are deemed prudent or necessary under the circumstances.

We ask that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **In order to minimize group sizes and respect social distancing regulations, all Shareholders are urged to vote on the matters before the Meeting by proxy which can be submitted electronically or by mail, as further described herein.** If voting in advance by proxy is difficult, please contact Andjela Sabet at andjela.sabet@mcmillan.ca.

We reserve the right to take any additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak. Changes to the Meeting date and/or means of holding the Meeting may be made, in which case the Company will prepare and mail an amended management information circular.

Meeting Business

The business of the Meeting will include the following:

1. TO PRESENT to the shareholders the financial statements of the Corporation for the year ended December 31, 2019 and related auditors' report;
2. TO ELECT the directors of the Corporation;
3. TO APPOINT the auditors of the Corporation and authorize the Board of Directors of the Corporation to fix their remuneration;
4. TO PASS a special resolution, the full text of which is set forth in the management information circular accompanying this notice (the "**Circular**") authorizing the Corporation to change its name to "Poko Group Ltd.", or such other name as is acceptable to the regulatory authorities having jurisdiction over the Corporation's affairs;
5. TO PASS a special resolution, the full text of which is set forth in the Circular, authorizing and approving the continuance of the Corporation out of the provincial jurisdiction of Alberta under the *Business Corporations Act* (Alberta) and into the federal jurisdiction under the *Canada Business Corporations Act*, and the repeal and replacement of the existing by-laws of the Corporation with a new By-Law No. 1 upon completion of the continuance, on the basis set forth in the Circular;
6. TO PASS a special resolution, the full text of which is set forth in the Circular, to effect the consolidation of all of the issued and outstanding common shares of the Corporation on the basis of five (5) pre-consolidation common shares for one (1) post-consolidation common share, as more fully described in the Circular;
7. TO PASS an ordinary resolution of the majority of the minority shareholders, the full text of which is set forth in the Circular, authorizing and approving the Corporation to voluntarily delist its common shares from the NEX board of the TSX Venture Exchange and to apply to list the Corporation's common shares on the Canadian Securities Exchange, as more particularly described in Circular;
8. TO PASS an ordinary resolution to continue the stock option plan of the Corporation; and
9. TO TRANSACT such business as any other matters that may be duly brought before the Meeting or any adjournment thereof.

A copy of the annual management reports, the financial statements and auditors' report for the year ended December 31, 2019 is available on www.sedar.com under Brunswick Resources Inc.'s profile, in the submitted documents section. The Information Circular includes supplementary information on questions that will be addressed at the Meeting and, as such, is an integral part of this notice.

Registered Shareholders who are unable to attend the virtual Meeting and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Non-registered Shareholders who plan to attend the virtual Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are not a Registered Shareholder.

Pursuant to Section 191 of the *Business Corporations Act* (Alberta), registered holders of Common Shares will have the right to dissent in respect of the continuance into the federal jurisdiction under the *Canada Business Corporations Act*, and, if the continuance becomes effective, to be paid by the Corporation the fair value of the

Common Shares in respect of which a registered Shareholder exercises such dissent right. **If a registered Shareholder wishes to dissent, a written notice of dissent must be received by the Corporation at 101A, Principale Avenue, Suite 100, Rouyn-Noranda, Québec, J9X 4P1, Attention: Christian Dupont, at or before the Meeting.** Details regarding the dissent right can be found in the accompanying Circular under “*Continuance – Continuance Right of Dissent*”.

Rouyn-Noranda, January 26, 2021

By Order of the Board of Directors

“Christian Dupont”
Christian Dupont
President and CEO

BRUNSWICK RESOURCES INC.

**MANAGEMENT INFORMATION CIRCULAR
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

TO BE HELD ON FEBRUARY 24, 2021

A. PROXY SOLICITATION INFORMATION

In order to minimize group sizes and respect social distancing regulations, all Shareholders are urged to vote on the matters before the Meeting by proxy which can be submitted electronically or by mail, as further described herein. If voting in advance by proxy is difficult, please contact Andjela Sabet at andjela.sabet@mcmillan.ca.

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Brunswick Resources Inc. (the “**Corporation**”) to be used at the annual and special meeting of shareholders of the Corporation (the “**Meeting**”) to be held at the time, place and for the purposes set forth in the enclosed notice of Meeting (the “**Notice**”) and any adjournment thereof. Proxies may be solicited by mail, telephone, email or other personal contact by directors or officers of the Corporation. Those persons will not receive any extra compensation for those activities. The cost of such solicitation will be borne by the Corporation.

Appointment of Proxies

The persons named in the accompanied proxy form are directors or officers of the Corporation. However, a shareholder has the right to appoint a person (who does not need to be a shareholder of the Corporation) other than the persons designated in the accompanied proxy form to attend and act on behalf of that shareholder at the Meeting. To exercise this right, a shareholder should strike out the names printed on the proxy form and insert the name of the proxy of his or her own choice in the space provided for this purpose on the proxy form. Proxies must be delivered to Computershare, Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by facsimile transmission to number 1-866-249-7775, in each case no later than February 22, 2021, 10.00 a.m. E.T., or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjourned Meeting. The chairman of the Meeting may waive this time limit for receipt of proxies by Computershare without notice.

A non-registered shareholder who wishes to appoint another person to represent him at the Meeting shall carefully follow the instructions of its intermediary, including those regarding when and where to send the voting instruction form or proxy is to be delivered with directions concerning the appointment of another person to represent him at the Meeting.

Right of Revocation of Proxies

A registered shareholder giving a proxy may revoke the proxy by instrument in writing executed by the shareholder or its agent duly authorized in writing or, if the shareholder is a corporation, by an officer duly authorized in writing, and deposited either (i) at the head office of the Corporation, the last business day before the Meeting or the date of resumption in case of adjournment, or (ii) at the office of the registrar and transfer agent of the Corporation, Computershare, Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at the latest on February 22, 2021, or the last business day preceding the date of resumption if the Meeting is adjourned, or (iii) hand over to the Chairman of the Meeting before the Meeting or any adjournment thereof.

Only registered shareholders may revoke a proxy in the manner described above. Non-registered holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the proxy on their behalf.

Discretionary Power Conferred by Proxies

The common shares represented by the enclosed proxy form will be voted or withheld from voting in accordance with the instructions of the shareholder indicated on the proxy form. In the absence of any specific instructions, the common shares represented by proxies received by management will be voted “**FOR**” the election of the persons nominated

for election as directors, as indicated under “Election of Directors”; “**FOR**” the appointment of the auditors and the authorization to the Board of Directors to fix their remuneration; “**FOR**” the special resolution approving the name change; “**FOR**” the special resolution approving the continuance out of Alberta and into the federal jurisdiction under the *Canada Business Corporations Act*; “**FOR**” the ordinary resolution approving the consolidation of the common shares of the Corporation on the basis of one (1) post-consolidation common share for every five (5) pre-consolidation common shares; “**FOR**” an ordinary resolution by the majority of the minority shareholders approving the delisting from the NEX board of the TSX Venture Exchange and listing on the Canadian Securities Exchange; and “**FOR**” the ordinary resolution approving the continuation of the Corporation’s stock option plan.

The enclosed proxy form confers discretionary authority upon the persons named therein with respect to amendment or variation to matters identified in the Notice of Meeting, and with respect to any other matter which may properly come before the Meeting. At the date of this Circular, the directors of the Corporation are not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the persons named in the enclosed proxy form will vote on such other business in accordance with their judgment.

Exercise of Voting Rights by Non-Registered Shareholders

If you are a non-registered shareholder (that is, if your shares are registered in the name of an intermediary such as a securities broker, clearing agency, financial institution, trustee or custodian), **you should carefully follow the instructions on the request for voting instructions or proxy form that you receive from the intermediary, in order to vote the shares of the Corporation that you hold with that intermediary.**

The non-registered shareholder, who wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the non-registered shareholder), should insert his own name (or such other person’s name) in the blank space provided in the request for voting instructions or proxy form to appoint himself (or such other person) as proxy holder and then follow his intermediary’s instructions for returning the request for voting instructions or proxy form.

Advice to Beneficial Holders of Shares

The information set forth in this section should be reviewed carefully by the non-registered shareholders of the Corporation. Shareholders who do not hold their common shares in their own name (the “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If the common shares are not registered in the shareholder’s own name, they are held in the name of a “nominee”, usually a bank, trust company, securities dealer or broker or other financial institution. Applicable securities laws and regulations require nominees of Beneficial Shareholders to seek their voting instructions in advance of the Meeting. Therefore, unless a Beneficial Shareholder has previously informed its nominee that he or she does not wish to receive material relating to shareholders’ meetings, he or she will receive this Circular in a mailing from its nominee, together with a form of proxy or voting instruction form. Each nominee has its own signature and return instructions. It is important that the Beneficial Shareholder comply with these instructions if he or she wants the voting rights attached to her or his shares to be exercised. If the Beneficial Shareholder which has submitted a proxy wishes to change his voting instructions, the Beneficial Shareholder should contact his nominee to find out whether this is possible and what procedure to follow.

Neither the Corporation nor its registrar and transfer agent have a record of the names of the Beneficial Shareholders of the Corporation. If a Beneficial Shareholder attends the Meeting, neither the Corporation nor the registrar and transfer agent will have knowledge of the Beneficial Shareholder’s shareholdings or its entitlement to vote, unless the nominee has appointed the Beneficial Shareholder as proxyholder. Therefore, if you are a Beneficial Shareholder and wish to vote in person at the Meeting, you must insert your name in the space provided on the form of proxy or voting instruction form sent to you by your nominee. By doing so, you are instructing the nominee to appoint you as proxyholder. It is important that the signature and return instructions provided by the nominee are complied with. It is not necessary to otherwise complete the form as you will be voting at the Meeting.

All references to shareholders in this Circular and the accompanying form of proxy and Notice of Meeting are to registered shareholders, unless specifically stated otherwise.

Record Date

The Board of Directors have fixed January 25, 2021, as the record date for purpose of determining the shareholders entitled to receive the Notice and to vote at the Meeting (the “**Record Date**”).

Voting Shares and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of common shares without par value, of which 47,142,365 common shares were issued and outstanding as of the Record Date.

Any shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such shareholder’s shares voted at the Meeting.

To the knowledge of our directors and executive officers, the following individuals or companies beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of all voting rights as of the Record Date:

| Name of Shareholder | Number of Shares Held ⁽¹⁾ | Percentage of Outstanding Shares ⁽²⁾ |
|--------------------------|--------------------------------------|---|
| Explor Resources Inc. | 6,552,807 | 13.9% |
| 9116-6801 Québec Inc.(3) | 4,470,002 | 9.5% |

Notes:

1. Based on information provided by or in public filings made by the above entity and as of the date of the last public filings of or information provided by such entities.
2. Based on 47,142,365 shares issued and outstanding as of the Record Date.
3. 9116-6801 Quebec Inc. is a private a company controlled by Rodrigue Tremblay, who was the Chief Financial Officer and a director of the Corporation until December 10, 2018.

Interest of Certain Persons in Matters to be Acted Upon

At the date of this Circular, to the best of its knowledge and except as disclosed this Circular, management of the Corporation is not aware of any director or executive officer, present or nominated hereunder, or any associate or affiliate of such persons, who, since the beginning of the Corporation’s last financial year, has an interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

B. MATTERS TO BE ACTED UPON AT THE ANNUAL AND SPECIAL MEETING

On November 16, 2020, the Corporation entered into a letter of intent with Poko Group Ltd., a private corporation existing under the laws of the United Kingdom (“**Poko**”) to complete a reverse takeover transaction (the “**Proposed Transaction**”). Under the Proposed Transaction, it is proposed that the Corporation will be ask for voluntary delisting from the NEX Board of the TSX Venture Exchange (“**TSXV**”), will apply for listing on the Canadian Securities Exchange (the “**CSE**”) and will be renamed. The resulting issuer will carry on the business of Poko as currently constituted. Information on the Proposed Transaction and on Poko is provided under “*Information on Poko and the Proposed Transaction*” under item 9 of this Section B.

Completion of the Proposed Transaction is subject to a number of conditions and there can be no assurance that the Corporation will complete the Proposed Transaction.

Certain of the matters set forth below relate to or may be impacted by the Proposed Transaction.\

1. Financial Statements

The audited financial statements of the Corporation for the financial year ended December 31, 2019 and the independent auditor’s report thereon will be presented before the Meeting. The audited financial statements have been mailed to shareholders who have informed the Corporation that they wish to receive a copy of such documents. No vote will be taken on the audited financial statements. These financial statements were filed on SEDAR at www.sedar.com. Additional copies of the financial statements may be obtained from the Corporation on request.

2. Election of Directors

Directors serve one year term with the full board being elected at each annual meeting. **The persons named in the enclosed proxy form intend to vote FOR the election of each of the nominees whose names are listed below, unless the shareholder has specified on his or her proxy form that his or her shares are to be withheld from voting in regard to the election of directors.** Management does not anticipate that any of the nominees for election as directors will, for any reason, become unable or unwilling to serve as a director. If that should occur for any reason prior to the Meeting, the persons named in the enclosed proxy form reserve the right to vote for another nominee of their choice. Management proposes that the following nominees be elected as directors of the Corporation. The information on nominees has been furnished by respective nominees individually.

All the nominees indicated below have been elected as directors at a previous annual meeting for which an information circular including the complete description of their occupation was sent to shareholders.

| NAME, CITY, PROVINCE OF STATE AND COUNTRY OF RESIDENCE AND OFFICE HELD WITH THE CORPORATION | PRINCIPAL OCCUPATION | DATE OF ELECTION TO THE BOARD OF DIRECTORS | NUMBER OF COMMON SHARES ON WHICH CONTROL WAS EXERCISED AS AT RECORD DATE |
|---|---|--|--|
| Christian Dupont ⁽¹⁾ Janeville, New Brunswick, Canada Chief Executive Officer and Director | Mining Engineer, President and CEO of the Corporation since December 2013. Director and COO of Galleon Gold Corp. since December 2019. | December 2013 | 3,548,497 |
| Geoffrey Carter ⁽¹⁾ Whitby, Ontario, Canada Director | Mining Engineer | December 2013 | 0 |
| Mario Colantonio ⁽¹⁾ Timmins, Ontario, Canada Chief Financial Officer and Director | Civil Engineer | December 2013 | 0 |
| Laurent Hallé Fabre, Québec, Canada Director | Geologist, Self-employed consultant | March 2010 | 25,000 |

Notes:

1. Member of the Audit Committee.

The terms of the Proposed Transaction provide that upon completion of the Proposed Transaction, the nominees set forth above will be replaced with a minimum of a minimum of three (3) and a maximum of seven (7) nominees of Poko.

Penalties, Sanctions, Cease Trade Orders or Bankruptcies

Except as disclosed below, no proposed director is as at the date hereof, or has been within the last ten years of the date hereof, a director or executive officer of any Corporation (including the Corporation) that, while he was acting in such capacity: (i) was the subject of a cease trade or similar order, or an order that denied the relevant Corporation access to any exemption under securities legislation for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or officer ceased to be a director or officer, in the Corporation being the subject of a cease trade or similar order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver

manager, or trustee appointed to hold its assets; (iv) was subject to penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (v) was subject to any other penalties or sanctions imposed by a court or regulatory body. No proposed director has, within ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Laurent Hallé was a director of Lounor Exploration Inc. from December 2012 to October 2016. The Autorité des marchés financiers du Québec issued a cease trading order on the shares of this reporting issuer on October 4, 2013 in reason of the default of filing the financial statements required under the Securities Act (Quebec). Lounor Exploration Inc. has filed a proposal under the *Bankruptcy and Insolvency Act* on July 22, 2013, amended on August 16, 2013, November 4, 2013, June 2, 2014 and October 6, 2016. On October 27, 2016, the creditors rejected the third amended proposal and Lounor Exploration Inc. made an assignment in bankruptcy.

4. Appointment of Auditors

Management proposes that Raymond Chabot Grant Thornton LLP of Val-d'Or be appointed as the auditors of the Corporation for the financial year ending December 31, 2021 and that the Board of Directors be authorized to fix their remuneration.

The persons named in the enclosed proxy form intend to vote FOR the reappointment of Raymond Chabot Grant Thornton LLP as auditors of the Corporation and the authorization to the Board of Directors to fix their remuneration unless the shareholder specifies that his or her proxy form be withheld from voting thereon.

5. Name Change

At the Meeting, shareholders will be asked to consider, and if thought fit, to pass, with or without variation, a special resolution to authorize the Corporation to change the name of the Corporation (the “**Name Change**”) in connection with the Proposed Transaction. Upon completion of the Proposed Transaction, Poko will become a wholly-owned subsidiary of the Corporation and for consistency purposes it is proposed that the Corporation will be renamed “Poko Group Ltd.” and will carry on the business of Poko as currently constituted. Further information regarding the Proposed Transaction is provided under item 9 of this Section B and is available in the Corporation’s news releases and other disclosure documents available at www.sedar.com.

The completion of the Proposed Transaction is subject to a number of conditions and there can be no assurance that the Corporation will complete the Proposed Transaction.

Shareholders will be asked to approve the Name Change by passing a special resolution at the Meeting, in substantially the form set forth below (the “**Name Change Resolution**”):

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- a. The name of Brunswick Resources Inc. (the “**Corporation**”) be changed from “Brunswick Resources Inc.” to “Poko Group Ltd.”, or such other name as the board of directors of the Corporation may, in their sole discretion, determine, and as may be approved by the applicable regulatory authorities.
- b. Any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation to execute and deliver all such documents and instruments required including the execution and filing of Articles of Amendment with the Director appointed under the *Business Corporations Act* (Alberta).
- c. The board of directors of the Corporation be authorized to undertake and complete the name change of the Corporation and any one director or officer of the Corporation be authorized to negotiate and settle the form of documents required in respect thereof, including any supplements or amendments thereto and including, without limitation, the documents referred to above.

- d. Notwithstanding the approval by the shareholders of the Corporation of this special resolution, the board of directors of the Corporation is hereby authorized, at any time in its absolute discretion, to determine whether or not to proceed with the name change and the transactions contemplated thereby without further approval, ratification or confirmation by the shareholders of the Corporation.”.

The persons named in the enclosed proxy form intend to vote FOR the approval of the Name Change Resolution unless the shareholder specifies that his or her proxy form be voted against the resolution or withheld from voting thereon.

For the Name Change to be completed, the Name Change Resolution must be passed by two-thirds (66 2/3%) of the votes cast by the shareholders of the Corporation present in person or by proxy at the Meeting.

Irrespective of whether the Name Change Resolution is approved at the Meeting, the Board may elect not to proceed with the Name Change and other transactions contemplated in the Name Change Resolution at the Board’s discretion

6. Consolidation

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is set out below (the “**Consolidation Resolution**”), which would authorize the Corporation to effect a consolidation of all of the issued and outstanding Common Shares on the basis five (5) pre-consolidation Common Shares for 1 (one) post-consolidation Common Share (the “**Consolidation**”) in connection with the Proposed Transaction. On completion of the Consolidation, based on the presently issued and outstanding 47,142,365 Common Shares, the Corporation will have 9,428,673 Common Shares issued and outstanding. Any fractional Common Shares arising from the Consolidation will be rounded down or up to the nearest whole Common Share, with 0.5 of a Common Share being rounded up. In all other respects, the post-consolidated Common Shares will have the same attributes as the existing Common Shares.

In addition to enabling the Corporation to complete the Proposed Transaction, the Corporation believes that the Consolidation will both enhance the marketability of the Corporation as an investment and better position the Corporation to raise the funds necessary for the continued development of its business and the growth of the Corporation.

The Consolidation Resolution to be presented at the Meeting shall substantially be in the form set forth below:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- a. the directors of the Brunswick Resources Inc. (the “**Corporation**”) be authorized to effect the consolidation (the “**Consolidation**”) of all of the issued and outstanding common shares without par value in the capital of the Corporation (the “**Common Shares**”) on the basis of five (5) old Common Shares for one (1) new Common Share;
- b. any fractional Common Shares resulting from the Consolidation will be rounded down or up to the nearest whole Common Share, with 0.5 of a Common Share being rounded up;
- c. upon the Consolidation being effected, any officer or director of the Corporation is authorized to cancel (or cause to be cancelled) any certificates evidencing the existing Common Shares and to issue (or cause to be issued) certificates representing the new Common Shares to the holders thereof;
- d. the directors of the Corporation, in their sole and complete discretion, may act upon this resolution to effect the Consolidation or, if deemed appropriate and without any further approval from the shareholders of the Corporation, may choose not to act upon this resolution notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, and in the latter case, the directors of the Corporation are hereby authorized and empowered to revoke this resolution in their sole discretion at any time prior to effecting the Consolidation; and

- e. any director or officer of the Corporation be and he or she is hereby authorized and directed, for and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The persons named in the enclosed proxy form intend to vote FOR the approval of the Consolidation unless the shareholder specifies that his or her proxy form be voted against the resolution or withheld from voting thereon.

In order to pass, the Consolidation Resolution must be approved by at least two-thirds (66 2/3%) of the votes cast by the shareholders, present at the Meeting in person or represented by proxy. If the Consolidation Resolution does not receive the requisite shareholder approval, the Corporation will continue with its present share capital.

7. Continuance

Subject to Shareholder approval, it is anticipated that the Corporation will continue from the jurisdiction of Alberta into the jurisdiction of Canada and be registered as a *Canada Business Corporations Act* (“**CBCA**”) corporation. The Board believes that it is in the best interests of the Corporation to be continued under the CBCA.

The Continuance Resolution to be presented at the Meeting shall substantially be in the form set forth below:

- a. the continuance of Brunswick Resources Inc. (the “**Corporation**”) into the federal jurisdiction of Canada under the *Business Corporations Act* (Alberta) (the “**ABCA**”) be and is authorized and approved;
- b. the Corporation make an application to the Director (the “**CBCA Director**”) appointed under the *Canada Business Corporations Act* (the “**CBCA**”) for a certificate of continuance continuing the Corporation as a corporation to which the CBCA applies and in connection therewith make an application to the Registrar of Corporations, Alberta (the “**ABCA Registrar**”) for authorization to apply for a certificate of continuance under the CBCA and for a certificate of discontinuance under the ABCA;
- c. the articles of continuance of the Corporation shall be in the form attached as Appendix A to the management information circular of the Corporation dated January 26, 2021 (the “**Circular**”), with such technical amendments, deletions or alterations as may be considered necessary or advisable by any officer of the Corporation in order to ensure compliance with the provisions of CBCA, as the same may be amended, and the requirements of the CBCA Director thereunder;
- d. subject to the issuance of such certificate of continuance by the CBCA Director and the ABCA Registrar providing a certificate of discontinuance, and without affecting the validity of the incorporation or existence of the Corporation by and under its articles or of any act done thereunder, the Corporation is authorized to approve and adopt, in substitution for the existing articles of the Corporation, the articles of continuance attached as Appendix A to the Circular, with any amendments, deletions or alterations made pursuant to paragraph 3;
- e. subject to the issuance of such certificate of continuance by the CBCA Director and the ABCA Registrar providing a certificate of discontinuance, the Corporation is authorized to approve and adopt the New By-Laws in the form attached as Appendix B to the Circular;
- f. the board of directors of the Corporation is authorized, in its sole discretion, to abandon the application for a certificate of continuance continuing the Corporation as a corporation to which the CBCA applies, or determine not to proceed with the continuance, without further approval of the

shareholders of the Corporation any time prior to the endorsement by the CBCA Director of a certificate of continuance; and

- g. any officer or director of the Corporation is authorized, for and on behalf of the Corporation, to execute and deliver such documents and instruments and to take such other actions as such officer or director may determine to be necessary or advisable to implement this special resolution and the matters authorized hereby including, without limitation, the execution and filing of articles of continuance and any forms prescribed or contemplated by the CBCA with the CBCA Director and the execution and filing with the ABCA Registrar of an application to continue in another jurisdiction and evidence of the continuation under CBCA and delivery of such documents or instruments and the taking of any such actions necessary for the ABCA Registrar to issue a certificate of discontinuance under the ABCA.”

The persons named in the enclosed proxy form intend to vote FOR the approval of the Continuance unless the shareholder specifies that his or her proxy form be voted against the resolution or withheld from voting thereon.

In order to become effective, the Continuance must be approved by at least two-thirds (66⅔%) of all votes cast with respect to the Continuance Resolution by Shareholders, present in person or by proxy at the Meeting.

The ABCA and the CBCA permit the Corporation to continue under the CBCA with the authority of a special resolution of the Shareholders, the consent of the Registrar of Corporations, Alberta and upon complying with certain procedures and filing certain forms. A Registered Shareholder has Dissent Rights, see “*Continuance Right of Dissent*” below. Upon the completion of the Continuance, the Corporation will be treated as if it had been incorporated under the CBCA.

If the Shareholders approve the Continuance, the Articles of Continuance will be filed with the Director subsequent to the Meeting.

The Board may determine not to proceed with the Continuance at any time before the Meeting or after receiving approval of the Continuance Resolution at the Meeting but prior to the issuance of a certificate of continuance, without further action on the part of Shareholders.

Continuance under the CBCA will not affect the application to the Corporation of the securities laws, regulations, rules and policies that presently apply. There will, however, be some changes to the rights of Shareholders under corporate law. Appendix C contains a comparison of the material differences that exist between the ABCA and the CBCA. For further information regarding the similarities and differences between the CBCA and the ABCA, Shareholders should consult their legal advisors and refer to the statutes.

Articles of Continuance and New By-Laws

The proposed articles of continuance (the “**Articles of Continuance**”) to be filed under the CBCA to effect a continuance out of the jurisdiction of Alberta and into the jurisdiction of Canada are attached as Appendix A to this Circular.

As a result of the Continuance it will be necessary for the Corporation to adopt new by-laws to govern the administration of the Corporation. The rights of the shareholders of the Corporation are currently governed, as to matters of corporate law, by the ABCA. At the effective time of the Continuance, the ABCA will cease to apply to the Corporation and the rights of the Shareholders, as to matters of corporate law, will be governed by the CBCA. Accordingly, as part of the Continuance Resolution, Shareholders are being asked to approve the repeal and replacement of the Corporation’s current by-laws made pursuant to the ABCA with the New By-Laws, which are consistent with the provisions of the CBCA. If the Continuance Resolution is approved, the New By-Laws will be effective upon completion of the Continuance. The New By-Laws are attached as Appendix B to this Circular.

As a result of the Continuance, the Corporation’s legal domicile will be Canada, and the Corporation will no longer be subject to the provisions of the ABCA. By operation of law under the CBCA, all of the assets, property, rights, liabilities and obligations of the Corporation immediately prior to the Continuance will continue to be the assets, property, rights, liabilities and obligations of the Corporation after the Continuance.

Continuance Right of Dissent

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such holder's Common Shares and is qualified in its entirety by the reference to the text of Section 191 of the ABCA, which is attached to this Circular as Appendix D. A Dissenting Shareholder who intends to exercise the Dissent Rights should carefully consider and comply with the provisions of Section 191 of the ABCA. Failure to comply with the provisions of that section and to adhere to the procedures established therein may result in the loss of all rights thereunder.

A Registered Shareholder is entitled, in addition to any other rights the holder may have, to dissent and to be paid by the Corporation the fair value of the Common Shares held by the holder in respect of which the holder dissents, determined as of the close of business on the last Business Day before the day on which Continuance Resolution was adopted.

Only Registered Shareholders may dissent. Persons who are beneficial Shareholders who wish to dissent should be aware that they may only do so through the Registered Shareholder. Accordingly, a beneficial Shareholder desiring to exercise Dissent Rights must make arrangements for the Common Shares beneficially owned by such beneficial Shareholder to be registered in the name of such beneficial Shareholder prior to the time the written objection to the Continuance Resolution is required to be received by the Corporation or, alternatively, make arrangements for the Registered Shareholder to dissent on behalf of the beneficial Shareholder.

A Dissenting Shareholder must send to the Corporation a written objection to the Continuance Resolution (a "Dissent Notice"), which Dissent Notice must be received by the Corporation at the following address: 101A, Principale Avenue, Suite 100, Rouyn-Noranda, Québec, J9X 4P1, Attention: Christian Dupont, at or before the Shareholders' Meeting. The ABCA does not provide, and the Corporation will not assume, that a vote against the Continuance Resolution constitutes a Dissent Notice. A Registered Shareholder may not exercise the right to dissent in respect of only a portion of such holder's Common Shares, but may dissent only with respect to all of the Common Shares held by the holder

An application may be made to the Court by the Corporation or by a Dissenting Shareholder after adoption of the Continuance Resolution to fix the fair value of the Dissenting Shareholder's Common Shares. If such an application to the Court is made by either the Corporation or a Dissenting Shareholder, the Corporation must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay such Person an amount considered by the Board to be the fair value of the Common Shares held by such Dissenting Shareholder. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if the Corporation is the applicant, or within 10 days after the Corporation is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined

A Dissenting Shareholder may make an agreement with the Corporation for the purchase of such Dissenting Shareholder's Common Shares in the amount of the Corporation's offer (or otherwise) at any time before the Court pronounces an Order fixing the fair value of the Common Shares

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will make an Order fixing the fair value of the Common Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against the Corporation and in favour of each of those Dissenting Shareholders, and fixing the time within which the Corporation must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder until the date of payment.

On the Continuance becoming effective, or upon the making of an agreement between the Corporation and the Dissenting Shareholder as to the payment to be made by the Corporation to the Dissenting Shareholder, or the pronouncement of a Court Order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a Shareholder other than the right to be paid the fair value of such Dissenting Shareholder's Common Shares in the amount agreed to between the Corporation and the Dissenting Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Dissenting Shareholder may withdraw such holder's dissent, or if

the Continuance has not yet become effective the Corporation may rescind the Continuance Resolution, and, in either event, the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

The Corporation shall not make a payment to a Dissenting Shareholder under Section 191 if there are reasonable grounds for believing that the Corporation is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of the Corporation would thereby be less than the aggregate of its liabilities. In such event, the Corporation shall notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholders for their Common Shares in which case the Dissenting Shareholder may, by written notice to the Corporation within 30 days after receipt of such notice, withdraw such holder's written objection, in which case such Dissenting Shareholder shall be deemed to have participated in the Continuance as a Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection such Dissenting Shareholder retains status as a claimant against the Corporation to be paid as soon as the Corporation is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to creditors but prior to its shareholders.

All Common Shares held by Shareholders who exercise their Dissent Rights will, if the holders are ultimately entitled to be paid the fair value thereof, be deemed to be transferred to the Corporation on the effective date of the Continuance in exchange for the fair value as of the close of business on the last Business Day before the Continuance Resolution is approved by holders of Common Shares. If such Dissenting Shareholders ultimately are not entitled to be paid the fair value for the Common Shares, such Dissenting Shareholders will be deemed to have participated in the Continuance on the same basis as a non-dissenting holder of Common Shares notwithstanding the provisions of Section 191 of the ABCA.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Common Shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. Accordingly, each Dissenting Shareholder who is considering the right to dissent and appraisal should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix D, to this Circular and consult their own legal advisor. It is strongly encouraged that k independent legal advice, as the failure to strictly comply with the provisions of the ABCA, may prejudice such Shareholder's right to dissent.

8. Delisting from the TSX Venture Exchange

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution authorizing the Corporation to voluntarily delist (the “**Delisting**”) the Corporation’s common shares from the NEX Board of the TSXV and apply to list the common shares on the Canadian Stock Exchange (the “**CSE**”). The implementation of the Delisting is conditional upon the Corporation obtaining any necessary regulatory consents.

The Delisting is being sought based on that a listing on the CSE would provide a more advantageous market environment to the Corporation’s business following completion of the Proposed Transaction with Poko.

The Corporation proposes to complete the Proposed Transaction after the Delisting and prior to listing its common shares on the CSE. The completion of the Proposed Transaction is subject to a number of conditions and there can be no assurance that the Corporation will complete the Proposed Transaction.

The Delisting Resolution to be presented at the Meeting shall substantially be in the form set forth below:

“BE IT RESOLVED THAT:

- a. Brunswick Resources Inc. (the “**Corporation**”) is hereby authorized to voluntarily delist its securities from the NEX Board of the TSX Venture Exchange.
- b. The Corporation is further hereby authorized to seek approval from the Canadian Stock Exchange, or other qualified stock exchange, to list its securities for public trading.

- c. Any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation to execute and deliver all such documents and instruments required to give effect to this resolution.
- d. Notwithstanding the approval by the shareholders of the Corporation of this resolution, the board of directors of the Corporation is hereby authorized, at any time in its absolute discretion and without the requirement to obtain any further approval from the shareholders of the Corporation, to determine whether or not to proceed with the delisting from the NEX Board of the TSX Venture Exchange without further approval, ratification or confirmation by the shareholders of the Corporation.”

Irrespective of whether the Delisting Resolution is approved at the Meeting, the Board of Directors may elect not to proceed with the Delisting, at the Board’s discretion.

The persons named in the enclosed proxy form intend to vote FOR the approval of the Delisting unless the shareholder specifies that his or her proxy form be voted against the resolution or withheld from voting thereon.

In accordance with TSX-V policies, the Delisting must be approved by a majority of the votes cast by the holders of common shares who vote at the Meeting, other than Promoters, directors, officers or other insiders of the Corporation and their Associates and Affiliates (the “**Delisting Resolution**”). To the knowledge of the Corporation and its directors and officers after reasonable inquiry, it is expected that the votes in respect of an aggregate of **14,596,306** common shares, being shares held or controlled by Promoters, directors, officers or other insiders of the Corporation and their respective Associates and Affiliates, and representing approximately **31%** of the issued and outstanding common shares as at the Record Date, will be excluded in determining whether approval of the Delisting Resolution is obtained

9. Stock Option Plan of the Corporation

Shareholders will be asked to approve the continuation of the Corporation’s Stock Option Plan pursuant to which 10% of the Corporation’s issued and outstanding shares are set aside and reserved for stock options on a rolling basis. The Stock Option Plan of the Corporation was approved by the shareholders of the Corporation at the annual and special meeting of shareholders held on June 25, 2019 and has not been modified since that date. See Section “**Securities Authorized for Issuance under Equity Compensation Plans**” in this Circular for more information on the stock option plan of the Corporation.

The persons named in the enclosed proxy form intend to vote FOR the ordinary resolution approving the continuation of the stock option plan of the Corporation unless the shareholder specifies that his or her proxy form be voted against the resolution or withheld from voting thereon.

In order to pass, the resolution to approve the continuation of the Corporation’s Stock Option Plan must be approved by at least one half of the votes cast by the shareholders, present at the Meeting in person or represented by proxy.

Other Business

The management of the Corporation is not aware of any other matters to come before the Meeting, other than those set out in the Notice of the Meeting or in this Circular. If other matters come before the Meeting, it is the intention of the person’s name in the accompanying form of Proxy to vote the same in accordance with their best judgment.

10. Information on Poko and the Proposed Transaction

On November 17, 2020, the Corporation announced that it has entered into a letter of intent (the “**LOI**”), dated November 16, 2020 with Poko Group Ltd. (“**Poko**”) to complete a reverse takeover transaction (the “**Proposed Transaction**”).

Upon the closing of the Proposed Transaction, it is proposed that Brunswick will be listed on the CSE and will be renamed accordingly (the “**Resulting Issuer**”). The Resulting Issuer will carry on the business of Poko as currently constituted.

The Proposed Transaction will be carried out by way of a share exchange, merger, amalgamation, arrangement, takeover bid, or other similar form of transaction which will result in Poko becoming a wholly-owned subsidiary of Brunswick or otherwise combining its corporate existence with a wholly-owned subsidiary of Brunswick. Subject to regulatory and other required approvals, and the satisfaction of other conditions contained in a definitive agreement between Brunswick and Poko (the “**Definitive Agreement**”), Brunswick will acquire all the issued and outstanding shares of Poko (the “**Poko Shares**”).

Pursuant to the Proposed Transaction, it is intended that 59,090,909 Brunswick Shares, at a deemed value of CAD\$0.11 per Brunswick Share, will be issued to the shareholders of Poko (the “**Poko Shareholders**”) in exchange for all of the issued and outstanding shares of Poko as at the effective date of the Proposed Transaction, for an aggregate deemed acquisition price of CAD\$6,500,000.

Concurrently with, and as a condition of, the closing of the Proposed Transaction, certain creditors of Brunswick will convert CAD\$180,467 of indebtedness (inclusive of interest) into Brunswick Shares at a deemed issue price of \$0.11 per Brunswick Share, and Brunswick will have settled account payable of approximately \$70,000 due to a drilling company with the proceeds from the disposition of its Lac Irene Property.

Prior to the completion of the Proposed Transaction, Brunswick will complete a private placement of Brunswick Shares post-Consolidation for minimum gross proceeds of CAD\$100,000 and maximum CAD\$150,000 (the “**Bridge Financing**”), to be priced in the context of the market subject to a minimum price of CAD\$0.095 per Brunswick Share, for the purposes of funding the Corporation until the completion of the Proposed Transaction. In connection with the Bridge Financing, Brunswick may pay commissions or finder’s fees up to the maximum amounts allowable by the policies of the TSXV.

Concurrent with the completion of the Proposed Transaction, Poko and Brunswick will complete a private placement of Brunswick Shares post-Consolidation for minimum gross proceeds of CAD\$650,000, or such amount required by the CSE to qualify the listing of the Resulting Issuer, at a price of CAD\$0.11 per Brunswick Share (the “**Concurrent Financing**”). In connection with the Concurrent Financing, Brunswick may pay commissions or finder's fees up to the maximum amounts allowable by the policies of the CSE.

Poko Group Ltd.

Poko is a privately held corporation existing under the laws of the United Kingdom and is authorized to issue an unlimited number of common shares (the “**Poko Shares**”). As of the date hereof, there are 1,231,517 Poko Shares and no convertible securities.

Poko is made up of a group of CBD focused brands and subdivisions, which are discussed below. The business is broken into independent units that work together. The businesses discussed below focus on covering a range of areas and topics in the CBD and financial industries, including advertising, educational media, raw materials & white labelling services, and branding and creative.

- **The Extract:** A news and media site for the CBD and Cannabis industry in the UK. Its main aim is to provide lead generation for the raw materials and marketplace sites.
- **Candid Magazine:** A lifestyle focused e-zine, newly acquired and repurposed, which is still finding its audience. Similar to The Extract, its purpose will be lead generation and support for the other assets in the group.
- **CBD Village:** A CBD e-commerce store and review site that offers a wide variety of CBD brands and products.
- **Vapor Blog:** A review and e-commerce site in the vaporizer industry which is currently being merged with CBD Village.
- **Social Channel Network:** A network of social community and brand pages that Poko operates to be able to reach a wider audience in this restricted industry. These channels are a marketing tool that can be used to boost any of the assets in the Cannmed Market Place or to carry out industry insights.
- **Cannmed Market Place:** A raw materials, whitelabelling and isolate supplier in the UK. It provides budding entrepreneurs the opportunity to instantly list 1000’s of SKU’s from a range of different sellers and categories and also offers an individual store front, so users can be live in minutes. The goal is to grow Cannmed Market

Place and potentially be acquired by or partner with larger players in the UK when the relevant laws and regulations are in place (i.e. the Novel Food Ac, anticipated to be passed in March 2021.)

- **LumiPay:** A CBD friendly, high risk payment gateway, which allows Poko to process its own monies at low advantageous rates and to be the payment provider for others, while also allowing Poko to gather market intel and make high margins for processing money for CBD and non-CBD companies. LumiPay is currently expanding its client base with the goal of being acquired or separating out of Poko at a later stage.
- **Poko:** A CBD natural skincare brand, which combines the innovation of cannabidiol with tried-and-tested, skin-loving ingredients like aloe vera and botanical oils. The intention is to see this brand partnering with, being acquired by or stocked with some of the larger chains or skincare brands.

C. DIRECTORS AND NAMED EXECUTIVE OFFICERS COMPENSATION

Compensation of the Named Executive Officers

The following table sets forth the information required under Form 51-102F6V-Statement of Executive Compensation- Venture Issuers of Regulation 51-102 respecting Continuous Disclosure Obligations (the “**Form 51-102F6V**”), regarding all compensation paid, payable, granted or otherwise provided to all persons acting as directors or as “**Named Executive Officers**” (the “**NEOs**”), of the Corporation, as defined in Form 51-102F6. The information is presented for each of the financial years ended December 31, 2019 and 2018. The Chief Executive Officer (the “**CEO**”) and the Chief Financial Officer (the “**CFO**”) were the only NEOs of the Corporation for the years ended December 31, 2019 and 2018. Christian Dupont is the President and CEO, Mario Colantonio has been the CFO of the Corporation since December 18, 2018 and Rodrigue Tremblay was CFO of the Corporation until December 18, 2018.

Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, to the NEOs for the financial years ended December 31, 2019, and 2018.

| Table of Compensation Excluding Compensation Securities | | | | | | | |
|---|------|---|------------|--------------------------------|--|---|-------------------------|
| Name and Position | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) ⁽¹⁾ | Value of all other compensation (\$) ⁽²⁾ | Total compensation (\$) |
| Christian Dupont President and CEO | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Rodrigue Tremblay CFO until December 18, 2018 | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Mario Colantonio | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | | | | | | | |

| | | | | | | | |
|-----------------------------|------|-----|-----|-----|-----|-----|-----|
| CFO since December 18, 2018 | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
|-----------------------------|------|-----|-----|-----|-----|-----|-----|

Notes:

1. The value of perquisites is indicated only if such perquisites are not generally available to all employees of the Corporation and that, in aggregate, their total value for the year are greater than: a) \$15,000, if the NEO or director's total salary is \$150,000 or less; or b) 10 % of NEO or director salary, if such total salary is greater than \$150,000 but less than \$500,000.
2. The Corporation has not concluded employment, consulting or management agreements providing payments to a NEO or to a director in case of change of control, severance, termination or constructive dismissal. Furthermore, the Corporation does not offer any retirement plan or defined benefit or contribution plans in favor of its NEOs and directors.

The Board of directors of the Corporation (the “**Board**”) has no compensation committee. Considering its actual small size, the Board assumes the responsibility to establish the objectives of the Corporation’s executive compensation program which are to attract, motivate, engage and retain qualified, high performance individuals and to meet performance objectives designed to increase shareholder returns. The Board: (i) establishes the objectives that will govern the Corporation’s compensation program for the NEOs and the directors; (ii) oversees and approves the compensation and benefits to the NEOs; (iii) oversees the Corporation’s stock option plan; and (iv) promotes the clear and complete disclosure to shareholders of material information regarding executive compensation.

Compensation Process and Objectives

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for the NEOs. The Board reviews the NEOs compensation on an annual basis and, in doing such task, it evaluates the NEOs achievements during the preceding year. The Corporation has not retained any third party advisors to conduct compensation reviews of its competitors’ pay levels and practices. The Corporation is an exploratory stage mining company and is not generating, nor expecting to generate revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board to be appropriate in the evaluation of corporate of NEOs performance. The compensation of the senior officers is based, in substantial part, on industry compensation practices, trends in the mining industry as well as achievement of the Corporation’s business plans. An important element of the compensation is the grant of stock options, which does not require cash disbursement from the Corporation.

Currently, the compensation arrangements for the Corporation’s NEOs are composed of two components: (i) the payment of consulting fees, as appropriate; and (ii) the grant of stock options. A competitive remuneration is aimed to attract and retain skilled persons necessary to achieve corporate objectives. The grant of stock options is aimed to motivate and reward senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives.

The Corporation does not offer benefit programs, such as life insurance and health and dental benefits. Where NEOs receive other perquisites (such as car allowances or company vehicles), they reflect competitive practices, business needs and objectives.

Consulting Fees

Consulting fees are reviewed annually by the Board to ensure they reflect a balance of market conditions, the level of responsibilities, the skill and competencies of the individual, retention considerations as well as the level of demonstrated performance. During the year ended December 31, 2019, none of the NEOs received any consulting fees.

Stock Options

The Corporation has implemented a stock option plan (see “**Securities Authorized for Issuance under Equity Compensation Plans**” elsewhere in this Circular) to provide its officers, including NEOs, directors, employees and consultants with a long-term incentive for performance and commitment to the Corporation.

The Corporation believes that participation by the NEOs and directors in the stock option plan aligns their interests with those of the Corporation’s shareholders, as the NEOs and directors are rewarded for the Corporation’s performance as evidenced by share price appreciation. In determining the number of options to be granted, the number and term of options previously granted, individual and team responsibilities and functions, position, individual

performance and projected contribution are considered. Management proposes the number of options and names of the optionees and the Board reviews and approves the grant and sets the exercise price (based on the current market price of the Corporation's shares on the TSX Venture Exchange) and the expiry date.

Incentive Plan Awards

The following table indicates all compensation securities granted to each director and NEO by the Corporation in the financial year ended December 31, 2019, for services provided or to be provided, directly or indirectly, to the Corporation. The Corporation did not grant any option-based awards to any of its NEOs or directors during its last 2 financial years.

| Compensation Securities | | | | | | | |
|--|------------------------------------|--|------------------------|--|--|---|-------------|
| Name and position | Type of compensation security | Number of compensation securities and underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date |
| Christian Dupont, President and CEO | Common shares stock options | 0 | N/A | N/A | N/A | N/A | N/A |
| Geoffrey Carter, director | Common shares stock options | 0 | N/A | N/A | N/A | N/A | N/A |
| Mario Colantonio, CFO | Common shares stock options | 0 | N/A | N/A | N/A | N/A | N/A |
| Laurent Hallé, director | Common shares stock options | 0 | N/A | N/A | N/A | N/A | N/A |

During the financial year ended December 31, 2019, no stock option was exercised by a director or a NEO of the Corporation. There are currently no options outstanding under the Corporation's stock option plan.

Pension and Retirement Plans

The Corporation does not have any pension plan that provides for payments or benefits at, following, or in connection with retirement of any officer.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the NEO's responsibilities.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at December 31, 2019, which is the end of the Corporation's most recently completed financial year.

| Plan Category | Number of Securities to be issued upon exercise of outstanding options | Weighted average exercise price of outstanding options | Number of securities remaining available for issuance under equity compensation plans |
|---|--|--|---|
| Equity compensation plans approved by securityholders | Nil | N/A | 3,988,052 |
| Equity compensation plans not approved by securityholders | N/A | N/A | N/A |

Pursuant to its current stock option plan approved by the shareholders at the annual and special meeting held on February 26, 2010 (the "**Stock Option Plan**"), the Corporation may, from time to time, grant to eligible directors, officers, employees and consultants of the Corporation or of a management company employee, options to acquire common shares of the Corporation in such number, at such exercise prices, and for such terms as may be determined by the Board, subject to a limit of 10% of the total issued and outstanding Common Shares, from time to time. As of December 31, 2019, the Corporation did not have any stock options outstanding.

The maximum number of common shares which may be reserved for issuance to any one person pursuant to stock options during a twelve-month period may not exceed 5% of the common shares outstanding at the time of grant (on a non-diluted basis). No more than 2 % of the issued shares of the Corporation may be granted to any one consultant in any 12 month period. No more than 2 % of the issued shares of the Corporation may be granted to a person conducting investor relations activities in any 12 month period. The Board may determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise price shall not be less than the market price of the Common Shares on the TSX Venture Exchange, or such other exchange on which the Common Shares are listed, less the maximum discount permitted under the policies of the Exchange.

All options must be exercised no later than 10 years from the date of the grant and they are not transferable other than by will or by the laws of descent and distribution. If a participant to the Stock Option Plan ceases to act as such for any reasons except for cause, such participant shall have the right for a reasonable period (to be determined by the Board) following the date on which such person ceased to be a participant under the Stock Option Plan to exercise the options with respect to all options shares of such participant to the extent they were exercisable on the date of ceasing to be a participant. In the event of the death of a participant, his legal representatives shall have a period of one year from this death to exercise the rights of the deceased participant.

Indebtedness of Directors and Executive Officers

During the financial years ended December 31, 2019 and 2018 and as at the date of this Circular, none of the directors, executive officers, employees or previous directors, executive officers or employees of the Corporation was indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

Interests of Management of the Corporation and Others in Material Transactions

To the knowledge of the executive officers of the Corporation, except what is disclosed elsewhere in this Circular and in the annual financial statements of the Corporation for the financial year ended December 31, 2019 (refer to Note 9 entitled "*Related Party Transactions*" in the financial statements), no insider or proposed director of the Corporation, nor any associate or affiliate of any informed person or proposed director, has or had, directly or indirectly, any material interest in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

D. AUDIT COMMITTEE INFORMATION

National Instrument 52-110 *Audit Committees* (“**NI- 52-110**”) requires the Corporation, 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, as set forth in the following:

Audit Committee Mandate and Terms of Reference for Chair

The mandate and responsibilities of the audit committee of the Corporation (the “**Audit Committee**”) are attached hereto as Appendix E.

Composition and Relevant Education

The Audit Committee is presently composed of Christian Dupont, CEO, Geoffrey Carter and Mario Colantonio. Mr. Carter is an independent member of the Audit Committee and Mr. Colantonio was independent until he was appointed Chief Financial Officer on December 10, 2018. Mr. Dupont is a non-independent member due to his role as Chief Executive Officer of the Corporation. A director is “independent” if he has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member’s independent judgment.

The Board of Directors has determined that each of the three members of the Audit Committee is “financially literate” within the meaning of NI 52-110, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Geoffrey Carter

Mr. Carter is a mining engineer and has a B.Sc. degree in mining engineering from the University College Cardiff, University of Wales, Cardiff, Britain. Mr. Carter is a member of the Association of Professional Engineers of Manitoba. Since 1991, Mr. Carter has been employed by Broad Oak Associates, an association of mining industry professionals who assist in the preparation of technical reports and feasibility studies and the facilitation of corporate finance activities. Mr. Carter has been active in the mining industry since the late 1960s. He has held positions with Anglo American plc, Hudson Bay Mining & Smelting Co. Limited, Inspiration Mining Corporation (Vice-President). Mr. Carter has been a director and President of Ourominas Minerals Inc., director of Bankers Petroleum Ltd. and Trans Atlantic Enterprises Inc and was a director of Explor Resources Inc. from January 2008 to December 2019.

Christian Dupont

Mr. Dupont is a mining engineer and has a B.Eng. Degree from Nova Scotia Technical College, Halifax, Nova Scotia. Mr. Dupont has been active in the mining industry since the early 1970’s. Mr. Dupont has occupied several positions in the mining field. He has been senior mining engineer for Noranda and Chief Engineer for Exall Resources Inc. Mr. Dupont was also president and director of Kayorum Gold Mines Ltd., from 1992 to 1997 and vice-president of the same company in 1998. Between 1997 and 1998, he was also a director of Fieldex Exploration Inc. From 1997 to 2001, he was responsible of project management for Luzenac Inc., and from 2001 to 2006 he was vice-president and director of TOM Exploration Inc. From December 2010 to November 2013, he was a director of Abcourt Mines Inc. He was a director and President of Explor Resources Inc. from October 2005 to December 2019 and has been a director and COO of Galleon Gold Corp. since December 2019.

Mario Colantonio

Mr. Colantonio is a professional engineer and has been active in the mining industry since the mid 1980’s. He received a B.S.C. degree in civil engineering from Queen’s University, Kingston, Ontario in 1985. His primary focus has been the engineering and management for capital and maintenance projects for mine/mill infrastructures including feasibility studies. He has held senior engineering management positions for AMEC and was president of a privately-owned engineering consulting firm for 16 years and recently sold in 2019. Mr. Colantonio was a director of Explor Resources Inc. from May 2009 to December 2019 and he has been a director of Galleon Gold Corp since December 2019.

Audit Committee Oversight

At no any time since the commencement of the Corporation’s financial years ended December 31, 2019 and 2018, a recommendation of the Audit Committee to nominate or compensate an external auditor was not adopted by the Board of Directors of the Corporation.

Pre-Approval of Policies and Procedures

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Corporation by its external auditors.

Reliance on Certain Exemptions

As a venture issuer, the Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of some of its reporting obligations under this Instrument.

External Auditor Service Fees

| Nature of Services | Year ended December 31, 2019 | Year Ended December 31, 2018 |
|---------------------------|--|--|
| Audit Fees (1) | \$12,500 | \$15,000 |
| Audit-related Fees (2) | \$0 | \$0 |
| Tax Fees (3) | \$0 | \$0 |
| All Other Fees (4) | \$0 | \$0 |

Notes:

1. Correspond to the aggregate fees billed by the Corporation’s external auditor for audit services provided to the Corporation.
2. Correspond to the aggregate fees billed by the Corporation’s external auditor for assurance and related services provided to the Corporation that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not reported under item “Audit Fees”.
3. Corresponds to the aggregate fees billed by the Corporation’s external auditor for professional services provided to the Corporation regarding tax compliance, tax advice and tax planning.
4. Corresponds to the aggregate fees billed by the Corporation’s external auditor for products and services provided to the Corporation other than the services reported under items “Audit Fees”, “Audit-Related Fees” and “Tax Fees”.

E. CORPORATE DISCLOSURE

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted. Set forth below is a description of the Corporation’s current corporate governance practices.

Board of Directors

Geoffrey Carter and Laurent Hallé are independent directors. Christian Dupont, President and CEO is not independent because of his officer duties for the Corporation and Mario Colantonio, CFO, is not independent because of his officer duties for the Corporation.

Directorships

The only directors who are presently also directors of other issuers are:

- Christian Dupont, director of Galleon Gold Corp.
- Geoffrey Carter, director of Rock Tech Lithium Inc.
- Mario Colantonio, director of Galleon Gold Corp.

Orientation and Continuing Education

Management of the Corporation undertakes to provide a detailed report of the current status of the Corporation's operations to the Board at each meeting and a question and answer period follows. Management meets with new nominee directors to provide an informal verbal orientation to the Corporation's business and operations and information on the role and responsibilities of the directors and insiders of the Corporation.

Nomination of Directors

Nomination and review of potential new directors is reviewed by the complete Board and the President.

Compensation

The Board does not have a compensation committee. The current size of the Board allows the entire Board to take the responsibility for considering compensation for the Corporation's executive officers and directors. Except for the issuance of incentive stock options from time to time, the Corporation does not compensate its directors for their capacity as such. The Corporation provides the CEO with consulting fees which represent his compensation for services rendered during the year, on an hourly rate basis. CEO's consulting fees are reviewed annually by the Board. The Corporation paid the CEO monthly consulting fees at a fixed rate in the previous years as his capacity as CEO but has not paid any compensation since 2012. There is no employment agreement with the CEO and CFO nor any officer of the Corporation.

Other Board Committees

The Board does not have any standing committee other than the Audit Committee.

Assessments

No formal steps with respect to assessments are in place; however, performance is reviewed informally. The Board believes that its small size facilitates informal discussions and the evaluation of members' contributions with that framework.

F. ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Any shareholders wishing to obtain a copy of the Corporation's financial statements and any Management Discussion & Analysis may write to the President of the Corporation at its head office and request a copy of same.

G. DIRECTORS' APPROVAL

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

January 26, 2021

(S) Christian Dupont _____

Christian Dupont, President and CEO

**APPENDIX “A”
BRUNSWICK RESOURCES INC.
(the “Corporation”)**

ARTICLES OF CONTINUANCE

[See attached.]



**Canada Business Corporations Act (CBCA)
FORM 11
ARTICLES OF CONTINUANCE
(Section 187)**

| | |
|---|--|
| 1 - Corporate name | |
| POKO GROUP LTD. | |
| 2 - The province or territory in Canada where the registered office is situated (do not indicate the full address) | |
| Québec | |
| 3 - The classes and any maximum number of shares that the corporation is authorized to issue | |
| See attached Schedule 1 | |
| 4 - Restrictions, if any, on share transfers | |
| None | |
| 5 - Minimum and maximum number of directors (for a fixed number of directors, indicate the same number in both boxes) | |
| Minimum number <input type="text" value="3"/> | Maximum number <input type="text" value="12"/> |
| 6 - Restrictions, if any, on the business the corporation may carry on | |
| None | |
| 7 a) - If change of name effected, previous name | |
| BRUNSWICK RESOURCES INC. | |
| 7 b) - Details of incorporation | |
| June 15, 2006 under the Business Corporations Act (Alberta) | |
| 8 - Other provisions, if any | |
| See attached Schedule 2 | |
| 9 - Declaration | |
| I hereby certify that I am a director or an authorized officer of the corporation continuing into the CBCA. | |
| Print name | Signature |
| CHRISTIAN DUPONT | |
| Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA). | |



**Canada Business Corporations Act (CBCA)
FORM 2
INITIAL REGISTERED OFFICE ADDRESS AND FIRST BOARD OF DIRECTORS
(Sections 19 and 106)
To be filed with Articles of Incorporation, Amalgamation or Continuance**

1 - Corporate name

POKO GROUP LTD.

2 - Address of registered office (must be a street address; a P.O. Box is not acceptable)

Number and street name : 101A Principale Avenue, Suite 100

City : Rouyn-Noranda Province or territory : Québec Postal code : J9X 4P1

3 - Additional address

Care of : _____

Number and street name _____

City : _____ Province or territory : _____ Postal code : _____

4 - Members of the board of directors

| FIRST NAME | LAST NAME | ADDRESS (a P.O. Box is not acceptable) | CANADIAN RES DENT (Yes / No) |
|------------|------------|--|------------------------------|
| Christian | Dupont | 15 Gamble Street E, Suite 204, Rouyn-Noranda, Quebec J9T 2K6 | Yes |
| Geoffrey | Carter | 365 Bay Street, Suite 304, Toronto, Ontario M5H2V1 | Yes |
| Mario | Colantonio | 185 Bannerman Avenue, Timmins, Ontario P4N2Y7 | Yes |
| Laurent | Hallé | 1967 Chemin de la Galère, Fabre, Quebec J0Z1Z0 | Yes |
| | | | |

5 - Declaration

I hereby certify that I am an incorporator of the new corporation, or that I am a director or an authorized officer of the corporation continuing into or amalgamating under the CBCA.

Signature: _____

Print name: CHRISTIAN DUPONT Telephone number: _____

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).

SCHEDULE 1

The Corporation is authorized to issue an unlimited number of Common shares and an unlimited number of Preferred shares without nominal or par value.

The rights and restrictions attached to the Common shares and the Preferred shares are as follows:

1. COMMON SHARES

- 1.1 **Voting:** The holders of the Common shares shall be entitled to receive notice of, attend and vote at all meetings of shareholders of the Corporation. Each Common share shall entitle its holder to one (1) vote.
- 1.2 **Dividends:** Subject to the rights of the holders of the Preferred shares and any other class of shares ranking senior to the Common shares, the holders of the Common shares shall be entitled to receive and participate rateably in any dividends declared by the board of directors of the Corporation.
- 1.3 **Liquidation, Dissolution or Winding-Up:** Subject to the rights of the holders of the Preferred shares and any other class of shares ranking senior to the Common shares, in the event of the liquidation, dissolution or winding up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up or its affairs, the holders of the Common shares shall participate rateably in the distribution of the assets of the Corporation.

2. PREFERRED SHARES

- 2.1 **Voting:** The holders of the Preferred shares shall not be entitled to receive notice of, attend and vote at all meetings of shareholders of the Corporation.
- 2.2 **Issuance in Series:** The Preferred shares may be issued from time to time in one or more series and, subject to these articles, the board of directors is authorized to fix, from time to time before issuance, the number of shares in and to the designation, rights, privileges, restrictions and conditions attaching to the shares of each series of Preferred Shares.
- 2.3 **Ranking of Preferred Shares:** The Preferred shares of each series shall, with respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, rank equally with the Preferred shares of every other series and be entitled to preference over the Common shares and the shares of any other class ranking junior to the Preferred shares. The Preferred shares of any series shall also be entitled to such other preferences, not inconsistent with these provisions, over the Common shares and the shares of any other class ranking junior to the Preferred shares, or as maybe fixed in accordance with section 2.2 hereinabove.

2.4 **Approval by holders of Preferred Shares:** The approval by the holders of the Preferred shares with respect to any and all matters referred to herein may, subject to the provisions of the *Canada Business Corporations Act*, be given in writing by the holders of all of the Preferred shares for the time being outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Preferred shares duly called and held for the purpose of considering the subject matter of such resolution and at which meeting holders of not less than a majority of all Preferred shares then outstanding are present in person or represented by proxy. If at any such meeting, when originally held, the holders of at least a majority of all Preferred shares then outstanding are not present in person or represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place, as may be fixed by the chairman of the such meeting. At such adjourned meeting the holders of Preferred shares present in person or represented by proxy, whether or not they hold a majority of all Preferred shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Preferred shares previously mentioned. Notice of any meeting of the holders of the Preferred shares shall be given not less than 21 days nor more than 50 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called. No notice of any adjourned meeting need be given unless such meeting is adjourned by one or more adjournments for an aggregate of 30 days or more from the date of the original meeting, in which case notice of the adjourned meeting shall be given in the manner prescribed for the original meeting as aforesaid. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of the shareholders.

SCHEDULE 2

1. LIEN

The Corporation shall have a lien on all securities registered in the name of a security holder or such security holder's representative for a debt of that security holder to the Corporation.

2. FINANCING

Without in any way limiting the powers conferred upon the Corporation or its directors by any of the provisions of the *Canada Business Corporations Act*, and subject to the provisions thereof, and to any Unanimous Shareholders Agreement, as the case may be, the directors of the Corporation may, without authorization of the shareholders, cause the Corporation to:

- (a) hypothecate or otherwise create a security interest in any property, moveable or immovable, present or future, which the Corporation may presently own or subsequently acquire, for the purpose of securing any bonds, debentures or securities which the Corporation is by law entitled to issue or for the purpose of securing the performance of any obligations of the Corporation;
- (b) borrow money, without limitation or restriction, upon the credit of the Corporation;
- (c) issue, re-issue, sell or hypothecate debt obligations of the Corporation; or
- (d) guarantee the performance of any obligation of any person.

3. APPOINTMENT OF DIRECTORS

The directors may appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders. The total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders.

**APPENDIX “B”
BRUNSWICK RESOURCES INC.
(the “Corporation”)**

NEW BY-LAWS (CBCA)

[See attached.]

I N D E X

**to By-Law No. 1 of
POKO GROUP LTD.
(previously, Brunswick Resources Inc.)**

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BY-LAW NO. 1

A by-law relating generally to the transaction of the business
and affairs of
POKO GROUP LTD.

BE IT ENACTED as a by-law of the Corporation as follows:

SECTION 1 INTERPRETATION

1.01 Definitions

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

“**Act**” means the *Canada Business Corporations Act* and the regulations thereto, and any statute that may be substituted therefor, as from time to time amended;

“**Affiliate**” means, for purpose of Section 4.20, when used to indicate a relationship with a person, shall mean 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;

“**Applicable Securities Laws**” means, for purpose of Section 4.20, the Securities Act (Quebec) 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 statute 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;

“**articles**” means the articles of continuance of the Corporation as from time to time amended or restated;

“**Associate**” means, for purpose of Section 4.20, when used to indicate a relationship with a specified person, shall mean (i) any corporation or trust of which such person owns beneficially, 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, (ii) any partner of that person, (iii) 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, (iv) a spouse of such specified person, (v) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (vi) any relative of such specified person or of a person mentioned in clauses (iv) or (v) of this definition if that relative has the same residence as the specified person;

“**board**” means the board of directors of the Corporation;

“**by-laws**” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“**Corporation**” means the corporation incorporated by certificate of incorporation under the Act, as amended, and named **POKO GROUP LTD.**;

“**Derivatives Contract**” shall mean, for purpose of Section 4.20, 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;

“**distributing corporation**” means a corporation, any of the issued securities of which are or were part of a distribution to the public and remain outstanding and are held by more than one person;

“**meeting of shareholders**” includes an annual meeting of shareholders and a special meeting of shareholders;

“**Nominating Shareholder**” has the meaning ascribed to it in Section 4.20;

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

“**owned beneficially**” or “**owns beneficially**” means, for purpose of Section 4.20, in connection with the ownership of shares in the capital of the Corporation by a person, (i) 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; (ii) 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; (iii) 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 (iii) 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 (iv) 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;

“public announcement” shall mean, for purpose of Section 4.20, 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.

“recorded address” means in the case of a shareholder, the shareholder's address as recorded in the securities register; and in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, the latest address of such person as recorded in the records of the Corporation;

“resident Canadian” has the meaning ascribed thereto in the Act;

“signing officer” means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by section 2.04 or by a resolution passed pursuant thereto; and

“special meeting of shareholders” includes a special meeting of all shareholders entitled to vote at an annual meeting of shareholders and a meeting of any class or classes of shareholders entitled to vote on the question at issue.

1.02 Additional Definitions

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein.

1.03 Interpretations

Words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

SECTION 2 BUSINESS OF THE CORPORATION

2.01 Registered Office

Until changed in accordance with the Act, the registered office of the Corporation shall be in the Province of Quebec at such location therein as the board may from time to time determine.

2.02 Corporate Seal

Until changed by the board, the corporate seal of the Corporation, if any, shall be in the form impressed hereon.

2.03 Financial Year

The board may, by resolution, fix the financial year end of the Corporation and may from time to time, by resolution, change the financial year end of the Corporation.

2.04 Execution of Instruments

Deeds, transfers, assignments, bills of sale, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any two directors or officers or any director together with any officer. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal, if any, to any instrument requiring the same.

2.05 Banking Arrangements

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

2.06 Voting Rights in Other Bodies Corporate

The signing officers of the Corporation may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may, from time to time, direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.07 Withholding Information from Shareholders

Subject to the provisions of the Act, no shareholder shall be entitled to discovery of any information respecting any details or conduct of the Corporation's business which, in the opinion of the board, could be inexpedient in the interests of the shareholders or the Corporation to communicate to the public. The board may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts, records and documents of the Corporation or any of them shall be open to the inspection of shareholders and no shareholder shall have any right to inspect any account, record or document of the Corporation except as conferred by the Act or authorized by the board.

SECTION 3 BORROWING AND SECURITY

3.01 Borrowing Power

Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate bonds, debentures, notes or other evidence of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in or charge upon all or any real or personal, movable or immovable property of the Corporation, owned or subsequently acquired, including book debts, rights, powers, franchises and undertakings by way of mortgage, hypothec, pledge or

otherwise, to secure payment of any such evidence of indebtedness or guarantee whether present or future of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 Delegation

The board may from time to time by resolution delegate to one or more directors, a committee of directors or one or more officers of the Corporation as may be designated by the board all or any of the powers conferred on the board by section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

SECTION 4 DIRECTORS

4.01 Number of Directors and Quorum

Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum number of directors provided in the articles. Subject to the Act and to section 4.08 hereof, the quorum for the transaction of business at any meeting of the board shall consist of a majority of directors, or such other number of directors as the board may from time to time determine.

4.02 Qualification

A person shall not be qualified for election as a director if such person is less than 18 years of age; if such person is of unsound mind and has been so found by a court in Canada or elsewhere; if such person is not an individual; or if such person has the status of a bankrupt. A director need not be a shareholder. Any person who is elected or appointed to hold office as a director, even where otherwise qualified to be a director, shall be deemed not to be elected or appointed to hold office as a director unless:

- (a) such person was present at the meeting when the election or appointment took place and such individual did not refuse to hold office as a director; or
- (b) such person was not present at the meeting when the election or appointment took place and
 - (i) such person consented to hold office as a director in writing before the election or appointment or within ten days after it; or

- (ii) such person has acted as a director pursuant to the election or appointment.

At least twenty-five percent (25%) of the directors shall be resident Canadians unless the Corporation has less than four directors in which case, at least one of the directors shall be a resident Canadian. For so long as the Corporation is a distributing corporation at least two directors shall not be officers or employees of the Corporation or its affiliates.

4.03 Election and Term

Directors shall be elected yearly to hold office until the close of the next annual meeting of shareholders or, in the case of directors named in the notice accompanying the articles of incorporation, until the first meeting of shareholders. Where directors fail to be elected at any such meeting of shareholders, then notwithstanding the preceding sentence, the incumbent directors shall continue in office until their successors are elected. The number of directors to be elected at any such meeting shall be the greater of the number (or the minimum number, as the case may be) of directors provided for in the articles and the number of directors then in office unless the directors or the shareholders otherwise determine. The election shall be by resolution.

4.04 Removal of Directors

Subject to the provisions of the Act, the shareholders may by resolution passed at a special meeting remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by the board.

4.05 Vacation of Office

A person ceases to hold the office of director of the Corporation when such person dies; such person is removed from office by the shareholders; such person ceases to be qualified for election as a director; or such person's written resignation is sent or delivered to the Corporation, or if a time is specified in such resignation, at the time so specified, whichever is later.

4.06 Vacancies; Appointment of Additional Directors

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or minimum number of directors or from a failure of the shareholders to elect the number or minimum number of directors. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number or minimum number of directors, the board shall without delay call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are no such directors then in office, any shareholder may call the meeting. Any director appointed or elected to fill such vacancy holds office for the unexpired term of such director's predecessor. If the articles so provide, the directors may appoint one or more additional directors, who shall hold office until the close of the next annual meeting, but the total number of additional directors so

appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders of the Corporation.

4.07 Action by the Board

The board shall manage, or supervise the management of, the business and affairs of the Corporation. Subject to sections 4.08 and 4.09, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors who would have been entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office. Where the Corporation has only one director, that director may constitute the meeting.

4.08 Canadian Residency

The board shall not transact business at a meeting, other than filling a vacancy in the board, unless twenty-five percent (25%) of the directors present are resident Canadians (or, if the Corporation has fewer than four directors, at least one of the directors present is a resident Canadian), except where:

- (a) a resident Canadian director who is unable to be present approves in writing, or by telephonic, electronic or other communication facility, the business transacted at the meeting; and
- (b) the required number of resident Canadian directors would have been present had that director been present at the meeting.

4.09 Meetings by Telephonic, Electronic or Other Communication Facility

Subject to the Act, if all the directors consent, a director may participate in a meeting of the board or of a committee of the board by means of a telephonic, electronic or other communication facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting, and a director participating in such a meeting by such means is deemed to be present at that meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

4.10 Place of Meetings

Meetings of the board may be held at any place in or outside Canada.

4.11 Calling of Meetings

Meetings of the board shall be held from time to time and at such time at such place as the board, the chairman of the board, the vice-chairman of the board, the president or any two directors may determine.

4.12 Notice of Meeting

Notice of the time and place of each meeting of the board shall be given in the manner provided in section 12.01 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, and for any proposal to:

- (a) submit to the shareholders any question or matter requiring approval of the shareholders;
- (b) fill a vacancy among the directors or in the office of auditor or appoint additional directors;
- (c) issue securities;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares of the Corporation;
- (f) pay a commission for or in connection with the purchase from the Corporation of the Corporation's shares;
- (g) approve a management proxy circular;
- (h) approve a take-over bid circular or directors' circular;
- (i) approve any annual financial statements; or
- (j) adopt, amend or repeal by-laws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board. Attendance of a director at a meeting of directors is a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4.13 First Meeting of New Board

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

4.14 Adjourned Meeting

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

4.15 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.16 Chairman

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

4.17 Votes to Govern

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

4.18 Conflict of Interest

A director or officer who is a party to, or who is a director or officer or an individual acting in a similar capacity of or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or material transaction with the Corporation shall disclose the nature and extent of the individual's interest at the time and in the manner provided by the Act. Any contract or transaction or proposed contract or transaction in which a director or officer is interested shall be referred to the board for approval (unless the same is referred to the shareholders for approval) even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or the shareholders, and a director interested in a contract so referred to the board shall not vote on any resolution to approve the same except as provided by the Act.

4.19 Remuneration and Expenses

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

4.20 Advance Notice of Nomination of Directors

Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting), (i) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (iii) by any person (a “Nominating Shareholder”) (1) who, at the close of business on the date of the giving of the notice provided for below in this section 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 (2) who complies with the notice procedures set forth below in this section:

- (a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the secretary of the Corporation at the principal executive offices of the Corporation in accordance with this section and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in subsection (d).
- (b) To be timely under Section 4.20 (a)(i), a Nominating Shareholder’s notice to the secretary of the Corporation must be made (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 called for a date that is less than 40 days after the date (the “Notice Date”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this paragraph (b).

- (c) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Corporation under Section 4.20 (a)(i), must set forth (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (1) the name, age, business address and residence address of the person, (2) the principal occupation or employment of the person, (3) 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, (4) a statement as to whether such person would be "independent" of the Corporation (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination and (5) 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, (1) any 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, and (2) 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 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.
- (d) To be eligible to be a candidate for election as a director of the Corporation and to be duly nominated, a candidate must be nominated in the manner prescribed in this Section 4.20 and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the secretary of the Corporation at the principal executive offices of the Corporation, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Corporation) that such candidate for nomination, if elected as a director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Corporation applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the secretary of the Corporation shall provide to such candidate for nomination all such policies and guidelines then in effect).
- (e) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 4.20; provided, however, that nothing in this Section 4.20 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a Meeting of Shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting

shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- (f) For purposes of this Section 4.20:
 - (i) Notwithstanding the sections in the by-laws, notice or any delivery given to the secretary of the Corporation pursuant to this Section 4.20 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Montreal 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.
 - (ii) 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 in Section 4.20 (b) or the delivery of a representation and agreement as described in Section 4.20 (d).

SECTION 5 COMMITTEES

5.01 Committee of Directors

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

Unless otherwise determined by the board, each committee of directors shall have the power to fix its quorum, to elect its chairman and to regulate its procedure.

5.02 Transaction of Business

Subject to the provisions of section 4.09, the powers of a committee of directors may be exercised by a meeting at which a quorum of the committee is present or by resolution in writing

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

5.03 Audit Committee

For so long as the Corporation is a distributing corporation, the board shall elect annually from among its number an audit committee to be composed of not fewer than 3 directors of whom a majority shall not be officers or employees of the Corporation or its affiliates. The audit committee shall have the powers and duties provided in the Act.

5.04 Advisory Committees

The board may from time to time appoint such other committees as it may deem desirable, but the functions of any such other committees, in so far as such functions concern the powers of the directors that may not be delegated to any persons, shall be advisory only.

SECTION 6 OFFICERS

6.01 Appointment

The board may from time to time appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a chief financial officer, a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to sections 6.02 and 6.03, an officer may but need not be a director and one person may hold more than one office.

6.02 Chairman of the Board

The board may from time to time also appoint a chairman of the board who shall be a director. If appointed, the board may assign to the individual any of the powers and duties that are by any provisions of this by-law capable of being assigned to the president; and the individual shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chairman of the board, the individual's duties shall be performed and the individual's powers exercised by the vice-chairman of the board, if any, or if there is no vice-chairman of the board, by a director selected by the board or by the president.

6.03 Vice-Chairman of the Board

The board may from time to time appoint a vice-chairman of the board who shall be a director. During the absence or disability of the chairman of the board, the chairman's duties shall be performed and his powers exercised by the vice-chairman of the board. The vice-chairman of

the board shall, subject to the provisions of the Act, have such other powers and duties as the board may specify.

6.04 President

If appointed, the president shall be the chief operating officer, if a chief executive officer, has been or is to be otherwise appointed, and if not, the president shall be the chief executive officer, unless the board otherwise determines. Subject to the authority of the board and any limitations the board may prescribe, if the president is the chief executive officer, the president shall have general supervision of the business of the Corporation; and the president shall have such other powers and duties as the board may specify.

6.05 Vice-President

A vice-president shall have such powers and duties as the board or the chief executive officer may specify.

6.06 Chief Financial Officer

The chief financial officer will cause the preparation and maintenance of proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation and at the request of the board, will render an account of the Corporation's financial transactions and the financial position of the Corporation. The chief financial officer shall have such other powers and duties as the board or the chief executive officer of the Corporation may specify.

6.07 Secretary

The secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; the secretary shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, the auditor and members of committees of the board; the secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and the secretary shall have such other powers and duties as the board or the chief executive officer may specify.

6.08 Treasurer

In the absence of a chief financial officer, the treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; the treasurer shall render to the board whenever required an account of all of the treasurer's transactions as treasurer and of the financial position of the Corporation and the treasurer shall have such other powers and duties as the board or the chief executive officer may specify.

6.09 Powers and Duties of Other Officers

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

6.10 Variation of Powers and Duties

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

6.11 Term of Office

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

6.12 Terms of Employment and Remuneration

The terms of employment and the remuneration of officers appointed by the board shall be settled by it from time to time.

6.13 Conflict of Interest

An officer shall disclose the officer's interest in any material contract or material transaction or any proposed material contract or proposed material transaction with the Corporation in accordance with section 4.18.

6.14 Agents and Attorneys

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

6.15 Fidelity Bonds

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

SECTION 7 PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 Limitation of Liability

Every director and officer of the Corporation in exercising their powers and discharging their 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, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on their part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of their office or in relation thereto, unless the same are occasioned by their own willful neglect or default; provided that, except as otherwise provided in the Act, 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.

7.02 Indemnity

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

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, with a view to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires.

7.03 Advance of Costs

The Corporation, if authorized by the board, may advance moneys to a director, officer or other individual referred to in Section 7.02 for the costs, charges and expenses of a proceeding referred to in Section 7.02. The individual shall repay the moneys if the individual does not fulfil the conditions set out in paragraphs 7.02(a) and (b).

7.04 Derivative Actions

The Corporation may with the approval of a court authorized to give such approval by the Act, indemnify an individual referred to in Section 7.02, or advance moneys under Section 7.03, in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in Section 7.02, against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in paragraphs 7.02(a) and (b).

7.05 Insurance

Subject to the limitations contained in the Act, the Corporation may purchase and maintain insurance for the benefit of any person referred to in section 7.02 hereof.

7.06 Legal Proceedings

The board is authorized from time to time to

- (a) retain and instruct legal counsel to commence or defend legal proceedings on behalf of the Corporation and to authorize any settlement, compromise, waiver of privilege, plea in criminal or quasi-criminal matters, proceedings or other steps whatsoever on behalf of the Corporation as the board considers expedient; and
- (b) to delegate to such directors, officers or employees of the Corporation as the board may designate, all or any of the foregoing powers to such extent and in such manner as the board may determine.

SECTION 8 SHARES

8.01 Allotment

Subject to the provisions of the Act, the board and, if and as authorized by the board, a committee of the board, may from time to time grant options to purchase or allot the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as prescribed by the Act.

8.02 Commissions

The board may from time to time authorize the Corporation to pay a reasonable 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.

8.03 Registration of Transfer

Subject to the provisions of the Act, no transfer of shares shall be registered in a securities register except:

- (a) upon presentation of the certificate representing such shares with a transfer endorsed thereon, or delivered therewith, or in the case of uncertificated shares, upon presentation of a transfer, in either case duly executed by the registered holder or by the registered holder's attorney or successor duly appointed;
- (b) upon the provision of such reasonable assurance or evidence of signature, identification and authority to transfer, if any, as the board (or the person or persons designated by the board from time to time to make such determination) may from time to time determine in any particular case or generally in respect of all transfers or a particular class of transfers;
- (c) where the Corporation has a duty to inquire into any adverse claims, if such duty has been discharged;
- (d) where it has been established, to the satisfaction of the board (or the person or persons designated by the board from time to time to make such determination) that the transfer is to a bona fide purchaser;
- (e) where it has not been established to the satisfaction of the board (or the person or persons designated by the board from time to time to make such determination) that the transfer is to a bona fide purchaser, the board (or the person or persons designated by the board from time to time to make such determination) is satisfied that there is no evidence that the transfer is not rightful;
- (f) upon payment of all applicable taxes and any fees prescribed by the board; and
- (g) upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in section 8.05.

8.04 Transfer Agents and Registrars

The board may from time to time appoint a registrar to maintain the securities register and a transfer agent to maintain the register of transfers and may also appoint one or more branch registrars to maintain branch securities registers of transfers, but one person may be appointed both registrar and transfer agent. The board may at any time terminate any such appointment.

8.05 Lien for Indebtedness

If the articles provide that the Corporation shall have a lien on shares registered in the name of a shareholder indebted to the Corporation, such lien may be enforced, subject to any other provision of the articles and to any unanimous shareholder agreement, by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

8.06 Non-Recognition of Trusts

Subject to the provisions of the Act, the Corporation shall treat the registered owner of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

8.07 Share Certificates

Shares of capital stock in the Corporation may be represented by uncertificated shares, but every holder of one or more shares of the Corporation shall be entitled, at the holder's option, to a share certificate, or to a non-transferable written acknowledgement of the holder's right to obtain a share certificate, stating the number and class or series of shares held by the holder as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with section 2.04 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically be reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

8.08 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or such person's discretion direct the issue of a new share certificate or uncertificated shares(s) in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken if the owner:

- (a) so requests before the Corporation has notice that the security has been acquired by a bona fide purchaser;
- (b) unless the board otherwise determines in a particular case, furnishes the Corporation with an indemnity bond sufficient, in the discretion of the board, to protect the Corporation; and
- (c) satisfies any other reasonable requisites imposed by the Corporation from time to time, whether generally or in any particular case.

8.09 Joint Shareholders

If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate or written acknowledgment referred to in section 8.07 in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.10 Deceased Shareholders

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

SECTION 9 DIVIDENDS AND RIGHTS

9.01 Dividends

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

9.02 Dividend Cheques

A dividend payable in cash shall be paid by cheque of the Corporation, drawn on the Corporation's bankers or one of them or if the Corporation has appointed a disbursement agent, by cheque of the disbursement agent drawn on the disbursement agent's bankers or one of them (or by other means by which such agent effects such payments in the normal course of its business as a disbursement agent) to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the registered holder's recorded address, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.03 Non-Receipt of Cheques

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

9.04 Record Date for Dividends and Rights

Subject to the Act and the rules of any stock exchange on which the shares of the Corporation are listed, the board may fix in advance within the period prescribed by the Act a date as a record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for any warrant or other evidence of right to subscribe for securities of the Corporation, provided that, unless notice of the record date is waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the directors fix the record date, the Corporation shall give notice of any such record date within the period prescribed by the Act, by newspaper advertisement in the manner provided in the Act and to each stock exchange in Canada on which the shares of the Corporation are listed. Where no record date is fixed in advance as aforesaid, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.05 Unclaimed Dividends

Subject to the Act and other applicable laws, any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION 10 MEETINGS OF SHAREHOLDERS

10.01 Annual Meetings

The annual meeting of shareholders shall be held

- (a) not later than eighteen months after the Corporation comes into existence; and
- (b) subsequently, not later than fifteen months after holding the last preceding annual meeting but not later than six months after the end of the Corporation's preceding financial year,

for the purpose of receiving and considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

10.02 Special Meetings

The board shall have power to call a special meeting of shareholders at any time.

10.03 Place of Meetings

Meetings of shareholders, both annual and special, shall be held at the registered office of the Corporation or elsewhere in Canada as the board, or any person to whom such decision is delegated by the board, may from time to time determine. Any meeting of shareholders, either annual or special, may also be held at some place outside Canada, if the place at which such meeting is to be held is specified in the articles or if all of the shareholders entitled to vote thereat agree that the meeting is to be held at that place.

10.04 Notice of Meetings

For so long as the Corporation is a distributing corporation, notice of the time and place of each meeting of shareholders shall be given within the time period prescribed by the Act. If the Corporation is not a distributing corporation, notice of the time and place of each meeting of shareholders shall be given not less than 10 days before the date when the meeting is to be held. In either case, such notice shall be given, in the manner provided in section 12.01, to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at or attend the meeting. Subject to the Act and any other applicable law, notice of a meeting of shareholders called for any purpose, other than receiving and considering the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor, shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution

to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

10.05 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares entitled to vote at the meeting held by each shareholder. If a record date for the determination of shareholders entitled to notice of the meeting is fixed pursuant to section 10.06, the shareholders listed shall be those registered at the close of business on such record date. If no such record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. Such list shall be prepared, if a record date for the determination of shareholders entitled to notice of the meeting is fixed pursuant to section 10.06, no later than the tenth day following such record date and, if no such record date is fixed, on the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.

10.06 Record Date for Notice

The board may fix in advance a date, within the period prescribed by Act, as a record date for the determination of the shareholders entitled to notice of the meeting. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be the close of business on the day immediately preceding the day on which the notice is given or if no notice is given, the day on which the meeting is held.

10.07 Meetings without Notice

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

- (a) if all the shareholders entitled to vote or to attend thereat are present in person or represented by proxy except where they attend the meeting for the express purpose of objecting that the meeting is not duly called or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and
- (b) if the auditors and the directors are present except where they attend the meeting for the express purpose of objecting that the meeting is not duly called or waive notice of or otherwise consent to such meeting being held.

At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, and such place is not specified in the Corporation's articles, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

10.08 Chairman, Secretary and Scrutineers

The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting and prepared to act as chairman of the meeting: chairman of the board, vice-chairman of the board, president or a vice-president. If none of such officers is present within 15 minutes from the time fixed for holding the meeting or none of such officers that are present is prepared to act as chairman, the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

10.09 Persons Entitled to be Present

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

10.10 Quorum

A quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder or representative duly authorized in accordance with the Act entitled to vote thereat or a duly appointed proxy for a shareholder so entitled and holding or representing, in the aggregate, not less than 10% of the votes entitled to be cast at the meeting. If a quorum is present at the opening of the meeting, the shareholders present in person or by proxy may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

10.11 Right to Vote; Record Date for Voting

Subject to the Act, the board may establish a record date for the determination of those shareholders entitled to vote at a meeting of shareholders of the Corporation. If the board establishes such a record date, the Corporation shall not later than the tenth day thereafter prepare a list of shareholders of the Corporation holding shares entitled to be voted at such meeting arranged in alphabetical order and showing the number of shares entitled to vote at the meeting held by each shareholder. Subject to the provisions of the Act as to authorized representatives of any other body corporate, at the meeting of shareholders in respect of which

the Corporation has established a record date for the determination of those shareholders entitled to vote thereat, every person who is named in the list prepared as a consequence of the establishment of such record date shall be entitled to vote the shares shown thereon opposite such person's name. If the Corporation has not established a record date for the determination of those shareholders entitled to vote thereat, every person who is named in the list prepared in accordance with Section 10.05 shall be entitled to vote the shares shown thereon opposite such person's name.

In the absence of a list prepared as aforesaid in respect of the establishment of a record date for the determination of those shareholders entitled to vote at a meeting of shareholders, every person shall be entitled to vote at the meeting whose name appears in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

10.12 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. Unless the Act permits the appointment of a proxy by electronic means, each proxy, to be effective, must be in writing, executed by the shareholder or the shareholder's attorney and shall conform with the requirements of the Act. If the Act permits the appointment of a proxy by electronic means, a proxy may also be appointed in any electronic manner so permitted by the Act.

10.13 Time for Deposit of Proxies

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

10.14 Joint Shareholders

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

10.15 Votes to Govern

At any meeting of shareholders every question shall be determined by the majority of the votes cast on the question unless otherwise required by the articles or by-laws, by the Act or by an

applicable stock exchange or regulatory requirement. In case of an equality of votes either upon a show of hands, a ballot, or by means of a telephonic, electronic or other communication facility, the chairman of the meeting shall be entitled to a second or casting vote.

10.16 Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

10.17 Electronic Meetings and Electronic Voting

Meetings of shareholders may be held entirely by means of telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting. The board may establish procedures regarding the holding of meetings of shareholders by such means. Despite section 10.16, any vote referred to in section 10.16 may be held, in accordance with the Act, entirely by means of telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility.

10.18 Ballots

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

10.19 Adjournment

If a quorum is not present at the opening of a meeting of shareholders, the shareholders present may adjourn the meeting to a fixed time and place but may not transact any other business. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

10.20 Resolution in Writing

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

10.21 Only One Shareholder

Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting.

10.22 Notice of Record Dates

Unless notice of the record date is waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the directors fix the record date for the purpose of determining the shareholders entitled to notice of any meeting of shareholders or to vote thereat, the Corporation shall give notice of any such record date within the period prescribed by the Act, by newspaper advertisement in the manner provided in the Act and to each stock exchange in Canada on which the shares of the Corporation are listed.

10.23 Availability of Shareholders Lists for Inspection

Any list of shareholders prepared pursuant to sections 10.05 and 10.11 shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the securities register is maintained and at the meeting for which the list was prepared.

SECTION 11 DIVISIONS AND DEPARTMENTS

11.01 Creation and Consolidation of Divisions

The board may cause the business and operations of the Corporation or any part thereof to be divided or to be segregated into one or more divisions upon such basis, including without limitation, character or type of operation, geographical territory, product manufactured or service rendered, as the board may consider appropriate in each case. The board may also cause the business and operations of any such division to be further divided into sub-units and the business and operations of any such divisions or sub-units to be consolidated upon such basis as the board may consider appropriate in each case.

11.02 Name of Division

Any division or its sub-units may be designated by such name as the board may from time to time determine and may transact business under such name, provided that the Corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Corporation.

11.03 Officers of Divisions

From time to time the board or, if authorized by the board, the chief executive officer, may appoint one or more officers for any division, prescribe their powers and duties and settle their terms of employment and remuneration.

The board or, if authorized by the board, the chief executive officer, may remove at its or the chief executive officer's pleasure any officer so appointed, without prejudice to such officer's rights under any employment contract. Officers of divisions or their sub-units shall not, as such, be officers of the Corporation.

SECTION 12 NOTICES

12.01 Method of Giving Notice

Subject to the Act, any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to the person's recorded address or if mailed to the person at their recorded address by prepaid ordinary or air mail or if sent to the person at their recorded address by any means of prepaid transmitted or recorded communication or if transmitted or accessed by the person in accordance with the provisions of the Act governing electronic documents. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch and a notice so given in accordance with the provisions of the Act governing electronic documents shall be deemed to have been given in accordance with the rules contained in such provisions. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by the person to be reliable.

12.02 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice to one of such persons shall be sufficient notice to all of them.

12.03 Computation of Time

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

12.04 Undelivered Notices

If any notice given to a shareholder pursuant to section 12.01 is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

12.05 Omissions and Errors

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

12.06 Persons Entitled by Death or Operation of Law

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

12.07 Waiver of Notice

Any shareholder (or the shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive the sending of any notice, or waive or abridge the time for any notice, required to be given to the individual under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be.

Any such waiver or abridgment shall be in writing except a waiver of notice of a meeting of shareholders or of the board which may be given in any manner.

SECTION 13
EFFECTIVE DATE

13.01 Effective Date

This by-law shall come into force when enacted by the directors, subject to the Act.

13.02 Repeal

All prior by-laws of the Corporation are repealed as of the coming into force of this by-law. Such repeal shall not affect the previous operation of any by-law 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 any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed 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-law shall continue to be good and valid except to the extent inconsistent with this by-law and until amended or repealed.

ENACTED by the Board the ____ day of _____, 20__.

WITNESS the corporate seal of the Corporation.

President:

Secretary:

CONFIRMED by the (sole) shareholder the ____ day of _____, 20__.

**APPENDIX “C”
BRUNSWICK RESOURCES INC.
(the “Corporation”)**

COMPARISON OF SHAREHOLDER RIGHTS UNDER ABCA AND CBCA

CBCA

If the Continuance is approved and completed, Bellatrix will be governed by the CBCA instead of the ABCA. While the rights of shareholders under the CBCA are broadly similar to those under the ABCA, there are a number of variations in the rights afforded to shareholders under the two pieces of legislation. The following is a summary of certain similarities and differences between the CBCA and the ABCA on matters pertaining to shareholder rights. This summary is not exhaustive and is of a general nature only and is not intended to be, and should not be construed to be, legal advice to Shareholders. Accordingly, Shareholders should consult their professional advisors with respect to the detailed provisions of the CBCA and their rights under it.

Board of Directors

Under the ABCA, at least one-quarter of a corporation’s directors, and at least one-quarter of the members of any committee of directors, must be resident Canadians. Under the CBCA, at least one-quarter of a corporation’s directors must be resident Canadians; however, there is no similar requirement for committees of directors.

Place of Meetings

The ABCA provides that a meeting may be held outside Alberta where all shareholders entitled to vote at such a meeting so agree. The CBCA provides that a meeting of shareholders may be held outside Canada if the place is specified in the articles or where all the shareholders entitled to vote at such a meeting so agree.

Financial Assistance

The ABCA requires disclosure of financial assistance given by a corporation to shareholders or directors of the corporation or its affiliates, or to any of their associates, and in connection with the purchase of shares of the corporation or an affiliated corporation. The CBCA has no such requirement.

Shareholder Proposals

Both the ABCA and the CBCA provide for shareholder proposals. Under the CBCA, a registered or beneficial owner of shares entitled to be voted at a meeting may submit a proposal, although the registered or beneficial shareholder must either: (i) have owned for six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least \$2,000, or (ii) have the support of persons who have owned for six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least \$2,000.

Record Date for Voting

The ABCA permits a transferee of Common Shares after the record date for a shareholder meeting, not later than 10 days before the shareholder meeting, to establish a right to vote at the meeting by providing evidence of ownership of Common Shares and demanding that the transferee’s name be placed on the voting list in place of the transferor. The CBCA does not have an equivalent provision.

Rights of Dissent

Under both the ABCA and the CBCA, shareholders have substantially the same rights of dissent if a corporation resolves to effect certain fundamental changes. However, under the CBCA, the corporation must, within ten days of the resolution to which the shareholder dissents being adopted, send notice to the dissenting shareholder. The dissenting shareholder, within 20 days of receiving notice from the corporation or, if such notice was not received, within 20 days after learning that the resolution has been adopted, must send the corporation notice of his demand for payment of the fair value of his shares, the number and class of shares in respect of which the shareholder dissents and his relevant personal information. Within 30 days of this notice, the dissenting shareholder must send the corporation, or its transfer agent, his share certificates. No more than seven days after the later of the day on which the resolution is effective and the day the corporation receives notice from the dissenting shareholder, the corporation must make an offer to pay. The corporation or the dissenting shareholder may apply to the court to fix a fair value for the shares of the dissenting shareholder.

Under the ABCA, a dissenting shareholder may send a corporation a written objection to a resolution affecting a fundamental change at or before any meeting of shareholders at which the resolution is to be voted on. Once the resolution is adopted the dissenting shareholder may make application to the court to fix the fair value of his shares. If an application is made to the court, the corporation must send an offer to pay to each dissenting shareholder an amount considered by the directors to be the fair value of the shares. The dissenting shareholder may accept the offer to pay from the corporation or wait for an order from the court fixing the fair value of the shares. The dissent rights under the ABCA apply to the Continuance Resolution. See “*Description of Recapitalization – Continuance of Bellatrix from Alberta to Canada – Continuance Right of Dissent*”.

Sale of Property

Under both the ABCA and the CBCA, any proposed sale, lease or exchange of all or substantially all of the property of a corporation, other than in the ordinary course of business, must be approved by a special resolution passed by not less than two-thirds of the votes cast by shareholders voting in person or by proxy at a meeting of shareholders. The holder of shares of a class or series of shares of a corporation are entitled to vote separately as a class or series in respect of such a sale, lease or exchange if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

Amendments to the Articles of the Corporation

Under both the ABCA and the CBCA, certain fundamental changes to the articles of a corporation, such as an alteration of any restrictions on the business carried on by the corporation, changes in the name of the corporation, increases or decreases in the authorized capital, the creation of any new classes of shares and changes in the jurisdiction of incorporation, must be approved by a special resolution passed by a majority of not less than two-thirds of the votes cast by shareholders voting in person or by proxy at a meeting of the shareholders of the corporation.

Oppression Remedies

Under the ABCA and the CBCA, a shareholder, former shareholder, director, former director, officer or former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court to rectify the matters complained of where in respect of a corporation or any of its affiliates: (i) any act or omission of a corporation or its affiliates effects a result; (ii) the business or affairs of a corporation or any of its affiliates are or have been carried on or conducted in a manner; or (iii) the powers of a corporation or any of its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any securityholder, creditor, director or officer.

Shareholders’ Derivative Action

Under the ABCA and the CBCA, a shareholder, former shareholder, director, former director, officer or former officer of a corporation or its affiliates who, in the discretion of the court, is a proper person to do so, may apply for the court’s leave to: (i) bring a derivative action in the name and on behalf of a corporation or any of its subsidiaries; or (ii) intervene in the action to which a corporation or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of a corporation or the subsidiary.

APPENDIX “D”

BRUNSWICK RESOURCES INC. (the “Corporation”)

ABCA DISSENT PROVISIONS

Pursuant to the ABCA, Registered Shareholders of Brunswick have Dissent Rights in respect of the Continuance. Such Dissent Rights are described in the Information Circular. The full text of Section 191 of the ABCA is set forth below.

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
 - (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
 - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1)
 - (c) amalgamate with another corporation, otherwise than under section 184 or 187,
 - (d) be continued under the laws of another jurisdiction under section 189, or
 - (e) sell, lease or exchange all or substantially all its property under section 190.
- (2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
- (3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.
- (4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
- (5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)
- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
 - (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder’s right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder’s right to dissent.
- (6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),
- (a) by the corporation, or

- (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5), to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
- (8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder
- (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
- (b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.
- (9) Every offer made under subsection (7) shall
- (a) be made on the same terms, and
- (b) contain or be accompanied with a statement showing how the fair value was determined.
- (10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- (11) A dissenting shareholder
- (a) is not required to give security for costs in respect of an application under subsection (6), and
- (b) except in special circumstances must not be required to pay the costs of the application or appraisal.
- (12) In connection with an application under subsection (6), the Court may give directions for
- (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
- (b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the *Alberta Rules of Court*,
- (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
- (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
- (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
- (f) the service of documents, and

- (g) the burden of proof on the parties.
- (13) On an application under subsection (6), the Court shall make an order
- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
 - (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
 - (c) fixing the time within which the corporation must pay that amount to a shareholder, and
 - (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (14) On
- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
 - (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
 - (c) the pronouncement of an order under subsection (13),
- whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.
- (15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).
- (16) Until one of the events mentioned in subsection (14) occurs,
- (a) the shareholder may withdraw the shareholder's dissent, or
 - (b) the corporation may rescind the resolution,
- and in either event proceedings under this section shall be discontinued.
- (17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- (18) If subsection (20) applies, the corporation shall, within 10 days after
- (a) the pronouncement of an order under subsection (13), or
 - (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,
- notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- (19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of

objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

- (20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
 - (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

**APPENDIX “E”
BRUNSWICK RESOURCES INC.
(the “Corporation”)**

AUDIT COMMITTEE CHARTER

This Charter was adopted in conformity with *National Instrument 52-110 on the Audit Committee* (“NI-52-110”). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee (hereinafter described as the “Audit Committee” or the “Committee”) and describes the qualifications and status required to become a member. The Committee reviews its charter periodically and, as required, makes recommendations to the Board of Directors (hereinafter described as the “Board of Directors” or the “Board”) as to any changes to be made.

1. Overall Purpose - Role of Audit Committee

The Committee is a committee of the Board to whom the Board has delegated the responsibility of reviewing the financial reporting process. The Audit Committee has a general mandate to assist the Board in fulfilling its responsibilities with regard to the financial information of the Corporation and its accounting practices, mainly in the process of reporting and disclosure. In this context, the Committee:

- ensures the reliability and the integrity of the Corporation’s financial statements and financial information, as well as other information made public by the Corporation;
- supervises the management of accounting systems and internal controls;
- assists in ensuring proper communications between the directors and the external auditors;
- supports the independence of the external auditors;
- supports the duties of the external directors in facilitating in-depth discussions between the directors members of the Audit Committee, Management and the external auditors;
- supervises the activities of the external auditors appointed to carry out an audit or to perform other related services; and
- recommends to the Board the appointment of the external auditors and their remuneration.

The Committee has the authority to examine and make recommendations on any question brought to its attention. The Committee, in carrying out this mandate, has access, upon request, to all relevant information concerning the Corporation’s operations, whether this information is in the hands of the Corporation, a subsidiary or a related person.

The Committee may, at his own discretion, use the services of outside consultants.

2. Committee Responsibilities - Audit

In general, the Committee’s mandate is to supervise the reporting and disclosure processes of the Corporation and to report on its activities to the Board.

The Committee must ascertain that adequate procedures are in place to review the public disclosure by the Corporation of financial information extracted or derived from its financial statements and must periodically assess the adequacy of these procedures.

The Committee must establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the Corporation, if any, of concerns regarding questionable accounting or auditing matters.

And, more particularly,

- 2.1 Financial Statements, Notes, Management Reports and Press Releases
- 2.1.1 The Committee examines the interim financial statements and the audited financial statements at year-end before making them public, as well as the documents prepared for electronic deposit with regulatory authorities. The Committee may make whatever changes it deems necessary to the financial statements. Otherwise, the Committee recommends the approval of these financial statements by the Board.
- 2.1.2 The Committee examines the notes to the financial statements and all management reports accompanying the financial statements distributed to the shareholders and/or to the regulatory authorities, as well as press releases issued along with the financial statements, notes and related comments. The Committee makes all the modifications deemed necessary to these documents. Otherwise, it recommends the approval of these documents by the Board.
- 2.2 External Auditors
- 2.2.1 The Committee makes recommendations to the Board with regard to the selection of external auditors, their remuneration and their reappointment, as the case may be. It reviews the audit plan with the external auditors and defines the specific needs of the Committee. The Committee receives the auditors' report with the accompanying notes.
- 2.2.2 The Committee meets with the external auditors before the beginning of their mandate and, at this meeting, examines and approves the scope of the audit plan as well as the audit fees allocated to the work to be done.
- 2.2.3 At that time, the Committee analyzes the external auditors' independence, reviews services other than audit services to be performed by the external auditors and determines if the nature and extent of these services may or may not be prejudicial to their independence. The Committee reviews and approves the hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- 2.2.4 The Committee also meets with the external auditors at the meeting planned for the examination of the year-end audited financial statements and, on this occasion, receives the post-audit report that will mainly deal with:- The acceptability and quality of the Corporation's accounting principles;
- The quality of the accounting systems and internal controls put in place by Management to ensure the integrity of the accounting and financial information;
 - The recommendations made by the auditors to Management with respect to the accounting systems and internal controls, and Management's response thereto;
 - The assessment of the measures put in place to deal with the risks faced by the Corporation when, in the auditors' opinion, certain factors could have a material impact on the results of the Corporation; and
 - The difficulties encountered by the external auditors in the course of their mandate, in particular any restrictions imposed by Management or serious accounting questions over which they disagreed with Management.
- 2.2.5 At these meetings, the Audit Committee may meet with the auditors, out of the presence of the Corporation's Management and the internal directors. In fact, the Committee has direct access to the external auditors and Management and may hold private and informal

discussions with each of the parties, whenever deemed opportune in carrying out their mandate.

- 2.2.6 Also, the Management of the Corporation and the external auditors may, if necessary, ask to meet the members of the Committee to review with them all transactions, procedures or other questions which, in their opinion, are relevant to the mandate of the Committee.
- 2.2.7 The Audit Committee must approve, in advance, all the services that are not related to the audit that the external auditors do for the Corporation and its subsidiaries.
- 2.2.8 The Committee examines the conditions of the mandate of the external auditors and verifies that the fees are appropriate and reasonable for the audit and approves unpaid fees.
- 2.2.9 The Committee is in charge of resolving disagreements between the management of the Corporation and the external auditors concerning the financial reporting.

3. Responsibilities of the Committee - Conflicts of Interest

Every year or more often, as required, the Committee examines:

- 3.1 Any situation that has been brought to its attention that may cause a conflict of interest and, more particularly, the approval of the financial conditions applicable within the framework of contracts with persons or companies related to or affiliated with the Corporation, to ensure that these contracts are as advantageous to the Corporation as if they had been negotiated with other parties.
- 3.2 Any eventual violation of a contract that is brought to its attention and which could have an impact on the financial statements.

4. Appointment of Auditors - Other Resources

In performing its duties, the Committee may hire all necessary resources.

Each year, after having verified the qualifications of the incumbent or potential auditors, the Committee must recommend to the Board the appointment of external auditors. At its first meeting of the year in March, the Committee must consider whether it is appropriate, for the next fiscal year, to proceed with a call for tenders from various auditing firms or to renew the mandate of the auditors in place.

If Management proposes a change of external auditors, the Committee must be informed of the reasons for such a change and, in all cases, approve the information to be made public in accordance with the regulations.

5. Composition

The Audit Committee consists of a minimum of three directors appointed by the Board at the first meeting following the annual general meeting of the shareholders.

The members of the Committee are in majority independent directors, as defined in Rule 52-110. All members of the Committee are financially literate.

At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

6. Chairman of the Committee

The Chairman of the Committee is selected by the members of the Committee unless he is appointed by the Board; in the case of absence, unavailability or if he vacates his post, the chairmanship will be assumed by a member chosen by the Committee.

7. Number of Meetings

The Committee will meet at least four (4) times per year or more, if necessary. Meetings can be held by conference call.

A member of the Committee may convene a special meeting.

8. Organization

The Committee appoints a Secretary.

Before each Committee meeting, the Secretary distributes a written agenda to the members. The Secretary will also maintain minutes of each meeting.

9. Quorum and Decisions

A majority of Committee members shall constitute a quorum.

Provided there is a quorum, decisions are made by a vote of the majority of the members present.

10. Report

The Committee reports to the Board of Directors. The minutes of a Committee meeting constitute a report in itself.