

**RAZORE ROCK RESOURCES INC.
SUITE 3100, SCOTIA PLAZA
40 KING STREET WEST
TORONTO, ONTARIO M5H 3Y2**

**INFORMATION CIRCULAR
MANAGEMENT SOLICITATION**

SOLICITATION OF PROXIES

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by and on behalf of the management (the “Management”) of Razore Rock Resources Inc. (the “Corporation”) for use at the Annual General and Special Meeting of Shareholders (the “Meeting”) of the Corporation to be held at the offices of Gardiner Roberts LLP at Suite 3100, 40 King Street West, Scotia Plaza, Toronto, Ontario, at the hour of 3:00 o’clock in the afternoon (Toronto time), on Thursday, the 21st day of November, 2013, for the purposes set out in the accompanying Notice of Meeting. The cost of solicitation will be borne by the Corporation.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally by the Directors and/or officers of the Corporation at nominal cost. Arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares (“Common Shares”) held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers or Directors of the Corporation (the “Management Designees”). **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO** by inserting such other person’s name in the blank space provided in the form of proxy and depositing the completed proxy with the Transfer Agent of the Corporation, **Capital Transfer Agency, Inc., 121 Richmond Street West, Suite 401, Toronto, Ontario M5H 2K1**. A proxy can be executed by the shareholder or his attorney duly authorized in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

In addition to any other manner permitted by law, the proxy may be revoked before it is exercised by instrument in writing executed and delivered in the same manner as the proxy at any time up to and including the second last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or delivered to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting and upon either such occurrence, the proxy is revoked.

Please note that shareholders who receive their Meeting Materials (as defined in the “Advice to Beneficial Shareholders” section below) from Broadridge Investor Communication Solutions, Canada (“Broadridge”) must return the proxy forms, once voted, to Broadridge for the proxy to be dealt with.

DEPOSIT OF PROXY

By resolution of the Directors duly passed, **ALL PROXIES TO BE USED AT THE MEETING MUST BE DEPOSITED NOT LATER THAN 3:00 P.M. ON THE SECOND LAST BUSINESS DAY PRECEDING THE DAY OF THE MEETING, BEING TUESDAY, NOVEMBER 19, 2013, OR ANY ADJOURNMENT THEREOF, WITH THE TRANSFER AGENT OF THE CORPORATION, CAPITAL TRANSFER AGENCY INC.,** provided that a proxy may be delivered to the Chairman of the Meeting on the day of the Meeting

or any adjournment thereof prior to the time for voting to revoke a proxy previously delivered in accordance with the foregoing. A return envelope has been included with this material.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares owned by a person are registered either (a) in the name of an intermediary (an “**Intermediary**”) that the non-registered holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant (a “**non-registered holder**”). In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Circular and the accompanying Notice of Meeting together with the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to non-registered holders of Common Shares. Intermediaries are required to forward the Meeting Materials to non-registered holders unless a non-registered holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to non-registered holders. Generally, non-registered holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number and class of securities beneficially owned by the non-registered holder but which is not otherwise completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the non-registered holder when submitting the proxy. In this case, the non-registered holder who wishes to vote by proxy should otherwise properly complete the form of proxy and deliver it as specified; or
- (b) be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the non-registered holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**Voting Instruction Form**”) which the Intermediary must follow. Typically the non-registered holder will also be given a page of instructions which contains a removable label containing a bar code and other information. In order for the form of proxy to validly constitute a Voting Instruction Form, the non-registered holder must remove the label from the instructions and affix it to the Voting Instruction Form, properly complete and sign the Voting Instruction Form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the Common Shares they beneficially own. Should a non-registered holder who receives either form of proxy wish to vote at the Meeting in person, the non-registered holder should strike out the persons named in the form of proxy and insert the non-registered holder’s name in the blank space provided. Non-registered holders should carefully follow the instructions of their Intermediary including those regarding when and where the form of proxy or Voting Instruction Form is to be delivered.

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

EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed form of proxy for use at the Meeting will vote the Common Shares in respect of which they are appointed in accordance with the directions of the shareholders appointing them. **IN THE ABSENCE OF SUCH DIRECTIONS, SUCH SHARES SHALL BE VOTED "FOR":**

- (a) the election of the Directors as nominated by Management;

- (b) the appointment of Wasserman Ramsay, Chartered Accountants, as auditors of the Corporation for the ensuing year and authorizing the Directors to fix their remuneration;
- (c) the amendment of the Corporation's Stock Option Plan;
- (d) confirmation of the new general By-Law Number 1-B of the Corporation;
- (e) approval, by way of a Special Resolution, to empower the Board of Directors to determine by resolution the number of Directors of the Corporation from time to time and the number of Directors of the Corporation to be elected at an annual meeting of the shareholders of the Corporation within the minimum and maximum number of Directors permitted under the Corporation's articles; and
- (f) to transact such further and other business as may properly come before the said Meeting or any adjournment or adjournments thereof.

ALL AS MORE PARTICULARLY DESCRIBED IN THIS CIRCULAR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to any amendment, variation or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **HOWEVER, IF ANY SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH ARE NOT NOW KNOWN TO THE MANAGEMENT DESIGNEES SHOULD PROPERLY COME BEFORE THE MEETING, THE COMMON SHARES REPRESENTED BY THE PROXIES HEREBY SOLICITED WILL BE VOTED THEREON IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING SUCH PROXIES.**

EFFECTIVE DATE

The effective date of this Circular is October 21, 2013.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation presently consists of an unlimited number of Common Shares, of which 9,708,768 Common Shares are issued and outstanding as fully paid and non-assessable as of the Record Date. The Common Shares of the Corporation are listed on the Canadian National Stock Exchange ("CNSX") under the symbol "RZR".

Each shareholder of record will be entitled to one (1) vote for each Common Share held at the Meeting.

Holders of record of the Common Shares of the Corporation on October 21, 2013 (the "**Record Date**") will be entitled either to attend and vote at the Meeting in person shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation as described herein, to attend and vote thereat by proxy the shares held by them.

To the knowledge of the Directors and executive officers of the Corporation, other than those listed below, there is no party who beneficially owns, directly or indirectly, or exercise control or direction over 10% or more of any class of securities of the Corporation.

Name of Shareholder	Number of Common Shares	Percentage of Total
William R. Johnstone ⁽¹⁾	1,320,833	13.60%

Note:

- (1) Held as to 170,000 common shares by Merlin Capital Corp., and as to 1,150,833 common shares by Poplar Properties Inc., in respect of which Mr. Johnstone is the President and a 50% shareholder.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the Directors or executive officers of the Corporation, no proposed nominee for election as a Director of the Corporation, none of the persons who have been Directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year, and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Directors and the appointment of officers except as disclosed herein.

EXECUTIVE COMPENSATION

The information contained below is provided as required under Form 51-102F6 for Venture Issuers (the "**Form**"), as such term is defined in National Instrument 51-102.

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information about the Corporation's executive compensation objectives and processes and discusses compensation decisions relating to its named executive officers ("**Named Executive Officers**") listed in the Summary Compensation Table that follows. During the fiscal year ended April 30, 2013, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of the Corporation:

- Michael Wilson, President and Chief Executive Officer.
- William R. Johnstone, Corporate Secretary, Acting Chief Financial Officer.

The Corporation does not employ or retain any other individuals who would qualify as a "Named Executive Officer" because no executive officer or employee of the Corporation receives total compensation (including without limitation salary and bonus) in excess of \$150,000.

The Corporation does not currently have a Compensation Committee. The entire Board of Directors is responsible for the compensation program for the Corporation's Named Executive Officers. No compensation has been paid to the Named Executives Officer for the year ended April 30, 2013 in that capacity.

Compensation Objectives and Principles

The Corporation does not currently have an active business. The Corporation holds a group of five (5) unpatented mining claims in Manitoba. The Corporation has a working capital deficiency and the ability of the Corporation to realize on its assets and discharge its liabilities as they come due is dependent on the ability to generate cash flow from its investments or secure other forms of financing until it has successfully entered into an active business which generates a positive cash flow. As a result, the Board of Directors has to consider not only the financial situation of the Corporation at the time of the determination of executive compensation, but also the estimated financial condition of the Corporation in the future.

Since the preservation of cash is an important goal of the Corporation, an important element of the compensation to be awarded to the Named Executive Officers is the granting of stock options, which do not require cash disbursement by the Corporation. The granting of stock options also helps to align the interests of the Named Executive Officers with the interests of the Corporation. The Corporation will not provide its Named Executive Officers with perquisites or personal benefits that are not otherwise available to all of our employees.

Compensation Processes and Goals

The deliberations of the Board of Directors are conducted in a special session from which management is absent. These deliberations are intended to advance the key objectives of the compensation program for the Corporation's Named Executive Officers. At the request of the Board of Directors, the Named Executive Officers may, from time

to time, provide advice to the Board of Directors with respect to the compensation program for the Corporation's Named Executive Officers.

The Corporation relies on its Board of Directors, through discussion without any formal objectives, targets, criteria or analysis, in determining the compensation of its Named Executive Officers. The Board of Directors is responsible for determining all forms of compensation, including the provision of long-term incentives through the granting of stock options to the Named Executive Officers of the Corporation, and to others, including, without limitation, to the Corporation's Directors, to ensure such arrangements reflect the responsibilities and risks associated with each such officer's position. The Board of Directors incorporates the following goals when it makes its compensation decisions with respect to the Corporation's Named Executive Officers: (i) the recruiting and retaining of executives who are critical both to the success of the Corporation and to the enhancement of shareholder value; (ii) the provision of fair and competitive compensation; (iii) the balancing of the interests of management with the interests of the Corporation's shareholders; (iv) the rewarding of performance, both on an individual basis and with respect to the operations of the Corporation as a whole; and (v) the preservation of available financial resources.

The Implementation of the Corporation's Compensation Policies

No compensation was paid to any Named Executive Officers in 2013 in that capacity.

Set out below are some of the factors the Corporation takes into account when determining compensation for the Chief Executive Officer:

- the Chief Executive Officer's public company and regulatory experience gained through his involvement with other public companies; and
- the total number of years of the Chief Executive Officer's relevant experience.

Set out below are some of the factors the Corporation will take into account when determining compensation for the Chief Financial Officer:

- the Chief Financial Officer's public company and financial experience gained through his involvement with other public companies.

The Corporation does not currently have a Chief Financial Officer. Mr. Johnstone acts in the capacity of Acting Chief Financial Officer for purposes of certifying financial statements.

Stock Options

The granting of options to the Named Executive Officers under the Corporation's Stock Option Plan provides an appropriate long-term incentive to management to create shareholder value. The number of options the Corporation grants to each Named Executive Officer reasonably reflects the Named Executive Officer's specific contribution to the Corporation in the execution of such person's responsibilities. However, the number of options granted does not depend upon nor does it reflect the fulfillment of any specific performance goals or similar conditions. Previous grants of options to Named Executive Officers are taken into consideration by the Board of Directors in developing its recommendations with respect to the granting of new options. No options were granted to the Named Executive Officers during the year ended April 30, 2013.

The granting of options to the non-management Directors of the Corporation under the Corporation's Stock Option Plan provides an appropriate long-term incentive to these Directors to provide proper independent oversight to the Corporation with a view to maximizing shareholder value. The number of options the Corporation grants to each of these Directors reasonably reflects each Director's contributions to the Corporation in his capacity as a Director and as a member of one or more committees of the Board (if applicable), including without limitation the Audit Committee. Previous grants of options awarded to the independent Directors of the Corporation are taken into

consideration when the Corporation considers the granting of new options to the independent Directors. No options were granted to the Corporation's independent Directors during the year ended April 30, 2013.

The Corporation currently does not pay director fees to its independent Directors. Following the meeting, the Board of Directors will consider whether the payment of such fees is appropriate at the relevant time.

Summary Compensation Table

The following table contains information about the compensation paid to, earned by and payable to, the Corporation's Chief Executive Officer, Michael Wilson and William R. Johnstone, the Corporate Secretary acted in the capacity of Chief Financial Officer, for the fiscal years ended April 30, 2013, April 30, 2012 and April 30, 2011. In accordance with the Form, the Corporation does not have any other "Named Executive Officers" given that no executive officer receives total salary and bonus in excess of \$150,000. Specific aspects of compensation payable to the Named Executive Officers of the Corporation are dealt with in further detail in subsequent tables.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Michael Wilson, President and C.E.O.	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	34,091 ⁽¹⁾	Nil	Nil	Nil	Nil	34,091
	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
William R. Johnstone, Acting C.F.O.	2013	Nil	Nil	Nil	Nil	Nil	Nil	5,180 ⁽²⁾	5,180
	2012	Nil	Nil	Nil	Nil	Nil	Nil	5,300 ⁽³⁾	5,300
	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The fair value of the stock options issued in the prior year was estimated using a Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, expected volatility of 150%, risk-free interest rate of 1.53% and expected life of 5 years.
- (2) The Board of Directors established an Opportunities Committee comprised of William R. Johnstone and Antonio Mel de Quadros to review various property acquisitions and opportunities presented to the Corporation. Each member of the Opportunities Committee is paid \$100/hour for the time spent reviewing potential transactions and reporting to the Board of Directors. The above-noted compensation represents 51.8 hours of time spent by Mr. Johnstone in fiscal 2013 reviewing transactions in his role on the Opportunities Committee.
- (3) The above-noted compensation represents 53 hours of time spent by Mr. Johnstone in fiscal 2012 reviewing transactions in his role on the Opportunities Committee.

Outstanding Share-Based and Option-Based Awards Granted to Named Executive Officers as of April 30, 2013

The following table summarizes all share-based and option-based awards granted by the Corporation to its Named Executive Officers which are outstanding as of April 30, 2013.

Name and Principal Position	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)
Michael Wilson	250,000	0.10 ⁽²⁾	May 6, 2016	Nil	Nil	Nil
William R. Johnstone	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Based on the closing price of the Common Shares on the CNSX on April 30, 2013 of \$0.10 per Common Share.
(2) At the Annual Meeting on August 21, 2012, shareholders approved the reduction in the exercise price of these options from \$0.15.

Value Vested or Earned by Named Executive Officers During the Year Ended April 30, 2013 Under Option-Based Awards, Share-Based Awards and Non-Equity Incentive Plan Compensation

The following table summarizes the value vested or earned during the year by Named Executive Officers in respect of option-based awards, share-based awards and non-equity incentive plan compensation during the year ended April 30, 2013.

Name	Option-Based Awards-Value Vested During the Year (\$) ⁽¹⁾	Share-Based Awards-Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Michael Wilson	Nil	Nil	Nil
William R. Johnstone	Nil	Nil	Nil

Note:

- (1) Determined based on the difference between the market price of the underlying Common Shares on the vesting date and the exercise price of the options.

Employment Contracts

The Corporation has not entered into an employment agreement with its current President and Chief Executive Officer, Michael Wilson. Mr. Wilson does not currently receive any compensation from the Corporation. The Corporation has not entered into an employment agreement with its current Corporate Secretary acted in the capacity of Chief Financial Officer.

Termination and Change of Control Benefits

The Corporation has no compensatory plan or arrangement with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other termination of employment of any such officer's employment with the Corporation, from a change of control of the Corporation or a change in the responsibilities of a Named Executive Officer following a change of control.

Compensation of Directors

The following table contains information about the compensation awarded to, earned by, paid to or payable to, the Corporation's Directors, other than its Named Executive Officers, the compensation of whom is detailed above under "Summary Compensation Table", for the fiscal year ended April 30, 2013.

Director Compensation Table

Name	Salary (\$)	Share- Based Awards (\$)	Option- Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans	Long- Term Incentive Plans			
Antonio Mel de Quadros	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Frank van de Water	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The independent Directors of the Corporation have not received directors fees in the fiscal year ended April 30, 2013. Non-independent Directors are not entitled to receive directors' fees from the Corporation. All Directors are reimbursed by the Corporation for travel and other out-of-pocket expenses incurred in attending directors and shareholders meetings and meetings of Board committees. Directors are also entitled to receive compensation to the extent that they provide services to the Corporation at rates that would be charged by such Directors for such services to arm's length parties.

Outstanding Share-Based and Option-Based Awards Granted to Directors (Other Than Directors Who are Named Executive Officers) as of April 30, 2013

The following table summarizes all share-based and option-based awards granted by the Corporation to its Directors (other than Directors who are Named Executive Officers whose share-based and option-based awards outstanding as of April 30, 2013 are detailed above) which are outstanding as of April 30, 2013.

Name and Principal Position	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)
Antonio Mel de Quadros	150,000	0.10 ⁽²⁾	May 6, 2016	Nil	Nil	Nil
Frank van de Water	150,000	0.10 ⁽²⁾	May 6, 2016	Nil	Nil	Nil

Notes:

- (1) Based on the closing price of the Common Shares on the CNSX on April 30, 2013 of \$0.10 per Common Share.
- (2) At the Annual Meeting on August 21, 2012, shareholders approved the reduction in the exercise price of these options from \$0.15.

Value Vested or Earned During the Year Ended April 30, 2013 by Directors (Other Than Directors Who are Named Executive Officers) Under Option-Based Awards, Share-Based Awards and Non-Equity Incentive Plan Compensation

The following table summarizes the value vested or earned during the year ended April 30, 2013 by Directors of the Corporation (other than Directors who are Named Executive Officers whose value vested or earned during the year ended April 30, 2013 under option-based awards, share-based awards and non-equity incentive plan compensation is detailed above) in respect of option-based awards, share-based awards and non-equity incentive plan compensation.

Name	Option-Based Awards- Value Vested During the Year (\$) ⁽¹⁾	Shared-Based Awards- Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Antonio Mel de Quadros	Nil	Nil	Nil
Frank van de Water	Nil	Nil	Nil

Note:

- (1) Determined based on the difference between the market price of the underlying Common Shares on the vesting date and the exercise price of the options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of April 30, 2013 with respect to the compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	550,000	Nil	420,876
Equity compensation plans not approved by security holders	Nil	Nil	Nil
TOTAL	550,000	Nil	420,876

STOCK OPTION PLAN

On April 28, 2008, the Directors of the Corporation adopted a New Stock Option Plan (the “Plan”), which was approved by the disinterested shareholders of the Corporation on April 28, 2008, to encourage common share ownership in the Corporation by Directors, executive officers, employees and consultants of the Corporation who are primarily responsible for the management and profitable growth of its business from time to time. The Plan provides that eligible persons hereunder include any Director, employee (full-time or part-time), executive officer or consultant of the Corporation or any subsidiary thereof. A consultant means an individual (including an individual whose services are contracted through a personal holding company) with whom the Corporation or a subsidiary has a contract for substantial services. The Plan allows the Corporation to attract and retain valued Directors, officers and employees by allowing it to offer stock options as incentives to join the Corporation.

The Plan is administered by the Board of Directors of the Corporation. The Board of Directors has the authority to determine, among other things, subject to the terms and conditions of the Plan, the terms, limitations, restrictions and conditions respecting the grant of stock options under the Plan.

The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares from time to time. The total number of stock options granted to any one individual in any 12 month period may not exceed 5% of the issued and outstanding common shares of the Corporation and the total number of options granted to all Insiders (as defined by the TSX Venture Exchange (“TSXV”)) in any 12 month period may not exceed 10% of the issued and outstanding common shares of the Corporation. The total number of options granted to any one consultant in any 12 month period may not exceed 2% of the issued and outstanding shares of the Corporation. Investor Relations persons including employees may not be granted options exceeding 2% of outstanding capital and such options must vest over one (1) year with no more than 25% vesting in each quarter.

Pursuant to the Plan, the options are not be transferable other than by will or the laws of descent and distribution, the option price to be such price as is fixed by the Plan's administrator but shall be not less than the fair market value of the shares at the time the option is granted and payment thereof shall be made in full on the exercise of the options. The terms of the options may not exceed five (5) years and shall be subject to earlier redemption upon the termination of employment. If an optionee ceases to be an eligible person for any reason whatsoever other than death, each option held by such optionee will cease to be exercisable in a period not exceeding three (3) months following the termination of the optionee's position with the Corporation by only up to and including the original option expiry date. If an optionee dies, the legal representative of the optionee may exercise the optionee's options for a period not exceeding one (1) year after the date of the optionee's death but only up to and including the original option expiry date. The Plan also contains anti-dilution provisions usual to plans of this type.

The Corporation will not provide any optionee with financial assistance in order to enable such optionee to exercise stock options granted under the Plan. The Corporation has no other compensation plans or arrangements in place and none are currently contemplated.

As of the date of this Circular, there are 550,000 stock options outstanding under the Plan (no options have been exercised under the Plan) and 420,876 options available for grant as follows:

Name and Position	Common Shares Under Option	Exercise Price	Expiry Date
Directors	300,000	\$0.10 ⁽¹⁾	May 6, 2016
Directors who are also Executive Officers	250,000	\$0.10 ⁽¹⁾	May 6, 2016
TOTAL	550,000		

Note:

- (1) At the Annual Meeting on August 21, 2012, shareholders approved the reduction in the exercise price of these options from \$0.15.

INDEBTEDNESS OF OFFICERS AND DIRECTORS

No officer or Director of the Corporation is indebted to the Corporation for any sum.

MANAGEMENT CONTRACTS

No management functions of the Corporation are preformed to any substantial degree by a person other than the Directors or executive officers of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No insider of the Corporation, no proposed nominee for election as a Director of the Corporation, and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of its subsidiaries, other than disclosed under the headings "Executive Compensation" and "Stock Option Plan" above.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Corporation, as a Venture Issuer, to disclose annually in its information circular certain information relating to the Corporation's audit committee and its relationship with the Corporation's independent auditors.

The Audit Committee's Charter

The Corporation's Audit Committee is governed by its Audit Committee Charter, a copy of which is annexed hereto as **Schedule "A"**.

Composition of the Audit Committee

The Corporation's Audit Committee is currently comprised of three (3) Directors: Antonio Mel de Quadros, William R. Johnstone and Frank van de Water (Chairman). As defined in NI 52-110, Mr. Antonio Mel de Quadros and Frank van de Water are independent. Also as defined in NI 52-110, all three (3) members of the Audit Committee are financially literate.

Audit Committee Oversight

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

Relevant Education and Experience

The following is a summary of the relevant education and experience of each of the members of the Corporation's Audit Committee:

Antonio Mel de Quadros

Mr. de Quadros has been involved in the mining industry since 1964. He has worked as a consultant and geologist around the world including in Africa and South America. Mr. de Quadros has a Ph.D. in geology and is a professional engineer in the provinces of Ontario and British Columbia. Mr. de Quadros has taken courses in project management and finance as was required to qualify as a professional engineer. He has acted as a director of several junior companies over the last several years and has learned to understand financial statements.

William R. Johnstone

Mr. Johnstone has been a securities lawyer acting for public companies for over twenty-five (25) years. Mr. Johnstone is, and has been, an officer and/or director of numerous public companies and sits, or has sat, on the Audit Committee of many of these companies. During this period of time, Mr. Johnstone has reviewed financial statements and management discussion and analysis of the financial statements and discussed financial issues with management, accountants and auditors. As a result, he has gained an understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Corporation.

Frank van de Water

Mr. van de Water is a Chartered Professional Accountant and has over forty (40) years of experience acting for a variety of public companies, ranging from a company involved in multinational mining, metal processing and trading to technology, real estate development and mining companies. He has held the positions of Controller, Vice President Finance, Chief Financial Officer, President and Finance Director. Mr. van de Water is a Director, Chief Operating Officer and Secretary of Romios Gold Resources Inc. and Appia Energy Corp. He is also a Director of two (2) other public companies and he was the C.F.O. for Red Tiger Mining Inc. (formerly Zaruma Resources Inc.) until October 1, 2012.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of fees related to the non-audit services

are not expected to exceed 5% of the total fees payable to the auditors in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Committee will review the engagement of non-audit services as required.

External Auditors Service Fees (By Category)

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

Financial Year Ending	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
2013	\$14,000	Nil	Nil	Nil
2012	\$ 19,240	Nil	Nil	Nil

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 for venture issuers which allows for an exemption from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2.

CORPORATE GOVERNANCE

The securities regulatory authorities in Canada adopted National Instrument 58-101-Disclosure of Corporate Governance Practices ("NI-58-101"), which requires the Corporation to provide disclosure in this Circular of its corporate governance practices, and National Policy 58-201 Corporate Governance Guidelines ("NP-58-201"), which contains a series of guidelines for effective corporate governance relating to such matters as the constitution and independence of corporate boards, their functions and the experience and education of board members. Pursuant to NI-58-101, and in accordance with Form 58-101F2, the following disclosure is provided:

1. **Board of Directors** — There are currently four (4) members of the Corporation's Board of Directors: Michael Wilson, Frank van de Water, William R. Johnstone and Antonio Mel de Quadros. Of the four Directors only Frank van de Water and Antonio Mel de Quadros are considered independent. Michael Wilson is the President and Chief Executive Officer of the Corporation and William R. Johnstone is the Acting Chief Financial Officer, Corporate Secretary, Counsel and Treasurer to the Corporation.
2. **Directorships** — No Director of the Corporation is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction except for:

Director	Name of Reporting Issuer	Market	Position(s) with Issuer
Michael Wilson	Yorkton Ventures Inc.	TSX V	Director
	Wedona Capital Inc.	TSX V	Director
William R. Johnstone	Active Control Technology Inc.	TSX V	Director and Corporate Secretary
	Rockcliff Resources Inc.	TSX V	Director and Corporate Secretary
	Romios Gold Resources Inc.	TSX V	Director and Assistant Secretary
	Strait Minerals Inc.	TSX V	Director and Corporate Secretary
	AurCrest Gold Inc.	TSX V	Director and Corporate Secretary

Director	Name of Reporting Issuer	Market	Position(s) with Issuer
	Appia Energy Corp.	Not Listed	Director and Assistant Secretary
	Bold Ventures Inc.	TSX V	Director and Corporate Secretary
Antonio Mel de Quadros	Fancamp Resources Ltd.	TSX V	Director
	Romios Gold Resources Inc.	TSX V	Director
	Rokmaster Resources Ltd.	TSX V	Director
Frank van de Water	Romios Gold Resources Inc.	TSX V	Director, Chief Operating Officer and Secretary
	Strait Minerals Inc.	TSXV	Director
	AurCrest Gold Inc.	TSXV	Director
	Appia Energy Corp.	Not Listed	Director, Chief Operating Officer and Secretary

3. **Orientation and Continuing Education** — The Corporation has not yet developed an official policy for orienting new Directors. The Board of Directors will consider implementing such a procedure if it becomes necessary in the future. The Board of Directors has not currently established criteria for continuing education for Directors. All of the Directors have either expertise or substantial experience in the Corporation's area of business.
4. **Ethical Business Conduct** — The Directors understand their fiduciary obligations as directors of a public company and are in the process of developing a code of business conduct and ethics.
5. **Nomination of Directors** — The Board of Directors will continue to be responsible for identifying new candidates for the Board including members to fill any vacancies on the Board. It will consider candidates submitted by Directors, officers, employees, shareholders and others and may retain search firms for the purposes of identifying suitable candidates who meet the level of personal and professional integrity and ability it deems appropriate for Directors of the Corporation.
6. **Compensation** — The entire Board of Directors will continue to review the compensation of Directors and officers including the granting of stock options. Compensation will be determined with reference, in part, to compensation of officers and directors in similar industries performing similar functions.
7. **Other Board Committees** — There are no committees of the Board of Directors other than the Audit Committee.
8. **Assessments** — The Board of Directors is considering establishing procedures for satisfying itself that the Board, its committee(s), and its individual Directors are performing effectively.

PARTICULARS OF MATTERS TO BE ACTED UPON

PRESENTATION OF FINANCIAL STATEMENTS

The Audited Financial Statements for the fiscal years ended April 30, 2013 and 2012 and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Corporation's Financial Statements for its last completed fiscal period, will not constitute approval or disapproval of any matters referred to therein. The Audited Financial Statements and the Management's Discussion and Analysis for the year ended April 30, 2013 have been mailed to shareholders of record and non-objecting beneficial shareholders. A copy of these financial statements can be obtained at www.sedar.com. In the alternative, upon receiving a written request to the address on the first page of this Circular, the Corporation will mail a copy of the financial statements to you.

ELECTION OF THE BOARD OF DIRECTORS

The Board of Directors of the Corporation currently consists of four (4) Directors. The persons named in the enclosed form of proxy intend to vote for the election as Directors of each of the four (4) nominees of management

whose names are set forth in the table below. The Board of Directors has adopted a majority voting policy in order to promote enhanced director accountability. Each shareholder is entitled to cast their votes for, or withhold their votes from, the election of each Director. If the number of shares “withheld” for any nominee exceeds the number of shares voted “for” the nominee, then, notwithstanding that such Director was duly elected as a matter of corporate law, he shall tender his written resignation to the Corporation. The Board will consider such offer of resignation and the Director’s suitability to continue to serve as a Board member after considering, among other things, the stated reasons, if any, why certain shareholders “withheld” votes for the Director, the qualifications of the Director and whether the Director’s resignation from the Board would be in the best interests of the Corporation.

These nominees have consented to being named in this Circular and to serve if elected. The Corporation’s management does not contemplate that any of the nominees will be unable or unwilling to serve as a Director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly submitted proxies given in favour of such nominee(s) may be voted by the persons whose names are printed in the form of proxy, in their discretion, in favour of another nominee.

The following table and notes thereto state the names of all the persons proposed to be nominated for election as Directors, all of the positions and offices with the Corporation now held by them, their present principal occupations or employments for the last five (5) years and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of October 21, 2013. The information as to shares beneficially owned has been furnished to the Board of Directors by the respective nominees.

Name & Municipality of Residence	Position with Corporation	Principal Occupation or Employment for the Last Five Years	Director From	Number of Shares Beneficially Owned or Controlled
Michael Wilson Parksville, British Columbia	President, C.E.O. and Director	Business Consultant	September 12, 2005 ⁽²⁾	817,000
William R. Johnstone ⁽¹⁾ Toronto, Ontario	Acting C.F.O., Corporate Secretary and Director	Partner with Gardiner Roberts LLP since February 1, 2005.	May 23, 2001	1,320,833
Antonio Mel de Quadros ⁽¹⁾ Toronto, Ontario	Director	Consulting Geologist	April 28, 2008	242,857
Frank van de Water ⁽¹⁾ Toronto, Ontario	Director	Chief Operating Officer of Romios Gold Resources Inc., formerly Chief Financial Officer, Red Tiger Mining Inc.	December 10, 2010	1,000

Notes:

(1) Member of the Audit Committee.

(2) Mr. Wilson was also a Director of the Corporation from September 1994 to May 2001.

Cease Trade Order, Penalties or Sanctions, and Bankruptcies

Corporate Cease Trade Orders

To the knowledge of the Corporation, no Director or proposed Director of the Corporation is, as at the date of this Circular, or has been in the last 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity,

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

except for Michael Wilson who is the President, Chief Executive Officer and a Director of the Corporation, which was cease traded by the Ontario Securities Commission for failure to file financial statements until January 29, 2008, and Excelsior Mining Corp., which was suspended by the TSXV effective April 6, 2010 for failure to complete a qualifying transaction within the prescribed time; and for William R. Johnstone who was corporate secretary of PacRim Resources Inc., which was cease traded by the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission for failure to file financial statements, and who is Corporate Secretary, Acting Chief Financial Officer and a Director of the Corporation, which was cease traded by the Ontario Securities Commission for failure to file financial statements until January 29, 2008; and for Frank van de Water who was a director of Red Tiger Mining Inc. (formerly Zaruma Resources Inc.), which was cease traded for 90 days from May 13, 2010 to August 10, 2010 by the Ontario Securities Commission and British Columbia Securities Commission for failure to file financial statements.

For the purposes of subsections (a) and (b) above, “order” means (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of the Corporation, no Director or proposed Director of the Corporation:

- (a) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Director or proposed Director,

except William R. Johnstone who was an officer and director of Outlook Resources Inc. (“**Outlook**”) until August 2010. Outlook filed a Proposal under the *Bankruptcy and Insolvency Act of Canada* which was approved by the Court on March 21, 2011 and has not yet been finalized.

Penalties or Sanctions

To the knowledge of the Corporation, none of the Directors or proposed Directors of the Corporation have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or have entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision except for William R. Johnstone who was reprimanded by the TSXV for breaching three (3) requirements of an undertaking given to the TSXV in his capacity as an officer and director of Outlook in respect of the holding of an Annual Meeting for Outlook in compliance with TSXV policies. Mr. Johnstone was required to resign as an officer and director of Outlook; was restricted to his current involvement as an officer and/or director of six TSXV listed companies; and is required to obtain prior written approval from TSXV before having any involvement as an officer and/or director of another TSXV listed company. Subsequent to the reprimand, in 2011 TSXV consented to Mr. Johnstone becoming an

officer of another TSXV listed company and recently granted permission for Mr. Johnstone to be a director of that company.

Conflict of Interest

To the best of the Corporation's knowledge and other than as disclosed herein, there are no existing or potential conflicts of interest among the Corporation, its promoters, Directors, officers or other members of management of the Corporation except that certain of the Directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies and their duties as a Director, officer, promoter or management of the Corporation.

The Directors and officers of the Corporation are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by Directors of conflicts of interest and the Corporation will rely upon such laws in respect of any Directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its Directors and officers.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the appointment of Wasserman Ramsay, Chartered Accountants, of Markham, Ontario, as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the Directors of the Corporation to fix the auditors' remuneration.

On the representations of the said auditors, neither that firm nor any of its partners has any direct financial interest nor any material indirect financial interest in the Corporation or any of its subsidiaries nor has had any connection during the past three years with the Corporation or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

The shareholders are urged by Management to appoint Wasserman Ramsay, Chartered Accountants, as the Corporation's auditors and to authorize the Board of Directors to fix their remuneration.

AMENDMENT TO THE STOCK OPTION PLAN

At the Meeting, shareholders will be asked to consider, and if deemed advisable, approve, with or without variation, a resolution approving minor amendment to the Plan by the adoption of the New Stock Option Plan (the "**New Plan**"). The text of the resolution is set out below. A black-lined copy of the New Plan showing the changes from the Plan (herein the "**Old Plan**") currently in effect is attached hereto as **Schedule "B"**. For a summary of the terms of the Old Plan, please see the heading "Stock Option Plan" herein.

Principal Changes to the Old Plan

The principal changes in the New Plan are as follows:

- (a) extending the term for the exercise of options to a period not exceeding ten (10) years;
- (b) extending the expiry date of options for optionees that cease to have a relationship with the Corporation to a period not exceeding six (6) months;
- (c) extending the period for the exercise of options following the death of an optionee to one (1) year;
- (d) the right of the Corporation to accelerate expiry dates or amend options in the event of a change of control as defined in the New Plan;

- (e) the addition of a provision automatically extending the expiry date of an option, that would otherwise expire during a blackout period, for ten (10) days following the end of the blackout period; and
- (f) minor administrative and wording changes to the Old Plan.

It is proposed that shareholders approve the following resolution:

“BE IT RESOLVED THAT:

1. the New Stock Option Plan attached as **Schedule “C”** to the Circular dated October 21, 2013 is hereby approved; and
2. any one Director or officer of the Corporation be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

The persons named in the Proxy intend to vote FOR the resolution approving the New Plan in the absence of directions to the contrary from the shareholders appointing them.

This resolution can be approved by a majority of shareholders voting at the Meeting. No shareholders are excluded from voting on this resolution.

CONFIRMATION OF NEW GENERAL BY-LAW NUMBER 1-B

The shareholders of the Corporation will be asked to consider, and, if thought appropriate, approve, a resolution (the **“By-Law Resolution”**) confirming the new general By-Law Number 1-B for the Corporation (the **“2013 By-Law”**) adopted by the Board of Directors on October 21, 2013. The 2013 By-Law is effective as of October 21, 2013 and revokes the previous general By-Law No. 1A of the Corporation (the **“Old By-Law”**). As the Corporation’s Old By-Law was enacted in September 2005 and confirmed by shareholders in April 2008, the Corporation is of the opinion that it is appropriate to approve the 2013 By-Law which reflects current rules and practice. A copy of the 2013 By-Law is attached hereto as **Schedule “D”**. **In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of the By-Law Resolution.**

The 2013 By-Law includes a provision requiring advance notice (the **“Advance Notice Provisions”**) to the Corporation in circumstances where nominations of persons for election to the Board are made by the shareholders of the Corporation other than pursuant to: (a) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (Ontario) (the **“OBCA”**), or (b) a shareholder proposal made pursuant to the provisions of the OBCA.

Among other things, the Advance Notice Provisions fix a deadline by which holders of record or beneficial owners of Common Shares of the Corporation must submit Director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be provided not less than 30 days nor more than 65 days prior to the date of the annual meeting.

In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Corporation must be provided no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board believes that the Advance Notice Provisions are consistent with shareholder rights and democracy and of benefit to shareholders for the following reasons:

- They do not prevent shareholders from making Director nominations.

- They will provide the Corporation with adequate prior notice of Director nominations.
- They will ensure the Corporation has sufficient information about nominees. This way, the Corporation will be in a better position to evaluate a proposed nominee's qualifications and suitability to serve as a Director of the Corporation.
- They ensure an orderly nomination and meeting process and that shareholders are informed in advance of a proxy contest and have the relevant information, in a timely way, to knowledgeably vote on contested Director elections.
- They prevent the possibility of a small group of shareholders taking advantage of a poorly attended meeting to nominate their slate of Directors from the floor of a meeting and thus impose their slate on what could be a majority of shareholders who are unaware that this could happen (because without a provision in a corporation's articles or by-laws, there is no requirement to give prior notice of nominations from the floor).

The following is the text of the By-Law Resolution which requires approval of a majority of the votes cast at the Meeting to be effective:

“BE IT RESOLVED THAT:

1. By-Law Number 1-B, being a general by-law of the Corporation, in the form attached to the Circular as **Schedule “D”** be and is hereby confirmed as the new general by-law of the Corporation; and
2. any one or more Directors or officers be and are hereby authorized to take all necessary steps and proceedings, and to execute and deliver and file any and all applications, declarations, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution.”

The persons named in the Proxy intend to vote FOR the resolution confirming the New By-Law Number 1-B in the absence of directions to the contrary from the shareholders appointing them.

According to the OBCA, the 2013 By-Law will cease to be effective at the Meeting unless confirmed by a resolution passed by a simple majority of the votes cast by shareholders at the Meeting.

The Board and Management consider the 2013 By-Law to be in the best interests of the Corporation and recommend that shareholders vote for the confirmation of the 2013 By-Law.

This resolution can be approved by a majority of shareholders voting at the Meeting. No shareholders are excluded from voting on this resolution.

AUTHORIZATION TO DETERMINE THE NUMBER OF DIRECTORS

The Articles of Amendment of the Corporation dated January 12, 1988 provides for a minimum of three (3) and a maximum of ten (10) Directors of the Corporation. Section 125(3) of the OBCA provides that where the Articles of the Corporation provide for a minimum and maximum number of Directors, the shareholders may, by special resolution, authorize the Directors to determine the number of Directors within the range provided by the Articles.

The resolution to empower the Directors to determine by resolution the number of Directors of the Corporation from time to time and the number of Directors of the Corporation to be elected at an annual meeting of shareholders within the minimum and maximum number of Directors permitted under the Corporation's articles (the **“Special Resolution”**) must be approved by two-third (2/3) of votes cast at the Meeting.

The following is the text of the Special Resolution which requires approval of two-thirds (2/3) of the votes cast at the Meeting to be effective:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- 1) the Board of Directors is hereby empowered to determine by resolution the number of Directors of the Corporation from time to time and the number of Directors of the Corporation to be elected at an annual meeting of shareholders within the minimum and maximum number of Directors permitted under the Corporation’s articles; and
- 2) any one Director or officer of the Corporation be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

The persons named in the Proxy intend to vote FOR the Special Resolution in the absence of directions to the contrary from the shareholders appointing them. The Board of Directors and Management of the Corporation recommend that the shareholders vote in favour of the Special Resolution.

THIS SPECIAL RESOLUTION MUST BE APPROVED BY THE REQUISITE TWO-THIRDS MAJORITY OF THE VOTES CAST AT THE MEETING TO BE EFFECTIVE.

ADDITIONAL INFORMATION

Additional information concerning the Corporation can be obtained from www.sedar.com.

Financial information concerning the Corporation is provided in the Corporation’s comparative financial statements and Management Discussion and Analysis for its fiscal year ended April 30, 2013. Copies of these documents may be obtained from the Corporation by making a request in writing to the Corporation at 40 King Street West, Suite 3100, Toronto, Ontario M5H 3Y2, fax (416) 865-6636, Attention: William R. Johnstone.

APPROVAL OF DIRECTORS

The Circular and the mailing of same to shareholders have been approved by the Board of Directors of the Corporation.

DATED the 21st day of October, 2013.

**BY ORDER OF THE
BOARD OF DIRECTORS**

“Michael Wilson”

MICHAEL WILSON
President and Chief Executive Officer

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

Purpose of the Audit Committee

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of the Corporation is to assist the Board in fulfilling its responsibility for the oversight of the financial reporting process. The purpose of this Charter is to ensure that the Corporation maintains a strong, effective and independent audit committee, to enhance the quality of financial disclosure made by the Corporation and to foster increased investor confidence in both the Corporation and Canada’s capital markets. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Corporation’s Management to ensure that the independent auditors serve the interests of shareholders rather than the interests of Management of the Corporation. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will review financial reports or other financial information provided by the Corporation to regulatory authorities and shareholders and review the integrity, adequacy and timeliness of the financial reporting and disclosure practices of the Corporation. The Committee will monitor the independence and performance of the Corporation’s independent auditors.

Composition and Procedures of the Audit Committee

The Committee shall consist of at least three (3) directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. While the Board may recommend a Chairman for the Committee, the Committee shall have the discretion to appoint the Chairman from amongst its members. The Committee shall establish procedures for quorum, notice and timing of meetings subject to the proviso that a quorum shall be no less than two (2) Committee members. Meetings shall be held no less regularly than once per quarter to review the audited financial statements and interim financial statements of the Corporation. At least one (1) member of the Committee shall be independent and the Board and the Committee shall endeavor to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. 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 applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she 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.

Specific duties and responsibilities of the Audit Committee

- (1) The Committee shall recommend to the Board:
 - (a) the external auditors to be nominated for the purpose of preparing or issuing an auditors’ report or performing other audit, review or attest services for the Corporation; and
 - (b) the compensation of the external auditors.
- (2) The Committee shall be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditors’ report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between Management and the external auditors regarding financial reporting.
- (3) The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation’s external auditors.

- (4) The Committee satisfies the pre-approval requirement in subsection (3) if:
 - (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiary entities to the Corporation's external auditors during the fiscal year in which the services are provided;
 - (b) the Corporation or the subsidiary entity of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (c) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.
- (5)
 - (a) The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection (3).
 - (b) The pre-approval of non-audit services by any member to whom authority has been delegated pursuant to subsection (5)(a) must be presented to the Committee at its first scheduled meeting following such pre-approval.
- (6) The Committee satisfies the pre-approval requirement in subsection (3) if it adopts specific policies and procedures for the engagement of the non-audit services, if:
 - (a) the pre-approval policies and procedures are detailed as to the particular service;
 - (b) the Committee is informed of each non-audit service; and
 - (c) the procedures do not include delegation of the Committee's responsibilities to Management.
- (7) The Committee shall review the Corporation's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.
- (8) The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection (7), and must periodically assess the adequacy of those procedures.
- (9) The Committee must establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- (10) The Committee must review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- (11) The Committee shall have the authority:
 - (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee; and

- (c) to communicate directly with the internal and external auditors.
- (12) The Committee shall review with Management and independent auditors the quality and the appropriateness of the Corporation's financial reporting and accounting policies, standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
- (13) The Committee shall review the clarity of the financial statement presentation with a view to ensuring that the financial statements provide meaningful and readily understandable information to shareholders and the investing public.
- (14) The Committee shall monitor the independence of the independent auditors and establish procedures for confirming annually the independence of the independent auditors and any relationships that may impact upon the objectivity and the independence of the external auditors.
- (15) The Committee shall review with Management and the external auditors the audit plan for the year-end financial statements prior to the commencement of the year end audit.
- (16) The Committee shall review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
- (17) The Committee shall review with Management and the external auditors significant related party transactions and potential conflicts of interest.
- (18) The Committee shall review in consultation with the external auditors and Management the integrity of the Corporation's financial reporting process and internal controls.
- (19) The Committee shall meet with the external auditors in the absence of Management to discuss the audit process, any difficulties encountered, any restrictions on the scope of work or access to required information, any significant judgements made by Management and any disagreement among Management and the external auditors in the preparation of the financial statements and such other matters that may arise as a result of the audit or review by the external auditors.
- (20) The Committee shall conduct or authorize any review or investigation and consider any matters of the Corporation the Committee believes is within the scope of its responsibilities and shall establish procedures for such review or investigation as may be required.
- (21) The Committee shall make recommendations to the Board with respect to changes or improvements to financial or accounting practices, policies and principles and changes to this Charter.

SCHEDULE "B"

EDDA RAZORE ROCK RESOURCES INC.

NEW INCENTIVE STOCK OPTION PLAN

1. **PURPOSE:** The purpose of this New Incentive Stock Option Plan (the "Plan") is to encourage common stock ownership in Edda Razole Rock Resources Inc. (the "Company") by directors, officers, employees (including part time employees employed by the Company for less than twenty (20) hours per weeks) and consultants (including individuals whose services are contracted through a personal holding company that is wholly-owned by such individual) of the Company or any Affiliate, as that term is defined in ~~the Securities Act (Ontario)~~ relevant securities legislation, of the Company or by a personal holding companies company of any such ~~officers, directors or employees~~ officer, director or employee that is wholly-owned by such individual or by registered retirement savings plans or tax free savings accounts established by any such ~~officers, directors or employees~~ officer, director or employee (hereinafter referred to as "Optionee" or "Optionees") who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company to attract and retain valued directors, officers, consultants and employees by granting options (the "Options" or "Option") to purchase common shares of the Company on the terms and conditions set forth in this Plan and any Stock Option Agreements entered into between the Company and the Optionees in accordance with the Plan. Any Options granted to a personal holding company shall be cancelled immediately upon any change in control of such personal holding company, save and except in the event of the death of the principal of such personal holding company, in which case, subject to the terms of the Stock Option Agreement, the provisions of subparagraph Subsection 5(f)(iii) shall apply.

2. **ADMINISTRATION:** The Plan shall be administered by the Board of Directors from time to time of the Company (the "Administrator"). No member of the Board of Directors shall by virtue of such appointment be disqualified or ineligible to receive Options. The Administrator shall have full authority to interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management, and the decision of the Administrator shall be binding and conclusive. The decision of the Administrator shall be binding, provided that notwithstanding anything herein contained, the Administrator may from time to time delegate the authority vested in it under this clause to the President or Chief Executive Officer who shall thereupon exercise all of the powers herein given to the Administrator, subject to any express direction by resolution of the Board of Directors of the Company from time to time and further provided that a decision of the majority of persons comprising the Board of Directors in respect of any matter hereunder shall be binding and conclusive for all purposes and upon all persons. The senior officers of the Company are authorized and directed to do all things and execute and deliver all instruments, undertakings and applications as they in their absolute discretion consider necessary for the implementation of the Plan.

3. **NUMBER OF SHARES SUBJECT TO OPTIONS:** The Board of Directors of the Company will make available that number of common shares for the purpose of the Plan that it considers appropriate except that the number of common shares that may be issued pursuant to the exercise of Options under the Plan, the exercise of options under the previous Stock Option Plan approved by shareholders on April 28, 2008 (the "2008 Plan") and under any other stock options of the Company shall not exceed 10% of the common shares issued and outstanding (on a non-diluted basis) at any time and from time to time. In the event that Options granted under the Plan, and under any other stock options of the Company which may be in effect at a particular time, are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the common shares not purchased under such lapsed Options. All Options granted and outstanding under the 2008 Plan (the "Prior Option") shall be deemed to have been granted under the Plan. All Prior Options shall be amended to comply with the provisions of the Plan.

4. **PARTICIPATION:** Options shall be granted under the Plan only to Optionees as shall be designated from time to time by the Administrator and shall be subject to the approval of such regulatory authorities as the Administrator shall designate, which shall also determine the number of shares subject to such Option. Optionees

who are consultants of the Company or an Affiliate of the Company must either perform services for the Company on an ongoing basis or provide, or be expected to provide, a service of value to the Company or to an Affiliate of the Company. The Company represents that no option shall be granted to any Employee or Consultant who is not a bona fide Employee or Consultant.

5. TERMS AND CONDITIONS OF OPTIONS: The terms and conditions of each Option granted under the Plan shall be set forth in written Stock Option Agreements between the Company and the Optionee. Such terms and conditions shall include the following as well as such other provisions, not inconsistent with the Plan, as may be deemed advisable by the Administrator:

(a) Number of Shares subject to Option to any one Optionee: The number of shares subject to an Option shall be determined from time to time by the Administrator; but no one Optionee shall be granted an Option which when aggregated with any other options or common shares allotted to such Optionee under the Plan exceeds 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to any one Optionee in any 12 month period shall not exceed 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to all ~~Insiders (related persons~~ as defined ~~by the TSX Venture Exchange in National Instrument 45-106 ("Related Persons")~~ in any 12 month period shall not exceed 10% of the issued and outstanding common shares of the Company (on a non-diluted basis). ~~The, the~~ total number of ~~options~~Options granted to any one consultant in any 12 ~~months~~month period shall not exceed 2% of the issued and outstanding ~~common~~ shares of the Company (on a non-diluted basis). ~~The, and the~~ total number of ~~options~~Options granted to all persons, including employees, providing investor relations activities to the Company in any 12 month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis) and the Option Price per common share shall be determined in accordance with ~~subparagraph subsection~~ (b) below. Options granted to persons providing investor relations activities must vest over a ~~12-month~~ period of not less than twelve (12) months with no more than 25% of the ~~options~~Options vesting in any quarter.

(b) Option Price: The Option Price of any common shares in respect of which ~~an Option~~Options may be granted under the Plan shall ~~be not be~~ less than the closing price of the Company's common shares ~~on the date prior to the date of grant of the stock options on the principal exchange on which its being trade, on the principal exchange on which the common shares of the Company are listed, on the last trading day prior to the date of grant of the Options~~ or in accordance with the pricing rules of any ~~other~~ stock exchange on which the common shares of the Company may trade in the future or, where no specific rules apply with respect to price, the fair market value of the common share at the time the Options are granted.

In the resolution allocating any Option, the Administrator may determine that the date of grant aforesaid shall be a future date determined in the manner specified by such resolution. The Administrator may also determine that the Option Price per share may escalate at a specified rate dependent upon the year in which any Option to purchase common shares may be exercised by the Optionee. No options granted to ~~Insiders (as defined by the TSX Venture Exchange)~~Related Persons may be repriced without the approval of a majority of disinterested shareholders of the Company exclusive of any ~~Insiders~~Related Persons.

(c) Payment: The full purchase price of shares purchased under the Option shall be paid in cash upon the exercise thereof. A holder of an Option shall have none of the rights of a stockholder until the shares are issued to him. All common shares issued pursuant to the exercise of Options granted or deemed to be granted under the Plan, will be so issued as fully paid and non-assessable common shares. No Optionee or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares subject to an Option under this Plan, unless and until certificates for such common shares are issued to him or them under the terms of the Plan.

(d) Term of Options: Options may be granted under this Plan exercisable over a period not exceeding ~~five~~ten (5)10 years ~~subject to the provisions of Sections 7, 8 and 12.~~ Each Option shall be subject to earlier termination as provided in ~~subparagraph subsection~~ (f) below.

(e) Exercise of Options: The exercise of any Option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of common shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price

of such common shares with respect to which the Option is exercised. An Option may be exercised in full or in part during any year of the term of the Option as provided in the written Stock Option Agreement; provided however that except as expressly otherwise provided herein or as provided in any valid Stock Option Agreement approved by the Administrator, no Option may be exercised unless that Optionee is then a director and/or in the employ of the Company. This Plan shall not confer upon the Optionee any right with respect to continuance as a director, officer, employee or consultant of the Company or of any affiliate of the Company.

(f) Termination of Options: Any Option granted pursuant hereto, to the extent not validly exercised, and save as expressly otherwise provided herein, ~~and subject to the provisions of Sections 7, 8 and 12,~~ will terminate on the earlier of the following dates:

- (i) the date of expiration specified in the Stock Option Agreement, being not more than ~~five~~ten (~~5~~10) years after the date the Option was granted;
- (ii) the date of termination of the Optionee's employment or upon ceasing to be a director and/or officer of the Company or up to a period not exceeding ~~three~~six (~~3~~6) months thereafter for any cause other than by retirement, permanent disability or death ~~unless the Optionee was retained to provide Investor Relations Activities in which case up to a period not exceeding thirty (30) days thereafter;~~
- (iii) one (1) year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date;
- (iv) ~~three~~six (~~3~~6) months after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which ~~three~~six (~~3~~6) month period the Optionee may exercise the Option to the extent he was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such ~~three~~six (~~3~~6) month period, then such right shall be extended to ~~six~~one (~~6~~1) ~~months~~year following the death of the Optionee and shall be exercisable only by the persons described in ~~subparagraph~~subsection (f)(iii) hereof and only to the extent therein set forth.

(g) Non-transferability of Options: No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his lifetime only by him.

(h) Applicable Laws or Regulations: The Company's obligation to sell and deliver stock under each Option is subject to such compliance by the Company and any Optionee as the Company deems necessary or advisable with all laws, rules and regulations of Canada and the United States of America and any Provinces and/or States thereof applying to the authorization, issuance, listing or sale of securities and is also subject to the acceptance for listing of the common shares which may be issued in exercise thereof by each stock exchange upon which shares of the Company are listed for trading.

6. ADJUSTMENT IN EVENT OF CHANGE IN STOCK: Each Option shall contain uniform provisions in such form as may be approved by the Administrator to appropriately adjust the number and kind of shares covered by the Option and the exercise price of shares subject to the Option in the event of a declaration of stock dividends, or stock subdivisions or consolidations or reconstruction or reorganization or recapitalization of the Company or other relevant changes in the Company's capitalization (other than issuance of additional shares) to prevent substantial dilution or enlargement of the rights granted to the Optionee by such Option. The number of common shares available for Options, the common shares subject to any Option, and the Option Price thereof shall be adjusted appropriately by the Administrator and such adjustment shall be effective and binding for all purposes of the Plan.

~~7. **AMALGAMATION, CONSOLIDATION OR MERGER:** If the Company amalgamates, consolidates with or merges with or into another corporation, which it reserves the right to do, any common shares receivable on the exercise of an Option granted under the Plan shall be converted into the securities, property or cash which the Optionee would have received upon such amalgamation, consolidation or merger if the Optionee had exercised his Option immediately prior to the record date applicable to such amalgamation, consolidation or merger, and the Option Price shall be adjusted appropriately by the Administrator and such adjustment shall be binding for all purposes of the Plan.~~ **ACCELERATION OF EXPIRY DATES.** Upon the announcement or contemplation of any event, including a reorganization, acquisition, amalgamation or merger (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and one or more of its affiliates (as such term is defined in the *Securities Act (Ontario)*), with respect to which all or substantially all of the persons who were the beneficial owners of the common shares, immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly more than 50% of the resulting voting shares on a fully-diluted basis (for greater certainty, this shall not include a public offering or private placement out of treasury) or the sale to a person other than an affiliate of the Company of all or substantially all of the Company's assets (collectively, a "**Change of Control**"), the Company shall have the discretion, without the need for the agreement of any Optionee, to accelerate the Expiry Dates and/or any applicable vesting provisions of all Options, as it shall see fit. The Company may accelerate one or more Optionee's Expiry Dates and/or vesting requirements without accelerating the Expiry Dates and/or vesting requirements of all Options and may accelerate the Expiry Date and/or vesting requirements of only a portion of an Optionee's Options.

8. AMALGAMATION, CONSOLIDATION OR MERGER: In the event that the Company is a consenting party to a Change of Control, outstanding Options shall be subject to the agreement effecting such Change of Control and Optionees shall be bound by such Change of Control agreement. Such agreement, without the Optionees' consent, may provide for:

- (a) the continuation of such outstanding Options by the Company (if the Company is the surviving or acquiring corporation);
- (b) the assumption of the Plan and such outstanding Options by the surviving entity; or
- (c) the substitution or replacement by the surviving or acquiring corporation or its parent of options with substantially the same terms for such outstanding Options.

The Company may provide in any agreement with respect to any such Change of Control that the surviving, new or acquiring corporation shall grant options to the Optionees to acquire shares in such corporation or its parent with respect to which the excess of the fair market value of the shares of such corporation immediately after the consummation of such Change of Control over the exercise price therefore shall not be less than the excess of the value of the common shares over the Exercise Price of the Options immediately prior to the consummation of such Change of Control.

8.9. APPROVALS: The obligation of the Company to issue and deliver the common shares in accordance with the Plan is subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any common shares cannot be issued to any Optionee for whatever reason, the obligation of the Company to issue such common shares shall terminate and any Option exercise price paid to the Company will be returned to the Optionee.

9.10. STOCK EXCHANGE RULES: The rules of any stock exchange upon which the Company common shares are listed shall be applicable relative to Options granted to Optionees.

10.11. AMENDMENT AND DISCONTINUANCE OF PLAN: Subject to regulatory approval, the Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect ~~his~~ the rights of the Optionee under any Option theretofore granted under the Plan.

12. EXTENSION OF EXPIRY DATE DURING BLACKOUT PERIOD: The expiry date of an Option will be extended automatically without shareholder approval where such expiry date occurs within a Blackout Period or within ten (10) days from the end of a Blackout Period and the new expiry date shall be the 10th day following the end of the relevant Blackout Period (or if the 10th day following the end of the relevant Blackout Period is not a Business Day, on the first Business Day immediately following such day). For the purposes of the Plan “Business Day” means any day other than a Saturday, Sunday or a day that is treated as a holiday at the Corporation’s principal executive offices in Toronto, Ontario, Canada. For the purposes of the Plan “Blackout Period” means any period during which a policy of the Company prevents Optionees of the Company from trading in securities of the Company, including the exercise of the Options. The Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information. The Blackout Period must expire upon the general disclosure of the undisclosed Material Information or upon such Material Information ceasing to be material or applicable.

11.13. EFFECTIVE DATE AND DURATION OF PLAN: The Plan shall remain in full force and effect from the date of shareholder approval hereof and from year to year thereafter until amended or terminated in accordance with ~~Paragraph 10~~Section 11 hereof and for so long thereafter as Options remain outstanding in favour of any Optionee.

14. REPLACEMENT OF PREVIOUS PLAN: The Plan replaces and supersedes the 2008 Plan approved by the shareholders of the Company on April 28, 2008.

SCHEDULE "C"

RAZORE ROCK RESOURCES INC.

NEW INCENTIVE STOCK OPTION PLAN

1. PURPOSE: The purpose of this New Incentive Stock Option Plan (the "**Plan**") is to encourage common stock ownership in **Razore Rock Resources Inc.** (the "**Company**") by directors, officers, employees (including part time employees employed by the Company for less than twenty (20) hours per weeks) and consultants (including individuals whose services are contracted through a personal holding company that is wholly-owned by such individual) of the Company or any Affiliate, as that term is defined in relevant securities legislation, of the Company or by a personal holding company of any such officer, director or employee that is wholly-owned by such individual or by registered retirement savings plans or tax free savings accounts established by any such officer, director or employee (hereinafter referred to as "**Optionee**" or "**Optionees**") who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company to attract and retain valued directors, officers, consultants and employees by granting options (the "**Options**" or "**Option**") to purchase common shares of the Company on the terms and conditions set forth in this Plan and any Stock Option Agreements entered into between the Company and the Optionees in accordance with the Plan. Any Options granted to a personal holding company shall be cancelled immediately upon any change in control of such personal holding company, save and except in the event of the death of the principal of such personal holding company, in which case, subject to the terms of the Stock Option Agreement, the provisions of Subsection 5(f)(iii) shall apply.

2. ADMINISTRATION: The Plan shall be administered by the Board of Directors from time to time of the Company (the "Administrator"). No member of the Board of Directors shall by virtue of such appointment be disqualified or ineligible to receive Options. The Administrator shall have full authority to interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management, and the decision of the Administrator shall be binding and conclusive. The decision of the Administrator shall be binding, provided that notwithstanding anything herein contained, the Administrator may from time to time delegate the authority vested in it under this clause to the President or Chief Executive Officer who shall thereupon exercise all of the powers herein given to the Administrator, subject to any express direction by resolution of the Board of Directors of the Company from time to time and further provided that a decision of the majority of persons comprising the Board of Directors in respect of any matter hereunder shall be binding and conclusive for all purposes and upon all persons. The senior officers of the Company are authorized and directed to do all things and execute and deliver all instruments, undertakings and applications as they in their absolute discretion consider necessary for the implementation of the Plan.

3. NUMBER OF SHARES SUBJECT TO OPTIONS: The Board of Directors of the Company will make available that number of common shares for the purpose of the Plan that it considers appropriate except that the number of common shares that may be issued pursuant to the exercise of Options under the Plan, the exercise of options under the previous Stock Option Plan approved by shareholders on April 28, 2008 (the "**2008 Plan**") and under any other stock options of the Company shall not exceed 10% of the common shares issued and outstanding (on a non-diluted basis) at any time and from time to time. In the event that Options granted under the Plan, and under any other stock options of the Company which may be in effect at a particular time, are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the common shares not purchased under such lapsed Options. All Options granted and outstanding under the 2008 Plan (the "**Prior Option**") shall be deemed to have been granted under the Plan. All Prior Options shall be amended to comply with the provisions of the Plan.

4. PARTICIPATION: Options shall be granted under the Plan only to Optionees as shall be designated from time to time by the Administrator and shall be subject to the approval of such regulatory authorities as the Administrator shall designate, which shall also determine the number of shares subject to such Option. Optionees who are consultants of the Company or an Affiliate of the Company must either perform services for the Company on an ongoing basis or provide, or be expected to provide, a service of value to the Company or to an Affiliate of the

Company. The Company represents that no option shall be granted to any Employee or Consultant who is not a bona fide Employee or Consultant.

5. TERMS AND CONDITIONS OF OPTIONS: The terms and conditions of each Option granted under the Plan shall be set forth in written Stock Option Agreements between the Company and the Optionee. Such terms and conditions shall include the following as well as such other provisions, not inconsistent with the Plan, as may be deemed advisable by the Administrator:

(a) **Number of Shares subject to Option to any one Optionee:** The number of shares subject to an Option shall be determined from time to time by the Administrator; but no one Optionee shall be granted an Option which when aggregated with any other options or common shares allotted to such Optionee under the Plan exceeds 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to any one Optionee in any 12 month period shall not exceed 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to all related persons as defined in National Instrument 45-106 ("**Related Persons**") in any 12 month period shall not exceed 10% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to any one consultant in any 12 month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis), and the total number of Options granted to all persons, including employees, providing investor relations activities to the Company in any 12 month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis) and the Option Price per common share shall be determined in accordance with subsection (b) below. Options granted to persons providing investor relations activities must vest over a period of not less than twelve (12) months with no more than 25% of the Options vesting in any quarter.

(b) **Option Price:** The Option Price of any common shares in respect of which Options may be granted under the Plan shall not be less than the closing price of the Company's common shares, on the principal exchange on which the common shares of the Company are listed, on the last trading day prior to the date of grant of the Options or in accordance with the pricing rules of any stock exchange on which the common shares of the Company may trade in the future or, where no specific rules apply with respect to price, the fair market value of the common share at the time the Options are granted.

In the resolution allocating any Option, the Administrator may determine that the date of grant aforesaid shall be a future date determined in the manner specified by such resolution. The Administrator may also determine that the Option Price per share may escalate at a specified rate dependent upon the year in which any Option to purchase common shares may be exercised by the Optionee. No options granted to Related Persons may be repriced without the approval of a majority of disinterested shareholders of the Company exclusive of any Related Persons.

(c) **Payment:** The full purchase price of shares purchased under the Option shall be paid in cash upon the exercise thereof. A holder of an Option shall have none of the rights of a stockholder until the shares are issued to him. All common shares issued pursuant to the exercise of Options granted or deemed to be granted under the Plan, will be so issued as fully paid and non-assessable common shares. No Optionee or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares subject to an Option under this Plan, unless and until certificates for such common shares are issued to him or them under the terms of the Plan.

(d) **Term of Options:** Options may be granted under this Plan exercisable over a period not exceeding ten (10) years subject to the provisions of Sections 7, 8 and 12. Each Option shall be subject to earlier termination as provided in subsection (f) below.

(e) **Exercise of Options:** The exercise of any Option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of common shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such common shares with respect to which the Option is exercised. An Option may be exercised in full or in part during any year of the term of the Option as provided in the written Stock Option Agreement; provided however that except as expressly otherwise provided herein or as provided in any valid Stock Option Agreement approved by the Administrator, no Option may be exercised unless that Optionee is then a director and/or in the employ of the

Company. This Plan shall not confer upon the Optionee any right with respect to continuance as a director, officer, employee or consultant of the Company or of any affiliate of the Company.

(f) Termination of Options: Any Option granted pursuant hereto, to the extent not validly exercised, and save as expressly otherwise provided herein and subject to the provisions of Sections 7, 8 and 12, will terminate on the earlier of the following dates:

- (i) the date of expiration specified in the Stock Option Agreement, being not more than ten (10) years after the date the Option was granted;
- (ii) the date of termination of the Optionee's employment or upon ceasing to be a director and/or officer of the Company or up to a period not exceeding six (6) months thereafter for any cause other than by retirement, permanent disability or death;
- (iii) one (1) year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date;
- (iv) six (6) months after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which six (6) month period the Optionee may exercise the Option to the extent he was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such six (6) month period, then such right shall be extended to one (1) year following the death of the Optionee and shall be exercisable only by the persons described in subsection (f)(iii) hereof and only to the extent therein set forth.

(g) Non-transferability of Options: No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his lifetime only by him.

(h) Applicable Laws or Regulations: The Company's obligation to sell and deliver stock under each Option is subject to such compliance by the Company and any Optionee as the Company deems necessary or advisable with all laws, rules and regulations of Canada and the United States of America and any Provinces and/or States thereof applying to the authorization, issuance, listing or sale of securities and is also subject to the acceptance for listing of the common shares which may be issued in exercise thereof by each stock exchange upon which shares of the Company are listed for trading.

6. ADJUSTMENT IN EVENT OF CHANGE IN STOCK: Each Option shall contain uniform provisions in such form as may be approved by the Administrator to appropriately adjust the number and kind of shares covered by the Option and the exercise price of shares subject to the Option in the event of a declaration of stock dividends, or stock subdivisions or consolidations or reconstruction or reorganization or recapitalization of the Company or other relevant changes in the Company's capitalization (other than issuance of additional shares) to prevent substantial dilution or enlargement of the rights granted to the Optionee by such Option. The number of common shares available for Options, the common shares subject to any Option, and the Option Price thereof shall be adjusted appropriately by the Administrator and such adjustment shall be effective and binding for all purposes of the Plan.

7. ACCELERATION OF EXPIRY DATES. Upon the announcement or contemplation of any event, including a reorganization, acquisition, amalgamation or merger (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and one or more of its affiliates (as such term is defined in the *Securities Act* (Ontario)), with respect to which all or substantially all of the persons who were the beneficial owners of the common shares, immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly more than 50% of the resulting voting shares on a fully-diluted basis (for greater certainty, this shall not include a public offering or private placement out of treasury) or the sale to a person other than an affiliate

of the Company of all or substantially all of the Company's assets (collectively, a "**Change of Control**"), the Company shall have the discretion, without the need for the agreement of any Optionee, to accelerate the Expiry Dates and/or any applicable vesting provisions of all Options, as it shall see fit. The Company may accelerate one or more Optionee's Expiry Dates and/or vesting requirements without accelerating the Expiry Dates and/or vesting requirements of all Options and may accelerate the Expiry Date and/or vesting requirements of only a portion of an Optionee's Options.

8. AMALGAMATION, CONSOLIDATION OR MERGER: In the event that the Company is a consenting party to a Change of Control, outstanding Options shall be subject to the agreement effecting such Change of Control and Optionees shall be bound by such Change of Control agreement. Such agreement, without the Optionees' consent, may provide for:

- (a) the continuation of such outstanding Options by the Company (if the Company is the surviving or acquiring corporation);
- (b) the assumption of the Plan and such outstanding Options by the surviving entity; or
- (c) the substitution or replacement by the surviving or acquiring corporation or its parent of options with substantially the same terms for such outstanding Options.

The Company may provide in any agreement with respect to any such Change of Control that the surviving, new or acquiring corporation shall grant options to the Optionees to acquire shares in such corporation or its parent with respect to which the excess of the fair market value of the shares of such corporation immediately after the consummation of such Change of Control over the exercise price therefore shall not be less than the excess of the value of the common shares over the Exercise Price of the Options immediately prior to the consummation of such Change of Control.

9. APPROVALS: The obligation of the Company to issue and deliver the common shares in accordance with the Plan is subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any common shares cannot be issued to any Optionee for whatever reason, the obligation of the Company to issue such common shares shall terminate and any Option exercise price paid to the Company will be returned to the Optionee.

10. STOCK EXCHANGE RULES: The rules of any stock exchange upon which the Company common shares are listed shall be applicable relative to Options granted to Optionees.

11. AMENDMENT AND DISCONTINUANCE OF PLAN: Subject to regulatory approval, the Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect the rights of the Optionee under any Option theretofore granted under the Plan.

12. EXTENSION OF EXPIRY DATE DURING BLACKOUT PERIOD: The expiry date of an Option will be extended automatically without shareholder approval where such expiry date occurs within a Blackout Period or within ten (10) days from the end of a Blackout Period and the new expiry date shall be the 10th day following the end of the relevant Blackout Period (or if the 10th day following the end of the relevant Blackout Period is not a Business Day, on the first Business Day immediately following such day). For the purposes of the Plan "Business Day" means any day other than a Saturday, Sunday or a day that is treated as a holiday at the Corporation's principal executive offices in Toronto, Ontario, Canada. For the purposes of the Plan "Blackout Period" means any period during which a policy of the Company prevents Optionees of the Company from trading in securities of the Company, including the exercise of the Options. The Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information. The Blackout Period must expire upon the general disclosure of the undisclosed Material Information or upon such Material Information ceasing to be material or applicable.

13. EFFECTIVE DATE AND DURATION OF PLAN: The Plan shall remain in full force and effect from the date of shareholder approval hereof and from year to year thereafter until amended or terminated in accordance with Section 11 hereof and for so long thereafter as Options remain outstanding in favour of any Optionee.

14. REPLACEMENT OF PREVIOUS PLAN: The Plan replaces and supersedes the 2008 Plan approved by the shareholders of the Company on April 28, 2008.

SCHEDULE “D”

BY-LAW NUMBER 1-B

A by-law relating generally to the conduct
of the business and affairs of
RAZORE ROCK RESOURCES INC.

CONTENTS

	<u>Page</u>
ARTICLE ONE DEFINITIONS AND INTERPRETATION	1
ARTICLE TWO BUSINESS OF THE CORPORATION	2
ARTICLE THREE DIRECTORS	4
ARTICLE FOUR COMMITTEES OF THE DIRECTORS	9
ARTICLE FIVE OFFICERS	9
ARTICLE SIX CONDUCT OF DIRECTORS AND OFFICERS AND INDEMNITY	10
ARTICLE SEVEN SHARES	13
ARTICLE EIGHT DIVIDENDS AND RIGHTS	15
ARTICLE NINE MEETINGS OF SHAREHOLDERS	16
ARTICLE TEN NOTICES	20
ARTICLE ELEVEN DIVISIONS	21
ARTICLE TWELVE REPEAL	22

BY-LAW NUMBER 1-B

RAZORE ROCK RESOURCES INC.

**ARTICLE ONE
DEFINITIONS AND INTERPRETATION**

Section 1.01 Definitions: In this by-law and all other by-laws of the Corporation, unless otherwise defined or the context otherwise requires:

- (a) “**Act**” means the *Business Corporations Act* (Ontario) or any successor statute thereof, as amended from time to time, and, in the case of any successor statute thereof, any reference in any by-law of the Corporation to any provision of the *Business Corporations Act* (Ontario) shall be read as a reference to the provision substituted therefor in the successor statute thereof, together with the regulations thereunder, as amended from time to time;
- (b) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;
- (c) “**board**” or “**directors**” means the directors of the Corporation from time to time and includes the only director of the Corporation when the number of directors of the Corporation is one;
- (d) “**by-laws**” means all of the by-laws of the Corporation then in effect;
- (e) “**Corporation**” means Razore Rock Resources Inc. or any successor thereto;
- (f) “**Director**” means the Director appointed under the Act;
- (g) “**holiday**” means Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Ontario) or any successor statute thereof, as amended from time to time;
- (h) “**Indemnified Person**” has the meaning as set out in section 6.04;
- (i) “**meeting of shareholders**” includes an annual meeting of the shareholders of the Corporation, a special meeting of the shareholders of the Corporation and a meeting of the holders of any class or series of shares of the Corporation;
- (j) “**Other Entity**” has the meaning as set out in section 6.04;
- (k) “**person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, employee benefit plan and a natural person acting as a trustee, executor, administrator or other legal representative;

- (l) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com;
- (m) “**recorded address**” means, with respect to a single shareholder, his latest address as recorded in the securities register of the Corporation, with respect to joint shareholders, the first address appearing in the securities register of the Corporation in respect of the joint holding and, with respect to any other person, subject to the Act, his latest address as recorded in the records of the Corporation or otherwise known to the secretary, if any, of the Corporation; and
- (n) “**signing officer**” means, in relation to any contract or document (within the meaning of section 2.04 hereof), the person or persons authorized to sign such contract or document on behalf of the Corporation.

Subject to the foregoing, words and terms in this by-law which are defined in the Act shall have the same meaning when used in this by-law and in all other by-laws of the Corporation as in the Act.

Section 1.02 Gender and Number: Words importing the singular shall include the plural and vice-versa, words importing either gender or neuter shall include the masculine and feminine genders and neuter and headings in this by-law and in any other by-law of the Corporation are for convenience of reference only and shall not affect the interpretation of this by-law or any other by-law of the Corporation.

Section 1.03 Unanimous Shareholder Agreement and Articles to Govern: Notwithstanding any provision of this by-law or any other by-law of the Corporation, where any such provision herein or therein conflicts with any provision in any unanimous shareholder agreement relating to, or the articles of, the Corporation, such provision of the unanimous shareholder agreement or the articles, as the case may be, shall govern.

ARTICLE TWO BUSINESS OF THE CORPORATION

Section 2.01 Registered Office: The registered office of the Corporation shall be located at such address within the requisite municipality or geographic township as the directors may determine from time to time.

Section 2.02 Seal: The Corporation may have a corporate seal in such form as the directors may determine from time to time.

Section 2.03 Financial Year: The financial year of the Corporation shall end on such day of the year as the directors may determine from time to time.

Section 2.04 Execution of Instruments: Contracts or documents requiring execution by the Corporation may be signed by any two (2) directors or by any person holding the office of chairman of the board, lead director, president, chief executive officer, chief operating officer, chief financial officer, vice-president, secretary or general manager or any other office the holder of which has been designated as a signing officer by the directors. All contracts or documents so signed shall be binding upon the Corporation without further authorization or formality. In addition, the directors may direct from time to time the manner in which and the person or persons by whom any particular contract or document or any

class of contracts or documents may or shall be signed on behalf of the Corporation. Any officer or director of the Corporation may affix the corporate seal, if any, of the Corporation to any contract or document, and may certify a copy of any resolution or of any by-law or contract or document of the Corporation to be a true copy thereof. Subject to the provisions of this by-law relating to share certificates and to the Act, and if authorized by the directors, the corporate seal, if any, of the Corporation and the signature of any signing officer may be mechanically or electronically reproduced upon any contract or document of the Corporation. Any such facsimile signature shall bind the Corporation notwithstanding that any signing officer whose signature is so reproduced may have ceased to hold office at the date of delivery or issue of such contract or document. The term “contracts or documents” shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property (real or personal, immovable or movable, legal or equitable), agreements, releases, receipts and discharges for the payment of money, share certificate, certificates representing other securities, including warrants, and all other instruments in writing.

Section 2.05 Exercise of Voting Rights of Corporation: Except as otherwise directed by the directors, the person or persons authorized to sign contracts or documents on behalf of the Corporation may execute and deliver instruments of proxy on behalf of the Corporation and may arrange for the issue of a voting certificate or other evidence of the right to exercise the voting rights attached to any securities held by the Corporation and any such instrument, certificate or other evidence shall be in favour of such person as may be determined by the signing officers. However, the directors may direct from time to time the manner in which and the person by whom any such particular voting rights may or shall be exercised.

Section 2.06 Banking Arrangements: The banking business of the Corporation shall be transacted with such banks, trust companies or other person or persons as the directors may determine from time to time and all such banking business shall be transacted on behalf of the Corporation by such person or persons and to such extent as the directors may determine from time to time.

Section 2.07 Charging Power: Without restricting any of the powers of the directors, whether derived from the Act or otherwise, the directors may from time to time, without the authorization of the shareholders of the Corporation:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) subject to the Act, give a guarantee on behalf of the Corporation to secure the performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any present or future, real or personal, immovable or movable, legal or equitable property of the Corporation (including, without limitation, book debts, rights, powers, franchises and undertakings) to secure any obligation of the Corporation.

The directors may by resolution delegate any or all of the powers referred to above to a director, a committee of directors or an officer of the Corporation.

Section 2.08 Withholding Information from Shareholders: No shareholder shall be entitled to require discovery of any information respecting any details or conduct of the Corporation’s business which in the opinion of the board it would be inexpedient or not in the interests of the shareholders of the Corporation to communicate to any shareholder or 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 and books of the Corporation or any of them shall be open to the inspection of shareholders, and no shareholder shall have any right of inspecting any account or book or document of the Corporation except as conferred by statute or authorized by the board or by resolution passed at a general meeting of shareholders.

Section 2.09 Submission of Contracts to Shareholders: The board in its discretion may submit any contract, act or transaction for approval, confirmation or ratification at any annual meeting of the shareholders or at any special meeting of the shareholders called for the purpose of considering the same, and any contract, act or transaction that shall be approved, confirmed or ratified by a resolution passed by at least a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act, or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, confirmed or ratified by every shareholder of the Corporation.

ARTICLE THREE DIRECTORS

Section 3.01 Powers of the Board of Directors: Subject to any unanimous shareholder agreement relating to the Corporation, the directors shall manage, or supervise the management, of the business and affairs of the Corporation.

Section 3.02 Qualifications: No person shall be a director if the person is not an individual, is less than 18 years of age, has the status of bankrupt or has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere. Except as permitted by the Act, at least 25% of the directors shall be resident Canadians provided that when the required number of directors is less than four, only one director needs to be a resident Canadian. Whenever the Corporation has an audit committee of the directors, a number of directors sufficient to form a majority of such committee shall not be officers or employees of the Corporation or of any affiliate of the Corporation. If the Corporation is an offering corporation, at least one-third of the directors shall not be officers or employees of the Corporation or of any affiliate of the Corporation.

Section 3.03 Number and Quorum of Directors: The number of directors shall be the number from time to time fixed by the articles of the Corporation or the number from time to time determined within the range provided for in the articles of the Corporation by special resolution of the shareholders of the Corporation or by the directors when empowered to do so by a special resolution of the shareholders of the Corporation. The number of directors from time to time required to constitute a quorum for the transaction of business at a meeting of the directors shall be 51% of the number of directors so fixed or determined at that time (or, if that number is a fraction, the next larger whole number), provided that if the Corporation has fewer than three directors, all of the directors must be present at a meeting of the directors to constitute a quorum. Reference is made to section 3.08 and section 3.12 of this by-law.

Section 3.04 Election and Term: Directors shall be elected to hold office for a term or terms expiring at the close of the first, second or third annual meeting of the shareholders of the Corporation following their election or when their successors are elected. The term of a director who is elected for a term that is not expressly otherwise stated shall expire at the close of the first annual meeting of the shareholders of the Corporation following his election or when his successor is elected. The incumbent directors shall continue in office until their successors are elected, unless their terms are earlier terminated. A director

shall cease to hold office when he dies, resigns, is removed or ceases to be qualified to be a director or when his successor is elected.

Section 3.05 Advance Notice of Nominations of Directors: Subject only to the Act and the articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a “**Nominating Shareholder**”) (i) who, at the close of business on the date of the giving of the notice provided for below in this section 3.05 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 (ii) who complies with the notice procedures set forth below in this section 3.05:

- (a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation in accordance with this section 3.05.
- (b) To be timely, 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 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this section 3.05(b). In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.
- (c) To be in proper written form, a Nominating Shareholder’s notice to the Secretary of the Corporation must set forth (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residential address of the person, (B) the principal occupation(s) or employment(s) of the person, (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (D) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement,

understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- (d) No person shall be eligible for election as a director unless nominated in accordance with the provisions of this section 3.05; provided, however, that nothing in this section 3.05 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (e) Notwithstanding any other provision of this By-law Number 1-A, notice given to the Secretary of the Corporation pursuant to this section 3.05 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (f) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this section 3.05.

Section 3.06 Resignation, Removal and Vacation of Office: A director may resign by delivering or sending his resignation in writing to the Corporation and such resignation shall be effective when it is received by the Corporation or at such time as may be specified in the resignation, whichever is later. Subject to the Act, the shareholders of the Corporation entitled to elect a director may, by resolution at a meeting of the shareholders of the Corporation, remove such director and may at the same meeting fill the vacancy created by such removal, failing which the vacancy may be filled by the remaining directors if a quorum of the directors remains in office. A director ceases to hold office on death, on removal from office by the shareholders, on ceasing to be qualified for election as a director, on receipt of a written resignation by the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

Section 3.07 Statements: A director who resigns or who learns of a meeting of the shareholders of the Corporation called for the purpose of removing him as a director or a meeting of the shareholders of the Corporation or of the directors at which another person is to be elected or appointed a director in his place may submit to the Corporation a written statement giving the reason or reasons for his resignation or the

reasons why he opposes the proposed action. The secretary or another officer of the Corporation shall send, or cause to be sent, a copy of such statement to every shareholder of the Corporation entitled to receive notice of meetings of shareholders of the Corporation and, if required by the Act, to the Director.

Section 3.08 Vacancies: Notwithstanding vacancies but subject to the Act, the remaining directors may exercise all of the powers of the directors as long as a quorum of the directors remains in office. Subject to the articles of the Corporation, any vacancy in the directors among directors whose election is not the exclusive right of the holders of any class or series of shares of the Corporation may be filled for the remainder of the unexpired term by:

- (a) the shareholders of the Corporation at a special meeting of the shareholders of the Corporation called for the purpose; or
- (b) the remaining directors (notwithstanding that a majority of those acting are not resident Canadians), unless (i) there is no quorum of the directors, (ii) the vacancy results from a failure to elect the number of directors required to be elected at any meeting of shareholders, (iii) the vacancy results from an increase in the number or maximum number of directors fixed by the articles of the Corporation, or (iv) the directors have been empowered by special resolution of the shareholders of the Corporation to determine the number of directors within the range provided for in the articles of the Corporation and the number of directors in office after the filling of the vacancy would be greater than one and one-third times the number of directors required to have been elected at the last annual meeting of the shareholders of the Corporation; in any of which events the directors then in office shall forthwith call a special meeting of the shareholders of the Corporation to fill the vacancy and, if they fail to call such a meeting or if there are no directors then in office, the meeting may be called by any shareholder of the Corporation.

Section 3.09 Place and Calling of Meetings: Meetings of the directors shall be held from time to time at such places within or outside the Province of Ontario (or by such communications facilities as are permitted by the Act) on such days and at such times as the chairman of the board, the lead director, the president, if a director, any vice-president who is a director, any two directors or any other officer designated by the directors, may determine from time to time, and the secretary or another officer of the Corporation shall give notice of any such meeting when directed by the person calling the meeting. In any financial year of the Corporation, a majority of the meetings of the directors may be held within or outside Canada.

Section 3.10 Notice: Notice of the time and of the place or manner of participation for every meeting of the directors shall be sent to each director not less than 48 hours (excluding Saturdays and holidays) before the time of the meeting; provided always that a director may in any manner and at any time waive notice of a meeting of the directors and attendance of a director at a meeting of the directors shall constitute a waiver of notice of the meeting except when the director attends the meeting for the express purpose of objecting to the transaction of any business thereat on the grounds that the meeting is not lawfully called and provided further that meetings of directors may be held at any time without notice if all of the directors are present (except where a director attends a meeting for the express purpose of objecting to the transaction of any business thereat on the grounds that the meeting is not lawfully called) or if all of the absent directors waive notice thereof either before or after the date of such meeting. A meeting of the directors may resume without further notice following an adjournment if the time and place for resuming the meeting are announced at the meeting prior to the adjournment. Reference is made to article ten of this by-law.

Section 3.11 Regular Meetings: The directors may appoint a day or days in any month or months for regular meetings of the directors to be held at a place or by communications facilities and at an hour to be named. A copy of any resolution of the directors fixing the time and place or manner of participation for such regular meetings shall be sent to each director forthwith after being passed and to each director elected or appointed thereafter, but no other notice shall be required for any such regular meeting of the directors.

Section 3.12 Canadian Directors: No business, other than the filling of a vacancy among the directors, shall be transacted at a meeting of the directors unless at least 25% of the directors present are resident Canadians, except as permitted by the Act or where a resident Canadian director who is unable to be present approves in writing or by telephone or other communication facilities the business transacted at the meeting and at least 25% of resident Canadian directors would have been present had that director been present at the meeting.

Section 3.13 Meetings by Telephone: A meeting of the directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and each director participating in such a meeting by such means shall be deemed to be present at the meeting.

Section 3.14 Chairman: The chairman of the board or, in his absence, the lead director or, in his absence, the president if a director or, in the absence of all of them, a director designated by the directors, shall be the chairman of any meeting of the directors. If no such person is present, the directors present shall choose one of them to be the chairman of the meeting.

Section 3.15 Voting: At all meetings of the directors every matter shall be decided by a majority of the votes cast on the matter. In case of an equality of votes the chairman of the meeting shall not be entitled to a casting vote.

Section 3.16 One-Director Meetings: Where the required number of directors is one, the only director may constitute a meeting of directors.

Section 3.17 Signed Resolutions: Notwithstanding any provision of this by-law, but subject to the Act or any unanimous shareholder agreement, when there is a quorum of directors in office, a resolution in writing signed by all of the directors entitled to vote thereon at a meeting of the directors or of any committee thereof is as valid as if passed at a meeting. Any such resolution may be signed in counterparts and if signed as of any date shall be deemed to have been passed on such date.

Section 3.18 Remuneration of Directors: The remuneration of the directors, as such, may from time to time be determined by the directors or, if the directors shall so decide, by the shareholders. Such remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Corporation as such who is also a director. The directors shall be paid such reasonable travelling, hotel and other expenses as they incur in and about the business of the Corporation and if any director shall perform any professional or other services for the Corporation that in the opinion of the directors are outside the ordinary duties of a director or shall otherwise be specially occupied in or about the Corporation's business, he may be paid a remuneration to be fixed by the board or, at the option of such director, by the Corporation in general meeting, and such remuneration may be either in addition to or in substitution for any other remuneration that he may be entitled to receive. The directors, on behalf of the Corporation, unless otherwise determined by ordinary resolution, may pay a gratuity, a pension or an allowance on retirement to any director who has held any salaried office or place of profit with the Corporation or to his spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

ARTICLE FOUR COMMITTEES OF THE DIRECTORS

Section 4.01 Audit Committee: The directors may, and when required by the Act shall, appoint an audit committee composed of such number of directors, being not less than three, as the directors may determine from time to time. Except as permitted by the Act, a majority of the members of the audit committee shall not be officers or employees of the Corporation or of any affiliate of the Corporation. The audit committee shall review the financial statements of the Corporation and report thereon to the directors before such financial statements are approved by the directors as required by the Act, and may exercise any other powers lawfully delegated to such committee by the directors.

Section 4.02 Other Committees: From time to time the directors may appoint one or more committees thereof in addition to the audit committee. Each committee may exercise those powers lawfully delegated to such committee by the directors or as provided by the Act.

Section 4.03 Procedure: The members of each committee shall hold office while directors during the pleasure of the directors or until their successors shall have been appointed. The directors may fill any vacancy in a committee from among the directors. Unless otherwise determined by the directors, the members of each committee may fix the quorum for, elect the chairman of, and adopt rules to regulate the proceedings of, such committee. Subject to the foregoing, the proceedings of each committee shall be governed by the provisions of this by-law which govern proceedings of the directors so far as such provisions can apply except that a meeting of a committee may be called by any member thereof (or by any member or the auditor in the case of the audit committee), notice of any such meeting shall be given to each member of the committee (or each member and the auditor in the case of the audit committee) and the meeting shall be chaired by the chairman of the committee or, in his absence, some other member of the committee. Each committee shall keep records of the proceedings of such committee and shall report all such proceedings to the directors in a timely manner.

ARTICLE FIVE OFFICERS

Section 5.01 Appointment of Officers: From time to time the directors may appoint a chairman of the board, a vice-chairman of the board, a lead director, a president, a chief executive officer, a chief operating officer, a chief financial officer, one or more vice-presidents (to which title may be added words indicating seniority or function), one or more general managers (to which title may be added words indicating seniority or function), a secretary, a treasurer, a controller and such other officers as the directors may determine from time to time, including one or more assistants to any of the officers so appointed. One person may hold more than one office. Except for the chairman of the board and the lead director, the officers so appointed need not be directors of the Corporation.

Section 5.02 Appointment of Non-Officers: The directors may also appoint other persons to serve the Corporation in such other positions and with such titles, powers and duties as the directors may determine from time to time.

Section 5.03 Terms of Employment: The directors may settle from time to time the terms of employment of the officers and other persons appointed by the directors and may remove at the pleasure of the directors any such person without prejudice to his rights, if any, to compensation under any employment contract. Otherwise each such officer and person shall hold his office or position until he resigns or ceases to be qualified to hold his office or position or until his successor is appointed.

Section 5.04 Powers and Duties of Officers: The directors may from time to time specify the duties of each officer, delegate to such officer the power to manage any business or affairs of the Corporation (including the power to sub-delegate) and change such duties and power, all insofar as not prohibited by the Act. To the extent not otherwise so specified or delegated, and subject to the Act, the duties and powers of the officers of the Corporation shall be those usually pertaining to their respective offices.

Section 5.05 Agents and Attorneys: The directors or any officer of the Corporation designated by the directors may from time to time appoint agents or attorneys for the Corporation in or out of Canada with such lawful powers (including the power to sub-delegate) as may be thought appropriate.

Section 5.06 Incentive Plans: For the purpose of enabling the directors, officers, employees and consultants of the Corporation and affiliates of the Corporation to participate in the growth of the business of the Corporation and of providing an effective incentive to such directors, officers, employees and consultants, the directors may establish such plans (including share option plans, share purchase plans, share bonus plans and other share incentive plans) and make such rules and regulations with respect thereto, and make such changes in such plans, rules and regulations, as the directors may deem advisable from time to time. From time to time the directors (or if provided by the plan a committee of the directors) may designate the directors, officers, employees and consultants of the Corporation and affiliates of the Corporation entitled to participate in any such plan. For the purposes of any such plan, but subject to the provisions of the plan, the Corporation may provide such financial assistance by means of a loan, guarantee or otherwise to directors, officers, employees and consultants of the Corporation or of the affiliates of the Corporation as is permitted by the Act.

ARTICLE SIX CONDUCT OF DIRECTORS AND OFFICERS AND INDEMNITY

Section 6.01 Standard of Care: Every director and officer of the Corporation in exercising his powers and discharging his duties to the Corporation shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Section 6.02 Disclosure of Interest: A director or officer of the Corporation who is a party to, is a director or officer of, or has a material interest in, another person who is a party to, a material contract or transaction with the Corporation shall, in accordance with the Act, disclose in writing to the Corporation or request to have entered in the minutes of a meeting of the directors the nature and extent of his interest. Except as permitted by the Act, a director so interested shall not attend any part of any meeting of the directors during which such contract or transaction is discussed and shall not vote on any motion to approve any such contract or transaction. If no quorum exists for the purpose of voting on a motion to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of the Act, the remaining directors shall be deemed to constitute a quorum for the purpose of voting on the motion. Where all of the directors are required to not attend a meeting of the directors by virtue of the Act, the contract or transaction may be approved only by the shareholders of the Corporation. A general notice to the directors by a director or officer of the Corporation disclosing that he is a director or officer of, or has a material interest in, a person, or that there has been a material change in the interest of the director or officer in the person, and is to be regarded as interested in, any contract made or transaction entered into with that person is a sufficient disclosure of interest in relation to any contract or transaction so made or entered into.

Section 6.03 Effect of Disclosure: Where the Corporation enters into a material contract or material transaction with a director or officer of the Corporation (or with another person of which a director or

officer of the Corporation is a director or officer or in which he has a material interest), the director or officer is not accountable to the Corporation or the shareholders of the Corporation for any profit or gain realized from the contract or transaction and the contract or transaction is neither void nor voidable, by reason only of that relationship (or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction), if the director or officer disclosed his interest in the manner referred to in section 6.02 of this by-law and the Act and the contract or transaction was reasonable and fair to the Corporation at the time it was so authorized or approved. Notwithstanding the foregoing, a director or officer of the Corporation, acting honestly and in good faith, is not accountable to the Corporation or to the shareholders of the Corporation for any profit or gain realized from any such contract or transaction by reason only of his being a director or officer, and the contract or transaction, if it was reasonable and fair to the Corporation at the time it was authorized or approved, is not by reason only of the interest of the director or officer of the Corporation therein void or voidable, if the contract or transaction is confirmed or approved by at least two-thirds of the votes cast at a special meeting of the shareholders of the Corporation called for that purpose and the nature and extent of the interest of the director or officer of the Corporation in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in an information circular relating thereto or if the contract or transaction is confirmed or approved by a signed resolution of the shareholders of the Corporation and the nature and extent of the interest of the director or officer in the contract or transaction are disclosed in reasonable detail to the shareholders of the Corporation signing such resolution before it is signed.

Section 6.04 Indemnity: Every individual who at any time is or has been a director or officer of the Corporation or who at any time acts or has acted at the request of the Corporation as a director or officer or in a similar capacity of another entity, (for purposes of this section 6.04 an “**Other Entity**”) together with the heirs and legal representatives of every such individual (each such individual for purposes of this section 6.04 being an “**Indemnified Person**”), shall at all times be indemnified and held harmless against all costs, charges, expenses, damages and liabilities of whatsoever nature or kind (including any amount paid to settle an action or to satisfy a fine or judgment) by the Corporation to the fullest extent possible and in every circumstance permitted by the Act. In addition and without prejudice to the foregoing, but subject to the limitations in the Act regarding indemnities in respect of derivative actions, each Indemnified Person shall at all times be indemnified and held harmless by the Corporation against all costs, charges and expenses, including any amount paid to settle an action or to 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 the association of the individual with the Corporation or Other Entity, if:

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the Other Entity for which the individual acted as a director or officer or in a similar capacity at the request of the Corporation; 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 conduct of the individual was lawful.

The Corporation shall advance money to a director, officer or other individual for the costs, charges and expenses of any proceeding contemplated by the foregoing provisions of this section 6.04; provided that the individual shall repay the money if the individual does not meet the condition set out in clause (a) above. Nothing in this section 6.04 shall affect any other right to indemnity to which any individual may be or become entitled by contract or otherwise, and no settlement or plea of guilty in any action or proceeding shall alone constitute evidence that the Indemnified Person did not meet either of the

conditions set out in clause (a) or (b) above of this section 6.04 or the corresponding conditions in the Act. From time to time the directors may determine that this section 6.04 shall also apply to employees of the Corporation who are not directors or officers of the Corporation or to any particular class of such employees, either generally or in respect of a particular occurrence or class of occurrences and either prospectively or retroactively. From time to time the directors of the Corporation may also revoke, limit or vary the continued application of this section 6.04; provided that no such action shall affect any right of any individual or any liability of the Corporation which has arisen prior to the date of such action. With the approval of the court (and the Corporation shall be obligated to apply for such approval at the cost and expense of the Corporation unless the Indemnified Person consents otherwise), the Corporation shall indemnify an Indemnified Person 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 Indemnified Person is made a party because of the association of the individual with the Corporation or Other Entity, against all costs, charges and expenses reasonably incurred by the Indemnified Person in connection with such action if:

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the Other Entity for which the individual acted as a director or officer or in a similar capacity at the request of the Corporation; 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 conduct of the individual was lawful.

Notwithstanding anything to the contrary contained in this section 6.04, an Indemnified Person shall be indemnified by the Corporation in respect of all costs, charges and expenses reasonably incurred by such individual in connection with the defence of any civil, criminal or administrative, investigative or other proceeding to which the individual is subject because of the association of the individual with the Corporation or Other Entity, if the individual seeking indemnity:

- (i) was not judged by a court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and
- (ii) fulfils the conditions set out in clauses (a) and (b) above in this section 6.04.

With the approval of the court (and the Corporation shall be obligated to apply for such approval at the cost and expense of the Corporation unless the Indemnified Person consents otherwise), the Corporation shall advance money to a director, officer or other individual for the costs, charges and expenses of any proceeding contemplated by the foregoing provisions of this section 6.04; provided that the individual shall repay the money if the individual does not meet the condition set out in clause (a) above in this section 6.04.

Section 6.05 Limitation of Liability: So long as he acted honestly and in good faith with a view to the best interests of the Corporation, no person referred to in section 6.04 of this by-law (including, to the extent it is then applicable to them, any employees referred to therein) shall be liable for any damage, loss, cost or liability sustained or incurred by the Corporation or any body corporate, except where specifically required by the Act.

Section 6.06 Insurance: Subject to the Act, the Corporation may purchase liability insurance for the benefit of any person referred to in section 6.04 of this by-law.

Section 6.07 Approval: The directors may submit any contract or transaction for authorization, approval, ratification or confirmation at any meeting of shareholders and, subject to the Act, any such contract or transaction that is authorized, approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the articles or any other by-law of the Corporation) shall be as valid and as binding upon the Corporation and upon all of the shareholders of the Corporation as though such contract or transaction had been authorized, approved, ratified or confirmed by each and every shareholder of the Corporation.

ARTICLE SEVEN SHARES

Section 7.01 Issue: Subject to the articles of the Corporation, the directors may issue all or from time to time any shares which the Corporation is then authorized to issue to such persons and for such consideration as the directors shall determine. No share of the Corporation shall be issued until the Corporation has received the requisite consideration for such share in compliance with the Act.

Section 7.02 Commissions: From time to time the directors may authorize the Corporation to pay a reasonable commission to any person in consideration of the purchase, or agreement to purchase, shares of the Corporation from the Corporation or from any other person or in consideration of the procurement or agreement to procure purchasers for any such shares.

Section 7.03 Share Certificates: Subject to section 7.04, every shareholder of the Corporation is entitled to a share certificate that complies with the Act and states the number, class and series, if any, designation, of shares of the Corporation held by such shareholder as appears on the records of the Corporation or a non-transferable written acknowledgement of the right thereof to obtain such a share certificate. However, the Corporation is not bound to issue more than one share certificate or acknowledgement in respect of shares of the Corporation held jointly by several persons and delivery of such share certificate or acknowledgement to one of such persons is sufficient delivery to all of them. Share certificates and acknowledgements shall be in such form as the directors shall approve from time to time and, unless otherwise ordered by the directors, shall be signed in accordance with section 2.04 of this by-law and need not be under the corporate seal of the Corporation. However, share certificates representing shares of the Corporation in respect of which a transfer agent has been appointed shall be signed manually by or on behalf of such transfer agent and other share certificates shall be signed manually by at least one signing officer. A share certificate containing the signature of a person which is printed, engraved, lithographed or otherwise mechanically reproduced thereon may be issued notwithstanding that such person has ceased to be a director or an officer, as the case may be, of the Corporation and shall be as valid as if such person were still a director or an officer, as the case may be, of the Corporation at the date of issue.

Section 7.04 Uncertificated Shares: Unless otherwise provided in the Articles, the board may provide by resolution that any or all classes and series of shares or other securities shall be uncertificated securities, provided that such resolution shall not apply to securities represented by a certificate until such certificate is surrendered to the Corporation.

Section 7.05 Replacement of Share Certificates: The directors, or if designated by the directors the secretary of the Corporation, may prescribe either generally or in a particular case the conditions, in addition to those provided in the Act, upon which a new share certificate may be issued in place of any share certificate which is claimed to have been lost, destroyed or wrongfully taken, or which has become defaced.

Section 7.06 Transfer Agent: From time to time the directors may appoint or remove a transfer agent to keep the securities register and the register of transfers, one or more persons or agents to keep branch registers, and a registrar to maintain a record, of issued security certificates and warrants of the Corporation. Subject to the Act, one person may be appointed for purposes of the foregoing in respect of all securities and warrants of the Corporation or in respect of any class or series thereof. In the event of any such appointment in respect of shares (or shares of any class or any series) of the Corporation, all share certificates issued by the Corporation in respect of such shares (or the shares of such class or series) of the Corporation shall be countersigned by or on behalf of one of the transfer agents or branch transfer agents and by or on behalf of one of the registrars or branch registrars, if any.

Section 7.07 Securities Registers: The securities register and the register of transfers of the Corporation shall be kept at the registered office of the Corporation or at such other office or place in the Province of Ontario as may from time to time be designated by the directors and a branch register or branch register of transfers may be kept at such office or offices of the Corporation or other place or places, either within or outside the Province of Ontario, as may from time to time be designated by the directors. Such register or registers shall comply with the Act.

Section 7.08 Registration of Transfer: No transfer of any shares of the Corporation need be recorded in the register of transfers except upon presentation of the share certificate representing such shares endorsed by the appropriate person in accordance with the Act, together with reasonable assurance that the endorsement is genuine and effective, and upon compliance with such restrictions on transfer, if any, as are contained in the articles of the Corporation.

Section 7.09 Lien for Indebtedness: Except when the Corporation has shares listed on a stock exchange recognized by the Ontario Securities Commission, the Corporation shall have a lien on shares of the Corporation registered in the name of a shareholder or his legal representative for any debt of the shareholder to the Corporation. Subject to the Act, the Corporation may enforce such lien without notice or liability by refusing to register a transfer of any such shares until the debt is paid, setting off against the debt any dividends or other distributions payable on any such shares, redeeming any such shares, if redeemable, and applying the redemption price less costs of redemption to the debt, purchasing any such shares and applying the purchase price, less any taxes thereon and costs of purchase, to the debt, selling any such shares as if the Corporation were the owner thereof at any time and place and to any person and on any commercially reasonable terms and applying to the debt the cash proceeds of the sale, less any taxes thereon and all reasonable expenses incurred in connection with the sale, or canceling such shares in satisfaction of the debt, or by any other method permitted by law or by any combination of any of the foregoing.

Section 7.10 Dealings with Registered Shareholder: Subject to the Act, the Corporation may treat the registered owner of a share of the Corporation as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of such share and otherwise to exercise all of the rights and powers of the holder of such share. The Corporation may, however, and where required by the Act shall, treat as the registered shareholder any executor, administrator, heir, legal representative, guardian, committee, trustee, curator, tutor, liquidator or trustee in bankruptcy who furnishes appropriate evidence to the Corporation establishing his authority to exercise the rights relating to a share of the Corporation.

Section 7.11 Securities other than Shares: The provisions herein relating to shares of the Corporation's capital shall, to the extent provided by resolution of the board, apply mutatis mutandis to other securities issued by the Corporation.

ARTICLE EIGHT DIVIDENDS AND RIGHTS

Section 8.01 Dividends: Subject to the Act, any unanimous shareholder agreement and the articles of the Corporation, the directors may from time to time declare dividends payable to the shareholders of the Corporation according to their rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation or options or rights to acquire any such shares. The directors shall determine the value of any such property, shares, options or rights and such determination shall be conclusive evidence of the value thereof.

Section 8.02 Dividend Cheques: A dividend payable to any shareholder of the Corporation in money may be paid by cheque payable to, or to the order of, the shareholder and shall be mailed to the shareholder by prepaid mail addressed to the recorded address thereof unless such shareholder otherwise directs in writing. In the case of joint holders the cheque shall be made payable to, or to the order of, all of them, unless such joint holders otherwise direct in writing. The mailing of a cheque as aforesaid, unless not paid on presentation, shall discharge the liability of the Corporation for the dividend to the extent of the amount of the cheque plus the amount of any tax thereon which the Corporation has properly withheld. If any dividend cheque so sent is not received by the payee thereof, the Corporation shall issue to such payee a replacement cheque for a like amount on such reasonable terms as to indemnity, reimbursement of expenses and evidence of non-receipt and title as the directors or any person designated by the directors may require.

Section 8.03 Record Date for Dividends and Rights: The directors may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the making of any distribution or for the issue of any warrant or other evidence of a right to acquire securities of the Corporation, as the record date for the determination of the persons entitled to receive payment of such dividend or distribution or to receive such right. In every such case only the persons who are holders of record of the applicable shares at the close of business on the date so fixed shall be entitled to receive payment of such dividend or distribution or to receive such right. Notice of any such record date fixed by the directors shall be given as and when required by the Act. Where no such record date is fixed by the directors, the record date for the determination of the persons entitled to receive payment of such dividend or distribution or to receive such right shall be the close of business on the day on which the directors pass the resolution relating thereto.

Section 8.04 Reserve Funds and Investments: The board may from time to time set aside such sums as it deems fit as a reserve fund to meeting contingencies, for equalizing dividends, for special dividends, for repairing, improving and maintaining any of the property of the Corporation replacing wasting assets, or forming an insurance fund, and for such other purposes as the board shall in its absolute discretion think conducive to the interests of the Corporation and may invest these several sum so set aside, or any other funds or moneys not immediately required for the purposes or in the business of the Corporation, in such investments as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Corporation, and may divide the reserve fund into such special funds as it may think fit, with full power to employ the assets constituting the reserve fund in the business of the Corporation without being bound to keep the same separate from other assets. The board may also carry forward to the accounts of the succeeding year or years any profit or balance of profit which it shall not think fit to divide or to place to reserve.

ARTICLE NINE
MEETINGS OF SHAREHOLDERS

Section 9.01 Annual Meeting: The annual meeting of the shareholders of the Corporation shall be held on such day and at such time as the directors may, subject to the Act, determine from time to time, for the purpose of transacting such business as may properly be brought before the meeting.

Section 9.02 Special Meeting: From time to time the directors may call a special meeting of the shareholders of the Corporation to be held on such day, at such time and for such purpose as the directors may determine. Any special meeting of the shareholders of the Corporation may be held concurrent with an annual meeting of the shareholders of the Corporation.

Section 9.03 Place of Meetings: Meetings of shareholders of the Corporation shall be held at such place in or outside the Province of Ontario as the directors may determine from time to time.

Section 9.04 Record Date: The directors may fix in advance a record date, preceding the date of any meeting of the shareholders of the Corporation by not more than 60 days nor less than 30 days, for the determination of the shareholders of the Corporation entitled to notice of the meeting, and where no such record date for notice of the meeting is fixed by the directors, the record date for notice of the meeting shall be the close of business on the day immediately preceding the day on which notice of the meeting is given. Notice of any such record date fixed by the directors shall be given as and when required by the Act.

Section 9.05 Shareholder List: For each meeting of shareholders of the Corporation there shall be prepared an alphabetical list of the shareholders entitled to receive notice of the meeting showing the number of shares entitled to be voted at the meeting and held by each such shareholder. The list shall be prepared, if a record date for such notice is fixed by the directors, not later than 10 days thereafter, if no record date for such meeting is fixed by the directors, at the close of business on the day immediately preceding the day on which notice of the meeting is given, and if no notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder of the Corporation prior to the meeting during usual business hours at the registered office of the Corporation or at the place where the securities register is kept, and at the meeting. Where a separate list is not prepared, the names of the shareholders of the Corporation entitled to receive notice of the meeting and the number of shares of the Corporation entitled to be voted thereat and held by each shareholder of the Corporation as appears in the securities register of the Corporation at the requisite time (excluding shares not entitled to be voted at the meeting), shall constitute the list prepared in accordance with this section 9.05.

Section 9.06 Notice: Notice in writing of the time, place and purpose for holding each meeting of the shareholders of the Corporation shall be sent not less than 10 days if the Corporation is not an offering corporation, or 21 days otherwise, and in either case not more than 50 days, before the date on which the meeting is to be held, to each director, the auditor, if any, of the Corporation and each person who on the record date for notice of the meeting appears in the securities register of the Corporation as the holder of one or more shares of the Corporation carrying the right to vote at the meeting or as the holder of one or more shares of the Corporation the holders of which are otherwise entitled to receive notice of the meeting. Notice of a meeting of the shareholders of the Corporation shall state or be accompanied by a statement of the nature of all special business to be transacted at the meeting in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and the text of any special resolution or by-law to be submitted to the meeting. Reference is made to article ten of this by-law.

Section 9.07 Proxy and Management Information Circular: If the Corporation is an offering corporation, the secretary or another officer of the Corporation shall, concurrent with sending, or causing

to be sent, notice of a meeting of shareholders, (a) send, or cause to be sent, a form of proxy and management information circular in accordance with the Act to each shareholder who is entitled to receive notice of, and is entitled to vote at, the meeting, (b) send, or cause to be sent, such management information circular to any other shareholder who is entitled to receive notice of the meeting, to any director who is not a shareholder entitled thereto and to the auditor, if any, of the Corporation, and (c) file, or cause to be filed, with any regulatory agency and all other agencies entitled thereto a copy of all documents sent to shareholders of the Corporation in connection with the meeting.

Section 9.08 Financial Statements: Not less than 10 days if the Corporation is not an offering corporation, or 21 days otherwise, before each annual meeting of the shareholders of the Corporation or before the signing of a resolution in writing in lieu thereof, the secretary or another officer of the Corporation shall send, or cause to be sent, a copy of the annual financial statements and the auditors' report, if any, thereon required by the Act to be placed before the annual meeting to each shareholder of the Corporation who has not informed the Corporation in writing that such shareholder does not wish to receive such documents. If the Corporation is an offering corporation, the secretary or another officer of the Corporation shall file, or cause to be filed, a copy of the annual financial statements of the Corporation with any regulatory agency and all other agencies entitled thereto as and when required.

Section 9.09 Shareholder Proposal: A registered holder of shares entitled to vote, or a beneficial owner of shares that are entitled to be voted, at a meeting of the shareholders of the Corporation may submit to the Corporation notice of any proposal that such shareholder wishes to raise at the meeting and may discuss at the meeting any matter in respect of which such registered holder or beneficial owner would have been entitled under the Act to submit a proposal. Where so required by the Act, the management information circular prepared in respect of the meeting shall set out or be accompanied by such proposal.

Section 9.10 Persons Entitled to be Present: The only persons entitled to attend a meeting of the shareholders of the Corporation shall be those persons entitled to notice thereof, those entitled to vote thereat and others who although not entitled to notice thereof are entitled or required under the Act or the by-laws of the Corporation to be present at the meeting. Any other person may be admitted to a meeting of the shareholders of the Corporation only on the invitation of, or with the consent of, the chairman of the meeting or with the consent of the meeting.

Section 9.11 Representatives: An executor, administrator, committee of mentally incompetent person, guardian or trustee and where a corporation is such executor, administrator, committee, guardian or trustee of a testator, intestate, mentally incompetent person, ward or cestui que trust, any person duly appointed a proxy for such corporation, upon filing with the secretary of the meeting sufficient proof of his appointment, shall represent the shares in his or its hands at all meetings of the shareholders of the Corporation and may vote accordingly as a shareholder in the same manner and to the same extent as the shareholder of record. If there be more than one executor, administrator, committee, guardian or trustee, the provisions of section 9.15 shall apply.

Section 9.12 Chairman, Secretary and Scrutineer: The chairman of the board or, in his absence, any of the co-chairmen of the board, or, in their absence, the lead director or, in his absence, the president or, in the absence of all of them or in the event the directors otherwise so determine, such individual as is designated by the directors, shall be the chairman of any meeting of shareholders. If no such individual is present within 15 minutes after the time fixed for the holding of the meeting, the persons present and entitled to vote thereat shall choose one of them to be the chairman of the meeting. The secretary or another officer of the Corporation may act as secretary of the meeting. The chairman of the meeting may appoint an individual, who need not be a shareholder or officer of the Corporation, to act as secretary of the meeting. One or more scrutineers, who need not be a shareholder of the Corporation, may be

appointed by the chairman of the meeting or by a resolution of the shareholders to act as scrutineer of the meeting.

Section 9.13 Quorum: The quorum for the transaction of business at any meeting of the shareholders shall be two persons present at the opening of the meeting who are entitled to vote thereat either as shareholders or as proxy holders. If a quorum is not present within such reasonable time (determined by the chairman of the meeting) after the time fixed for the holding of the meeting as the persons present and entitled to vote thereat may determine, such persons may adjourn the meeting to a fixed time and place.

Section 9.14 Persons Entitled to Vote: Without prejudice to any other right to vote, every shareholder of the Corporation recorded on the shareholder list prepared in accordance with section 9.05 of this by-law is entitled, at the meeting to which the list relates, to vote the shares of the Corporation shown thereon opposite the name of such shareholder. Where two or more persons hold a share or the same shares jointly, anyone of them present or represented by proxy may, in the absence of the others, vote such share or shares but, if more than one of such persons is present or represented and vote, they shall vote such share or shares together as one or not vote such shares at all.

Section 9.15 Proxies: Shareholders of the Corporation shall be entitled to vote in person or, if the shareholder is a body corporate, association or other unincorporated entity, by a representative authorized by a resolution of the directors of such body corporate, association or other unincorporated entity. Every shareholder of the Corporation, including a shareholder that is a body corporate, association or other unincorporated entity, entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or alternate proxyholder, who need not be a shareholder of the Corporation, as the nominee thereof to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy. Signatures on instruments of proxy need not be witnessed and may be printed, lithographed or otherwise reproduced thereon. The chairman of any meeting of shareholders shall determine the authenticity of all signatures on instruments of proxy, which determination shall be final and conclusive. The chairman of any meeting of shareholders, including any adjournment thereof, may also in his discretion, unless otherwise determined by resolution of the directors, accept any telecopied, telegraphed, telexed, cabled or e-mailed proxy or other communication as to the authority of anyone claiming to vote on behalf of, or to represent, a shareholder of the Corporation notwithstanding that no instrument of proxy conferring such authority has been lodged with the Corporation and any votes cast in accordance with such telecopied, telegraphed, telexed, cabled or e-mailed proxy or other communication accepted by the chairman shall be valid and any votes cast in accordance therewith shall be counted. An instrument of proxy may be signed and delivered in blank and filled in afterwards by the chairman of the board, the president, the secretary or any assistant-secretary of the Corporation or by any other person designated by the directors. It shall not be necessary for an instrument of proxy to be dated or to have inserted therein the number of shares of the Corporation owned by the appointor thereunder. The directors may, at the expense of the Corporation, send out an instrument of proxy in which certain directors or officers of the Corporation or other persons are named, which may be accompanied by stamped envelopes for the return of such instruments of proxy, even if the directors so named vote the proxies in favour of their own election as directors. The directors may specify in the notice calling a meeting of the shareholders of the Corporation a time, not exceeding 48 hours (excluding Saturdays and holidays) preceding the time fixed for the meeting or any adjournment thereof, before which proxies must be deposited with the Corporation or an agent thereof. Unless otherwise determined by the chairman of the meeting, an instrument of 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. Where no such time is specified in such notice, an instrument of proxy shall be acted upon if it has been received by the secretary or another officer of the Corporation or the chairman of the meeting or any adjournment thereof before the time of voting on the particular matter. An instrument of proxy shall cease to be valid one year from the date thereof.

Section 9.16 Revocation of Proxies: In addition to revocation in any other manner permitted by law, an instrument of proxy may be revoked by an instrument in writing signed in the same manner as an instrument of proxy may be signed and deposited either at the registered office of the Corporation at any time up to and including the last day (excluding Saturdays and holidays) preceding the date of the meeting of shareholders or any adjournment thereof at which the instrument of proxy is to be used or with the chairman of such meeting or any adjournment thereof before the time of voting on the particular matter.

Section 9.17 Voting: At each meeting of the shareholders of the Corporation every matter proposed for consideration by the shareholders of the Corporation shall be decided by a majority of the votes cast thereon, unless otherwise required by the Act, the articles or by-laws of the Corporation or any unanimous shareholder agreement relating to the Corporation. In case of an equality of votes the chairman of the meeting shall not be entitled to a casting vote. Every matter submitted to a meeting of shareholders may be decided either by a show of hands or by ballot.

Section 9.18 Show of Hands: At each meeting of shareholders voting shall be by a show of hands unless a ballot is required by the Act or is required or demanded as hereinafter provided. Upon a show of hands every person present and entitled to vote on the motion shall have one vote. Whenever a vote by show of hands has been taken upon a matter, unless a ballot thereon is so required or demanded and such requirement or demand is not withdrawn, a declaration by the chairman of the meeting that the vote upon the matter was carried or carried by a particular majority or not carried or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be prima facie evidence of the result of the vote without proof of the number or percentage of votes cast for or against the matter.

Section 9.19 Ballots: On any matter proposed for consideration at a meeting of shareholders a ballot may be required by the chairman of the meeting or demanded by any person present and entitled to vote thereon, either before any vote by show of hands or after any vote by show of hands and prior to the declaration of the result of the vote by show of hands by the chairman of the meeting. If a ballot is so required or demanded and such requirement or demand is not withdrawn, a ballot upon the matter shall be taken in such manner as the chairman of the meeting shall direct. Subject to the articles of the Corporation, upon a ballot each person present shall be entitled to the number of votes specified in the articles of the Corporation in respect of each share of the Corporation which such person is entitled to vote at the meeting on the particular matter.

Section 9.20 Termination, Adjournment and Postponement: The chairman of a meeting of shareholders may terminate the meeting following the conclusion of all business which may properly come before the meeting. A meeting of shareholders may be adjourned only upon the affirmative vote of a majority of the votes cast in respect of the shares present or represented in person or by proxy at the meeting. Any business may be brought before or dealt with at any adjourned meeting which may have been brought up or dealt with at the original meeting. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of less than 30 days, it is not necessary to give notice of the resumption of the meeting if the time and place for resuming the meeting are announced at the meeting which is adjourned. The directors may postpone any meeting of shareholders previously called by the directors.

Section 9.21 Procedure at Meetings: The chairman of any meeting of shareholders shall determine the procedure thereat in all respects and his decision on all matters or things, including but without in any way limiting the generality of the foregoing, any question regarding the validity or invalidity of any instrument of proxy or ballot, shall be conclusive and binding upon all of the shareholders of the Corporation, except as otherwise specifically provided in the by-laws of the Corporation.

Section 9.22 One-Shareholder Meeting: Where all of the outstanding shares of any class or series of shares of the Corporation are held by one shareholder, that shareholder present in person or by proxyholder or by authorized representative shall constitute a meeting of the holders of that class or series of shares of the Corporation.

Section 9.23 Signed Resolutions: Subject to the Act, a resolution in writing signed by all of the shareholders of the Corporation entitled to vote thereon at a meeting of shareholders is as valid as if passed at a meeting and a resolution in writing dealing with all of the matters required by the Act to be dealt with at a meeting of shareholders and signed by all of the shareholders of the Corporation entitled to vote thereat satisfies all of the requirements of the Act relating to that meeting. Any such resolution may be signed in counterparts and if signed as of any date shall be deemed to have been passed on such date.

Section 9.24 Meeting By Electronic Means: Unless the articles or by-laws of the Corporation or any unanimous shareholder agreement relating to the Corporation provides otherwise, a meeting of the shareholders of the Corporation may be held by telephonic or electronic means and a shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed for the purposes of the Act to be present at the meeting.

ARTICLE TEN NOTICES

Section 10.01 Notices to Shareholders and Directors: Any notice or document required or permitted to be sent by the Corporation to a director or shareholder of the Corporation may be mailed by prepaid Canadian mail in a sealed or unsealed envelope addressed to, or may be delivered personally to, such person at the last address thereof recorded in the records of the Corporation, or may be sent by any other manner permitted under the Act. If so mailed, the notice or document shall be deemed to have been received by the addressee on the fifth day after mailing. If notices or documents so mailed to a shareholder are returned on three consecutive occasions because such shareholder cannot be found, the Corporation need not send, or cause to be sent, any further notices or documents to such shareholder until such shareholder informs the Corporation in writing of the new address. If the address of any shareholder of the Corporation does not appear in the records of the Corporation, then any notice or document may be mailed to such address as the person sending the notice or document may consider to be the most likely address at which such notice or document will promptly reach such shareholder.

Section 10.02 Notices to Others: Any notice or document required or permitted to be sent by the Corporation to any person other than a director or shareholder of the Corporation may be delivered personally to such person, addressed to such person and delivered to the last address thereof recorded in the records of the Corporation, mailed by prepaid Canadian mail in a sealed or unsealed envelope addressed to such person at the address thereof recorded in the records of the Corporation, or addressed to such person and sent to the last address thereof recorded in the records of the Corporation by telecopier, telegram, telex, cable, e-mail or any other means of legible communication then in business use in Canada. A notice or document so mailed or sent shall be deemed to have been received by the addressee when deposited in a post office or public letter box, if mailed, or when transmitted by the Corporation on its equipment or delivered to the appropriate communication agency or its representative for dispatch, as the case may be, if sent by telecopier, telegram, telex, cable, e-mail or other means of legible communication.

Section 10.03 Changes in Recorded Address: The secretary or any other officer of the Corporation may change the address recorded in the records of the Corporation of any person in accordance with any information such person believes to be reliable.

Section 10.04 Computation of Days: In computing any period of days under the by-laws of the Corporation or the Act, the period shall be deemed to commence on the day following the event that begins the period and shall be deemed to end at midnight on the last day of the period except that if the last day of the period falls on a holiday, the period shall end at midnight of the first day next following such day that is not a holiday.

Section 10.05 Omissions and Errors: The accidental omission to give any notice to any person, or the non-receipt of any notice by any person or any immaterial error in any notice, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

Section 10.06 Unregistered Shareholders: Subject to the Act, every person who becomes entitled to any share of the Corporation shall be bound by every notice in respect of such share which was given to any previous holder thereof prior to the name and address of such person being entered on the securities register of the Corporation.

Section 10.07 Waiver of Notice: Any person entitled to attend a meeting of shareholders or a meeting of the directors or a committee thereof may in any manner and at any time waive notice thereof, and attendance of any shareholder or the proxyholder or authorized representative thereof or of any other person at any meeting is a waiver of notice thereof by such shareholder or other person except where the attendance is for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. In addition, where any notice or document is required to be given under the articles or by-laws of the Corporation or the Act, the notice may be waived or the time for sending the notice or document may be waived or abridged at any time with the consent in writing of the person entitled thereto. Any meeting may be held without notice or on shorter notice than that provided for in the by-laws of the Corporation if all persons not receiving the notice to which they are entitled waive notice of or accept short notice of the holding of such meeting.

ARTICLE ELEVEN DIVISIONS

Section 11.01 Authority to Create Divisions: The directors may cause the business and operations of the Corporation or any part thereof to be divided into one or more divisions based upon character or type of operation, geographical territory, product, method of distribution, type of product or products manufactured or distributed or upon such other basis of division as the directors may determine from time to time. In particular, the directors may authorize:

- (a) the further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions or sub-units; and
- (b) the designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the name of the Corporation.

Section 11.02 Designation and Appointment of Divisional Officers: The directors may, by resolution, designate and appoint divisional officers assigned to a particular division or a sub-unit of that division provided that any such divisional officer shall not, as such, be an officer of the Corporation. Such appointed divisional officers shall be subject to removal by resolution of the directors at any time, with or without cause, without prejudice to the rights of such person under any employment contract or in law.

For certainty, the removal of a divisional officer from his position as a divisional officer shall not of itself constitute a termination of the employment of that person with the Corporation.

Section 11.03 Duties and Authority of Divisional Officers: The duties, responsibilities, limitations and remuneration of each divisional officer shall be such as are determined from time to time by the directors or by the person or persons or committee or committees designated by the directors as having responsibility for the division to which such divisional officer has been appointed. The authority of each such divisional officer shall, however, be limited to acts and transactions relating only to the business and operations which such division is authorized to transact and perform, provided, however, that if the same person is also an officer of the Corporation, the foregoing shall not limit the authority of such person in his capacity as an officer of the Corporation.

**ARTICLE TWELVE
REPEAL**

Section 12.01 Repeal: Upon this By-Law Number 1-B coming into force, By-Law No. 1A of the Corporation is repealed provided that such repeal shall not affect the previous operation of such by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.

The By-Law Number 1-B of the Corporation shall come into force upon being passed by the directors in accordance with the Act.

ENACTED by the board the 21st day of October, 2013.

WITNESS the seal of the Corporation.

“Michael Wilson”

President and Chief Executive Officer
Michael Wilson

“William R. Johnstone”

Corporate Secretary
William R. Johnstone