SPARROW VENTURES CORP.

2016

ANNUAL

GENERAL AND

SPECIAL

MEETING

Notice of Annual General and Special Meeting of Shareholders

Management Information Circular

Location : Suite 610, 700 West Pender Street
Vancouver, British Columbia
V6C 1G8

Time: 10:00 a.m. (Pacific Time)

Date: Wednesday, December 7, 2016

SPARROW VENTURES CORP.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "**Meeting**") of Shareholders of SPARROW VENTURES CORP. (the "**Company**") will be held at the offices of Sparrow Ventures Corp., Suite 610, 700 West Pender Street, Vancouver, British Columbia, Canada V6C IG8, on **Wednesday, December 7, 2016**, at 10:00 a.m. (Pacific Time), for the following purposes:

1. To receive the audited financial statements of the Company for the financial year ended January 31, 2016, together with the report of the auditors thereon;

2. To fix the number of directors of the Company to be elected at three (3);

3. To elect directors for the ensuing year;

4. To appoint Jackson & Company, Chartered Accountants, as the auditor of the Company for the ensuing year and to authorize the board of directors to fix the auditor's remuneration;

5. To consider and, if deemed advisable, to pass a special resolution to approve and ratify the adoption of new articles for the Company, in accordance with the *Business Corporations Act* (British Columbia), as more particularly described in the accompanying Management Information Circular;

6. To consider and, if deemed advisable, to pass an ordinary resolution, to approve a private placement of secured convertible debentures of up to $250,000 (the "**Private Placement**"), the closing of the first tranche of the Private Placement, and the issuance of units of the Company upon conversion thereof, as more particularly described in the accompanying Management Information Circular;

7. To consider and, if deemed advisable, to pass a special resolution to approve and authorize a consolidation of the issued and outstanding common shares of the Company on the basis of one post-consolidation common share for up to 10 pre-consolidation common shares with such ratio, timing and implementation as the Board of Directors may determine in its sole discretion, as more particularly described in the accompanying Management Information Circular;

8. To consider and, if deemed advisable, to pass an ordinary resolution to approve and ratify the adoption of a new stock option plan of the Company, as more particularly described in the accompanying Management Information Circular;

9. To consider and, if thought advisable, to pass an ordinary resolution to approve and ratify all previous acts and deeds by the directors since the beginning of the last meeting of shareholders of the Company; and

10. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice is a Management Information Circular (the "**Information Circular**") dated October 31, 2016, a form of Proxy or a Voting Instruction Form, and a Financial Statements Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

Shareholders are entitled to vote at the Meeting either in person or by proxy. Those who are unable to attend the meeting are requested to read, complete, sign and mail the enclosed form of Proxy in accordance with the instructions set out in the Proxy and in the Information Circular accompanying this Notice. Please advise the Company of any change in your mailing address.

To be valid, the accompanying form of Proxy, duly completed, dated and signed, must arrive at the office of the Registrar and Transfer Agent of the Company, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment of it or deposited with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment of it.

If you are a non-registered shareholder of the Company and received this Notice and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your security on your behalf (the "Intermediary"), please complete and return the materials in accordance with the instructions provided to you by your intermediary.

DATED at Vancouver, British Columbia, this 31st day of October, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ *Marc Morin*

Marc Morin
President, Chief Executive Officer, and Director

SPARROW VENTURES CORP.

INFORMATION CIRCULAR

(Containing information as at October 31, 2016, unless indicated otherwise)

SOLICITATION OF PROXIES

This Management Information Circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Sparrow Ventures Corp. (the "**Company**") for use at the Annual General and Special Meeting of Shareholders of the Company (and any adjournment thereof) to be held at 10:00 a.m. (Pacific Time) on Wednesday, December 7, 2016 (the "**Meeting**") at the place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company. Advance notice of the Meeting was originally filed on SEDAR on September 22, 2016, and an amended version was filed on SEDAR on November 7, 2016.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAME OF THE PERSON NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY**. A proxy will not be valid unless the completed form of proxy is received by Computershare Trust Company of Canada ("**Computershare**"), 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time for holding the meeting or, with respect to any matters occurring after the reconvening of any adjournment of the Meeting, not less than forty-eight (48) hours prior to the time of recommencement of such adjourned meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the Company, at Suite 610, 700 West Pender Street, Vancouver, British Columbia, V6C 1G8, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. **Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the proxy on their behalf.**

A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

The shares represented by a properly executed proxy in favour of persons designated as proxyholders in the enclosed form of proxy will:

(a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be called for; and

(b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL, SUCH SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or proxyholders duly appointed by registered shareholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as "Beneficial Shareholders") should note that only registered shareholders are entitled to vote at the Meeting. If common shares of the Company (each, a "**Common Share**") are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting**.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients,

which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBOs**"). Subject to the provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of Reporting Issuers* ("**NI 54-101**") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

As the Company does not intend to pay intermediaries to forward the meeting materials to OBOs, Beneficial Shareholders who are OBOs will not receive the materials unless their intermediary assumes the costs of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy or voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

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

RECORD DATE AND QUORUM

The Company has set the close of business on October 12, 2016, as the record date (the "**Record Date**") for the Meeting. Only the holders of Common Shares of record as at the Record Date are entitled to receive notice of and to vote at the Meeting, unless after that date a shareholder of record transfers his

or her Common Shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

Under the Articles of the Company, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

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

Management of the Company is not aware of 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 or the appointment of auditors, of any person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, of each proposed nominee for election as a director of the Company, or of any associate or affiliate of such persons, except as hereinafter disclosed. As directors and executive officers of the Company may participate in the Company's stock option plan, they, accordingly, have an interest in its approval and ratification, which will be sought at the Meeting. (See "Particulars of Matters to be Acted Upon – New Stock Option Plan").

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without par value of which 13,658,300 Common Shares were issued and outstanding as of the Record Date. Only shareholders of record at the close of business on October 12, 2016, who either personally attend the Meeting or who have completed and delivered a form of Proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting on the basis of one vote for each Common Share held.

To the knowledge of the directors and senior officers of the Company, and based upon the Company's review of the records maintained by Computershare and insider reports filed with the System for Electronic Disclosure by Insiders at www.sedi.ca, as at the Record Date, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

The objective of this disclosure is to communicate all direct and indirect compensation the Company has paid, made payable, awarded, granted, given or otherwise provided to certain executive officers and directors for, or in connection with, services they have provided to the Company or a subsidiary of the Company, and the decision-making process related to compensation.

In this Information Circular:

"CEO" means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the financial year ended January 31, 2016;

"CFO" means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the financial year ended January 31, 2016;

"equity incentive plan" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment;

"incentive plan" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"incentive plan award" means compensation awarded, earned, paid, or payable under an incentive plan;

"NEO" or "named executive officer" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the financial year ended July 31, 2015, whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 - *Statement of Executive Compensation,* for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

"non-equity incentive plan" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

"option-based award" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features; and

"share-based award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, Common Share equivalent units, and stock.

Compensation Discussion and Analysis

The Company's executive compensation program is comprised of base salary, annual cash bonuses, indirect compensation (benefits) and long-term incentives in the form of stock options. The Company's executive compensation practices are designed to attract and retain talented personnel capable of achieving the Company's objectives. The Company also utilizes compensation programs to motivate and reward the Company's executives for the ultimate achievement of the Company's goals. The Company

makes use of complementary short-term and long-term incentive programs intended to provide fair, competitive and motivational rewards in the short-term while ensuring that executive's long-term objectives remain aligned with those of the shareholders.

The base salaries for all executives are paid within salary ranges established for each position based on scope and level of responsibility. Individual salaries within the range are determined by that executive's competence, skill level, experience, and market influences and conditions. Annual cash bonuses may be given based on subjective criteria, including the Company's ability to pay such bonuses, individual performance, the executive's contributions to achieving the Company's objectives and other competitive considerations.

Option-Based Awards

Stock options are granted pursuant to the Company's Stock Option Plan to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Board of Directors.

During the financial year ended January 31, 2016, the Company had two Named Executive Officers, namely Marc Morin, President and CEO, and Nilda Rivera, CFO.

Summary of Compensation Table

The following table is a summary of compensation paid to the Named Executive Officers during the Company's financial year ended January 31, 2016, plus the two prior financial years:

Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Option-Based Awards ($)[1]	Non-equity incentive plan compensation ($)		Pension Value ($)	All Other Compen-sation ($)	Total Compen-sation ($)
					Annual Incentive plans	Long-term Incentive plans			
Marc Morin President & CEO	2016	Nil	Nil	Nil	N/A	N/A	N/A	Nil	Nil
	2015	Nil	Nil	9,731	N/A	N/A	N/A	Nil	9,731
	2014	8,200	Nil	Nil	N/A	N/A	N/A	Nil	8,200

Nilda Rivera[2] CFO	2016	Nil	Nil	Nil	N/A	N/A	N/A	Nil	Nil
	2015	Nil	Nil	2,949	N/A	N/A	N/A	Nil	2,949
	2014	Nil	Nil	Nil	N/A	N/A	N/A	23,500	23,500

1 Option-based awards are stock options granted to the Named Executive Officers under the Company's stock option plan. These amounts reflect the fair value of the options granted and vested during the year. The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

	2016	2015	2014
Risk free interest rate	1.31% to 1.98%	1.31% to 1.98%	-
Expected dividend yield	0%	0%	-
Expected stock price volatility	89% to 122%	89% to 122%	
Expected life (in years)	3 to 6 years	3 to 6 years	-

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

2 Nilda Rivera served as CFO of the Company until June 19, 2015.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets out the outstanding share-based awards and option-based awards held by the Named Executive Officers as at January 31, 2016:

	Option-based Awards				Share-based Awards	
Name	**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 share that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Marc Morin President & CEO	60,000	$0.05	May 27, 2021	Nil	N/A	N/A
	330,000	$0.05	April 23, 2025	Nil	N/A	N/A
Nilda Rivera[2] CFO	Nil	N/A	N/A	Nil	N/A	N/A

1 The closing market price of the Company's Common Shares on January 31, 2016, was $0.035. The Common Shares of the Company were suspended from trading effective at market opening on June 29, 2015, and have not traded to date.

2 Nilda Rivera served as CFO of the Company until June 19, 2015. Subsequent to June 19, 2015, stock options previously granted to Nilda Rivera were cancelled.

Incentive plan awards – value vested or earned during the year

The following table sets out the value vested or earned in incentive plan awards held by the Named Executive Officers during the financial year ended January 31, 2016:

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 ($)
Marc Morin President & CEO	Nil	N/A	N/A
Nilda Rivera CFO	Nil	N/A	N/A

1 This value was determined by calculating the difference between the market price of the underlying Common Shares on the vesting dates and the exercise price of the options on the vesting dates.

See "Particulars of Matters to be Acted Upon – New Stock Option Plan" for a summary of the terms of the Company's proposed new stock option plan.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Company had no plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in the Company's most recently completed financial year or current financial year in respect to compensating such officers in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

Compensation of Directors

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended January 31, 2016, or subsequently, up to and including the date of this Information Circular.

Director compensation table

The following table sets forth the compensation provided to directors of the Company, who are not Named Executive Officers, during the Company's financial year ended January 31, 2016:

Name	Year	Fees earned ($)	Share-based awards ($)	Option-based awards ($)[1]	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
	2016	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Marc Levy[2]	2015	Nil	Nil	9,731	N/A	N/A	N/A	9,731
	2014	Nil	Nil	Nil	N/A	N/A	N/A	Nil
	2016	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Van Phu Bui[3]	2015	Nil	Nil	Nil	N/A	N/A	N/A	Nil
	2014	Nil	Nil	Nil	N/A	N/A	N/A	Nil

1 Option-based awards are stock options granted to the Named Executive Officers under the Company's stock option plan. These amounts reflect the fair value of the options granted and vested during the year. The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

	2016	2015	2014
Risk free interest rate	1.31% to 1.98%	1.31% to 1.98%	-
Expected dividend yield	0%	0%	-
Expected stock price volatility	89% to 122%	89% to 122%	
Expected life (in years)	3 to 6 years	3 to 6 years	-

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

2 Marc Levy served as a director of the Company until August 24, 2015.

3 Marc Van Phu Bui served as a director of the Company until May 27, 2015.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets out the outstanding share-based awards and option-based awards held by the directors of the Company, who are not Named Executive Officers, as at January 31, 2016:

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Marc Levy[2]	Nil	N/A	N/A	Nil	N/A	N/A
Van Phu Bui[3]	Nil	N/A	N/A	Nil	N/A	N/A

1 The closing market price of the Company's Common Shares on January 31, 2016, was $0.035. The Common Shares of the Company were suspended from trading effective at market opening on June 29, 2015, and have not traded to date.

2 Marc Levy served as a director of the Company until August 24, 2015. Subsequent to August 24, 2015, stock options previously granted to Marc Levy were cancelled.

3 Van Phu Bui served as a director of the Company until May 27, 2015. Subsequent to May 27, 2015, stock options previously granted to Van Phu Bui were cancelled.

Incentive plan awards – value vested or earned during the year

The following table sets out the value vested or earned in incentive plan awards by the directors of the Company, who are not Named Executive Officers, during the financial year ended January 31, 2016:

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 ($)**
Marc Levy	Nil	N/A	N/A
Van Phu Bui	Nil	N/A	N/A

[1] This value was determined by calculating the difference between the market price of the underlying Common Shares on the vesting dates and the exercise price of the options on the vesting dates.

See "Particulars of Matters to be Acted Upon – New Stock Option Plan" for a summary of the terms of the Company's proposed new stock option plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding the Company's equity compensation plans which were in effect as at the financial year ended January 31, 2016:

Plan Category	# of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	# of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Shareholders	390,000	$0.05	975,830
Equity Compensation Plans Not Approved by Shareholders	N/A	N/A	N/A
Total	390,000	$0.05	975,830

Existing Stock Option Plan

Pursuant to Policy 4.4 of the TSX Venture Exchange Corporate Finance Manual, all TSX Venture listed companies are required to adopt a stock option plan prior to granting incentive stock options. The purpose of a stock option plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified executives, employees and consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Common Shares of the Company as long term investments.

The Company is currently listed on the TSX Venture Exchange and has adopted a "rolling" stock option plan (the "**Existing Stock Option Plan**") reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant. "Rolling" stock option plans are required to be reapproved by shareholders each year at a company's Annual General Meeting.

The TSX Venture Exchange's Policy 4.4 and the terms of the Existing Stock Option Plan authorize the Board of Directors to grant stock options to optionees on the following terms:

(a) The aggregate number of shares which will be available for purchase pursuant to options granted pursuant to the Existing Stock Option Plan will not exceed 10% of the issued and outstanding shares of the Company at the time of the grant.

(b) The following limitations shall apply to the Existing Stock Option Plan and all options thereunder so long as such limitations are required by the TSXV:

  (i) The maximum number of shares which may be reserved for issuance to any one option holder under the Existing Stock Option Plan within any 12 month period shall be 5% of the outstanding issue;

  (ii) The expiry date of an option shall be no later than the tenth anniversary of the grant date of such option;

  (iii) The maximum number of options which may be granted to any one consultant within any 12 month period must not exceed 2% of the outstanding issue; and

  (iv) The maximum number of options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the outstanding Issue, and such options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period.

(c) Subject to a minimum price of $0.05 per share, the option price shall not be less than the closing price (the "Market Price") of the Common Shares on the TSX Venture Exchange immediately preceding the day on which the board grants and provides notice to the TSX Venture Exchange of the options, less the discount to the Market Price permitted by the TSX Venture Exchange.

(d) In the event that the option holder holds his or her option as an employee or consultant, other than an option holder who is engaged in investor relations activities, and such option holder ceases to hold such position other than by reason of death or disability, the expiry date of the option shall be, unless otherwise expressly provided for in the option certificate, the 90th day

following the date the option holder ceases to hold such position, or, in the case of an option holder that is engaged in investor relations activities while the Company is classified as a Tier 2 issuer on the TSX Venture Exchange, the 30th day after the date such option holder ceases to hold such position.

(e) The options are non-assignable and non-transferable. In the event of the option holder's death, any options held by such option holder shall pass to the personal representative of the option holder and shall be exercisable by the personal representative on or before the date which is the earlier of six months following the date of death and the applicable expiry date.

(f) Options, other than options granted to consultants providing investor relations services, shall vest immediately if the Company is acquired or taken over through a merger, takeover or acquisition transaction.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") provides guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 and requires full and complete annual disclosure of a listed company's systems of corporate governance with reference to each of such guidelines (the "**Guidelines**"). Where a company's corporate governance system differs from the Guidelines, each difference and the reason for the difference is required to be disclosed. The Company's approach to corporate governance is provided below.

Corporate governance relates to the activities of the board of directors of the Company (the "**Board**"), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices that are both in the interest of its shareholders and contribute to effective and efficient decision making. National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines that apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. NI 58-101 mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

Structure

The Board is currently composed of three (3) directors. All of the proposed nominees for election as a director at the Meeting are current directors of the Company. Form 58-101F2 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under National Instrument 52-110 ("NI 52-110"), which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship that could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Of the proposed nominees: (a) Marc Morin, who also serves the Company as President and CEO, is not considered to be independent; (b) Michael Young is an independent director; and (c) Anastase Maragos

is an independent director. In assessing Form 58-101F2 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors. It is the objective of the Company to continue the search for additional qualified individuals who would be willing to serve as directors and who would be considered as "independent", so as to strive to have a larger majority of independent Board members and enhance the quality of the Company's corporate governance.

The Company does not currently have a Chairman of the Board and, given the current size of the Board, does not consider that a Chairman is necessary. The independent directors exercise their responsibilities for independent oversight of management, and are provided with leadership through their positions on the Board and ability to meet independently of management whenever deemed necessary. The Board will give consideration to appointing an "independent" member as Chairman at such time as it believes that such a position is required but will not be able to do so until additional "independent" directors are recruited and appointed.

Mandate of the Board

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through the Audit Committee. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company's overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders' equity interests through the optimum utilization of the Company's capital resources. The Board also takes responsibility for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of the Company's development, the Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate legislation and regulatory policies. However, as the Company grows, the Board will likely move to develop a formal written mandate.

In keeping with its overall responsibility for the stewardship of the Company, the Board is responsible for the integrity of the Company's internal control and management information systems and for the Company's policies respecting corporate disclosure and communications.

Each member of the Board understands that he is entitled, at the cost of the Company, to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances.

The positions of President and CEO are combined. The Board believes the Company is well serviced and the independence of the Board from management is not compromised by the combined role. The Board does not, and does not consider it necessary to, have any formal structures or procedures in place to ensure that the Board can function independently of management. The Board believes that its current composition, in which two of three members is independent, is sufficient to ensure that the Board can function independently of management.

Directorships

The following director of the Company is currently a director of other reporting issuers:

Name of Director	Other Reporting Issuers	Exchange
Marc Morin	A.I.S.Resources Limited	TSX Venture Exchange (NEX Board)

Orientation and Continuing Education

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current level of operations. However, if the growth of the Company's operations warrants it, it is likely that a formal orientation process will be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Company's Board.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. Should the Company operations grow in size and scope, the Board anticipates that it would then formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Board as a whole determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the individual Board members, including both formal and informal discussions among Board members and the President and CEO. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

Compensation

The Company does not currently pay its directors any remuneration for acting as directors and the only compensation for acting as directors received by non-management directors is through the grant of incentive stock options. The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Options to be granted to "management" directors are required, as a matter of board practice, to be reviewed and approved by the "non-management" directors. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time as, in the opinion of the Board, the size and activities of the Company and the number of management employees warrants it, the Board will consider it necessary to appoint a formal compensation committee.

Other Board Committees

Committees of the Board are an integral part of the Company's governance structure. At the present time, the only standing committee is the Audit Committee. Disclosure with respect to the Audit Committee, as required by NI 52-110 – *Audit Committee*, is shown in the next section of this Information Circular. As the Company grows, and its operations and management structure became more complex, the Board will likely find it appropriate to constitute formal standing committees, such as a Corporate Governance Committee, Compensation Committee and Nominating Committee, and to ensure that such committees are governed by written charters and are composed of at least a majority of "independent" directors.

Assessments

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an *ad hoc* basis.

AUDIT COMMITTEE

Pursuant to section 224 of the Business Corporations Act (British Columbia), the Company is required to have an audit committee composed of at least three directors, and a majority of the members of the committee must not be officers or employees of the Company or of an affiliate of the Company.

Audit Committee Charter

Under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), companies are required to provide certain disclosure with respect to their audit committee, including the text of the audit committee's

charter, which is attached hereto as Schedule "A", the composition of the audit committee and the fees paid to the external auditor.

Composition of the Audit Committee

The following table sets out the relevant education and experience of the directors of the Company who are members of the Audit Committee:

Member	Independent/ Not Independent[1]	Financially Literate/ Not Financially Literate[2]	Relevant Education and Experience
Marc Morin	Not Independent	Financially literate	Mr. Morin has served as a director, officer and audit committee member of a number of publicly traded companies.
Michael Young	Independent	Financially literate	Ms. Young is a graduate of the Certified Financial Planning education program and has served as a director, officer and audit committee member of other companies, both public and private.
Anastase Maragos	Independent	Financially Literate	Mr. Maragos holds a Bachelor of Commerce degree and has served as a director and audit committee member of another public company.

1 A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

2 An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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 Company's financial statements.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Chairman of the Audit Committee is authorized to approve any non-audit services or additional work which the Chairman deems as necessary and is required to notify the other members of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees[1]	Audit Related Fees[2]	Tax Fees[3]	All Other Fees[4]
2016	$3,213	Nil	Nil	Nil
2015	$6,300	Nil	Nil	Nil

1 The aggregate audit fees billed.
2 The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".
3 The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
4 The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

The Company is relying upon the exemption in section 6.1 of National Instrument 52-110 – *Audit Committees* from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Company's last completed financial year, nor during any subsequent period, was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company nor any former director, executive officer or employee of the Company or any of its subsidiaries, indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Applicable securities legislation defines "*informed person*" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns,

directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

None of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company's most recently completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

The management functions of the Company are substantially performed by the directors and officers of the Company, and not to any substantial degree by any other person with whom the Company has contracted.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Annual Financial Statements

The Board has approved the audited annual financial statements of the Company for the fiscal year ended January 31, 2016, together with the auditors' report thereon, which will be tabled at the Meeting and the full text of which are attached as Schedule "B".

Management will review the Company's financial results at the Meeting and shareholders and proxyholders will be given an opportunity to discuss these results with management. **No approval or other action needs to be taken at the Meeting in respect of these documents.**

2. Fixing the Number of Directors

The Company is required to have at least three directors and there are currently three directors on the Company's board of directors. At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting of shareholders or until their successors are elected or appointed be set at three (3).

Unless otherwise directed, it is the intention of management to vote proxies IN FAVOUR of setting the number of directors to be elected at three (3).

3. Election of Directors

All current directors of the Company cease to hold office immediately before the election or appointment of directors at the Meeting but are eligible for re-election or re-appointment. Unless the director's office is earlier vacated in accordance with the provisions of *Business Corporations Act* (British Columbia) or the Articles of the Company, or until his or her successor

is duly elected or appointed, unless his or her office is earlier vacated.

It is proposed that the below stated nominees be elected at the Meeting as directors of the Company for the ensuing year. The director nominees include Marc Morin, Michael Young, and Anastase Maragos, all of whom are current directors of the Company.

The persons designated in the enclosed Form of Proxy, unless otherwise directed, intend to vote FOR the election to the Board of the nominees listed below. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

Pursuant to the Company's Advance Notice Policy, as adopted by the directors of the Company on March 31, 2013, and subsequently approved by the shareholders of the Company, along with the addition of Advance Notice Provisions (the "**Provisions**") to the Articles of the Company, on October 16, 2013, any additional director nominations for the Meeting must be received by the Company in accordance with the Provisions. As no such nominations were received by the Company, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following table sets out the names of management's nominees for election as directors; all offices in the Company each nominee now holds; each nominee's principal occupation, business or employment; the period of time during which each nominee has been a director of the Company; and the number of Common Shares of the Company beneficially owned by each nominee, directly or indirectly, or over which each nominee exercised control or direction, as at the Record Date.

Name, Province and Country of Residence and Position Held[1]	Principal Occupation for the Past Five Years[1]	Director of the Company Since	Common Shares Beneficially Owned or Controlled, Directly or Indirectly[2]
Marc Morin[3] British Columbia, Canada President, Chief Executive Officer & Director	President of 675323 BC Ltd. since September 2011; President, Chief Executive Officer, and a director of A.I.S. Resources Ltd. (TSX-V: AIS.H) since August 2016; Director of Ultra Lithium Inc. (TSX-V: ULI) March 2009 – May 2015; President and Chief Executive Officer of Ultra Lithium Inc. June 2010 –	December 14, 2007	750,000

	May 2015; Director of Lornex Capital Inc. (now Norsemont Capital Inc., CSE:NOM) June 2010 - 2013		
Michael Young[3] British Columbia, Canada Director	Self-employed consultant/advisor since January 1994; Chief Financial Officer and VP Corporate Development of Green 2 Blue Energy Corp. since August 2015; Director of DraftTeam Fantasy Sports Inc. (formerly Intelimax Media Inc.) April 2006 – February 2015; President of DraftTeam Fantasy Sports Inc. February 2012 – February 2015; Chief Financial Officer of DraftTeam Fantasy Sports Inc. March 2012 – February 2015; Chief Executive Officer of DraftTeam Fantasy Sports Inc. February 2013 – May 2013; President of Mission Renewables Inc. November 2010 – May 2012	September 14, 2016	Nil
Anastase Maragos[3] British Columbia, Canada Director	Partner, Watson Goepel LLP. Mr. Maragos joined Watson Goepel in 1992 and became a partner in the law firm in 1999.	October 28, 2016	Nil

1 The information as to the residency and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

2 The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually and from the records obtained from the System for Electronic Disclosure by Insiders (SEDI) available at www.sedi.ca.

3 Denotes member of Audit Committee

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no proposed director:

(a) is, at the date of this Information Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,

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

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

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

(c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

4. Appointment of Auditors

Jackson & Company, Chartered Accountants ("Jackson & Company"), is the independent registered certified auditor of the Company. Management proposes that Jackson & Company be re-appointed as auditor of the Company, to hold office until the next annual meeting of shareholders or until a successor is appointed at a remuneration to be fixed by the directors**.**

WDM Chartered Accountants, the former auditor of the Company, was asked to resign as the auditor of the Company and did so effective October 12, 2016. Jackson & Company, Chartered Accountants, of Vancouver, British Columbia, were appointed by the Directors of the Company as the new auditor of the Company commencing October 12, 2016. The resignation of WDM Chartered Accountants and the appointment of Jackson & Company, Chartered Accountants, in their place was approved by Board of Directors of the Company.

Attached to this Information Circular as Schedule "C" is the reporting package filed with the requisite securities regulatory authorities with respect to the Company's change of auditor.

Unless otherwise directed, the Common Shares represented by proxies in favour of the management designees will be voted FOR the appointment of Jackson & Company, Chartered Accountants, as auditor of the Company to hold office until the next annual meeting of shareholders or until a successor is appointed and to authorize the directors to fix the remuneration of the auditors.

5. Adoption of New Articles

The Board proposes to replace the Company's current articles (the "**Existing Articles**") with new articles, in substantially the form attached hereto as Schedule "D" (the "**New Articles**"). The primary reason for replacing the Existing Articles with the New Articles is to provide the Company with modernized articles which provide greater flexibility to the Board in carrying out the business of the Company.

Comparison of Existing Articles to New Articles

The main differences between the Existing Articles and the New Articles are that the New Articles provide for each of the following provisions, whereas the Existing Articles do not (or do not explicitly): (i) uncertificated shares; (ii) flexibility to the Board to make certain alterations to the Company's authorized share structure by way of directors' resolution as opposed to the Company having to incur the additional costs of obtaining shareholder approval; (iii) new quorum requirements; and (iv) allowing for a change of the Company's name by directors' resolution instead of by a special resolution of the shareholders.

Under the New Articles, subject to the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), the Company may, by resolution of the directors:

(i) change the name of the Company;

(ii) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(iii) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(iv) if the Company is authorized to issue shares of a class of shares with par value:

  (a) decrease the par value of those shares,

  (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,

  (c) subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value, or

(d) consolidate all or any of its unissued or fully paid issued shares with par value into shares of larger par value;

(v) subdivide all or any of its unissued or fully paid issued shares without par value;

(vi) change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;

(vii) alter the identifying name of any of its shares;

(viii) consolidate all or any of its unissued or fully paid issued shares without par value; or

(ix) otherwise alter its shares or authorized share structure when required or permitted to do so by the BCBCA.

Under the Existing Articles, certain of the alterations described above require approval of the shareholders by special resolution. The New Articles allow the Company to make these alterations by directors' resolution without the Company having to incur the costs of calling and holding a meeting of shareholders for this purpose. The New Articles also change the quorum for the transaction of business at a meeting of shareholders from two individuals who are shareholders, proxy holders representing shareholders or duly authorized representatives of corporate shareholders personally present, holding at least 5% of the issued shares entitled to be voted at the meeting, to one or more persons who are, or who represent by proxy, shareholders of the Company.

A copy of the New Articles is attached hereto as Schedule "D" and will also be available for inspection by shareholders during normal business hours at any time up to the Meeting at the Company's office located at Suite 610, 700 West Pender Street, Vancouver, British Columbia, and at the Meeting.

Shareholder Approval

Under the BCBCA and the Existing Articles, the replacement of the Existing Articles with the New Articles requires approval by special resolution of the shareholders and, as such, an affirmative vote of not less than two-thirds of the votes cast at the Meeting.

At the Meeting, shareholders will be asked to pass the following special resolution to adopt the New Articles for the Company in replacement of the Existing Articles (the "**New Articles Resolution**"):

"BE IT RESOLVED, as a special resolution of the shareholders of the Company, that:

1. The existing articles of the Company be terminated;

2. The form of articles presented to the Meeting, and attached as Schedule "D" to the Company's Information Circular dated October 31, 2016, be adopted as the articles of the Company in substitution for, and to the exclusion of, the existing articles of the Company;

3. The board of directors of the Company be authorized, at any time in its absolute discretion, to determine whether or not to proceed with the foregoing resolutions, without further approval, ratification or confirmation by the shareholders of the Company; and

4. Any director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver for and on behalf of the Company, under the corporate seal of the Company or otherwise, all such certificates, instruments, agreements, notices and other documents as in such person's opinion may be necessary or desirable for the purpose of giving effect to the foregoing resolutions."

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

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

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

6. Private Placement of Secured Convertible Debentures

On August 15, 2016, further to an application made by the Company, the British Columbia Securities Commission issued a partial revocation order (the "**Partial Revocation Order**") in respect of its cease trade order dated October 6, 2015 (the "**Cease Trade Order**") issued for the failure of the Company to file certain of its periodic continuous disclosure filings including its interim and annual financial statements and *Management's Discussion and Analysis* from and after the period ended July 31, 2015, as required by National Instrument 51-102 *Continuous Disclosure Obligations*.

Pursuant to the Partial Revocation Order, the Company proposed to undertake a non-brokered private placement (the "**Private Placement**") as approved by the Company's Board of Directors. The Board of Directors of the Company has reviewed the terms of the Private Placement and has concluded that it is in the best interests of the Corporation to proceed with the Private Placement. Completion of the Private Placement is subject to final acceptance from the TSX Venture Exchange.

Description of Private Placement

The Private Placement consists of secured convertible debentures (the "**Debentures")** being offered to B.C. or offshore subscribers only for gross proceeds of up to $250,000.

The Debentures shall mature 24 months from the date of issuance, accrue interest at a rate of 11% per year and be convertible into units of the Company (each, a "**Unit**") at a per Unit conversion price equal

to the 10-day post-consolidated average closing price of the Common Shares of the Company on the NEX Board of the TSX Venture Exchange following the resumption of trading subject to a $0.05 minimum (the "**Conversion Price**"). Each Unit shall consist of one Common Share and one Common Share purchase warrant (each, a "**Warrant**") of the Company. Each Warrant shall entitle the holder to acquire one additional Common Share of the Company at an exercise price equal to the Conversion Price.

Notwithstanding the above, without the prior written consent of the Company, Debentures shall not be convertible into Units should such conversion cause a holder to beneficially own in excess of 9.9% of the number of Common Shares in the capital of the Company.

Each potential investor in the Private Placement receives a copy of the Cease Trade Order, as well as the cease trade order issued by the Ontario Securities Commission on October 26, 2015, and a copy of the Partial Revocation Order in accordance with the terms of the Partial Revocation Order received by the Company. Each Debenture holder must also acknowledge to the Company that all of the Company's securities, including the securities issued in connection with the Private Placement, will remain subject to the cease trade orders until such orders are revoked, and that the granting of the Partial Revocation Order does not guarantee the issuance of full revocation orders in the future.

The Company's obligations under the Debentures are secured by a general security agreement covering all of the Company's assets.

First Tranche of Private Placement

The Company has closed, and received final acceptance from the TSX Venture Exchange, of the first tranche of the Private Placement in the amount of $28,754.00, of a total of up to $250,000 (the "**First Tranche**").

Proceeds from the First Tranche are for general corporate and working capital purposes, such as covering the expenses related to holding the Meeting, as well as the required accounting and audit work that was necessary to produce audited annual financial statements for the financial year ended January 31, 2016, as the Company moves to file all outstanding continuous disclosure records.

At the Meeting, shareholders are being asked to consider and, if deemed advisable, to pass an ordinary resolution, the Private Placement Resolution substantially in the form set forth below approving the Private Placement of secured convertible debentures of up to $250,000, the closing of the First Tranche, the issuance of units of the Company upon conversion thereof, and all matters related thereto.

The Board of Directors of the Corporation unanimously recommends that the Shareholders vote in favour of the Private Placement Resolution below.

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

1. The private placement offering of secured convertible debentures of up to $250,000 is hereby authorized approved, ratified and confirmed.

2. The issuance of secured convertible debentures by way of the private placement for gross proceeds of up to $250,000, on the terms set out in the

subscription agreements is hereby authorized, approved, ratified and confirmed;

3. Completion of such Private Placement, any tranche and all matters related thereto, be and are hereby authorized, approved, ratified and confirmed;

4. Pursuant to the terms of the Private Placement, the conversion of secured convertible debentures into Units of the Company, and the issuance of any underlying securities thereof, are hereby authorized, approved, ratified, and confirmed.

5. Notwithstanding that these resolutions have been duly passed, the Board of Directors of the Company is hereby authorized, without further notice to or approval of the Company's shareholders, to amend the terms of the Private Placement to the extent permitted by the policies of, and subject to the approval of, the TSX Venture Exchange;

6. The Company be and is hereby authorized and approved to make any and all such filings as may be required to comply with applicable laws relating to the creation, issue, sale and delivery of the Debentures, Units (upon conversion), and the underlying Common Shares and Warrants; and

7. Any director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and to take all such other actions as such director or officer may determine necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of such actions."

For the foregoing to be completed, the Private Placement Resolutions must be approved by a majority of the votes cast with respect to such resolutions by the shareholders of the Company present in person or by proxy at the Meeting. Unless otherwise directed, Management intends to vote such proxies in favour of the resolutions approving the Private Placement.

7. Share Consolidation

Management of the Company considers it advisable to consolidate the Company's authorized share capital. It is Managements' further opinion that a consolidation of the Company's share capital on the basis of up to ten (10) existing Common Shares for one (1) new Common Share (the "**Consolidation Ratio**") is required in order to attract new equity investment in the Company whether it be through private or public markets. The Company believes that the Consolidation, if implemented, will promote increased liquidity and reduced volatility in the trading of the Common Shares. If approved and implemented, the Consolidation will occur simultaneously for all of the Company's issued and outstanding Common Shares and the consolidation ratio will be same for all such Common Shares. The Consolidation will affect all holders of Common Shares uniformly and will not affect any Shareholder's

percentage ownership interest in the Corporation, except to the extent that the Consolidation would otherwise result in a Shareholder owning a fractional Common Share.

The directors will be reviewing the circumstances associated with implementing a consolidation, and may determine to consolidate on a basis of less than 10:1, or not at all. **Granting the directors the right to consolidate the Company's share capital does not mean the same will occur**. Rather it allows the directors the flexibility to undertake the same should the circumstances warrant, and at the appropriate ratio, without the expense of calling another shareholder meeting to specifically approve a share consolidation.

Effect of Share Consolidation

If the share consolidation resolution is approved at the Meeting and is implemented by the Company:

(1) each holder of issued pre-consolidation Common Shares will become entitled to receive such number of post-consolidation Common Shares as is equal to the number of pre-consolidation Common Shares held divided by the Consolidation Ratio; and

(2) each option, warrant or other securities of the Company convertible into pre-consolidation Common Shares ("Pre-consolidation Convertible Securities") that have not been exercised or cancelled prior to the effective date of the implementation of the share consolidation resolution will be adjusted pursuant to the terms thereof on the same Consolidation Ratio described above and each holder of Pre-consolidation Convertible Securities will become entitled to receive post-consolidation Common Shares pursuant to such adjusted terms.

If the share consolidation resolution is approved at the Meeting and the Board has determined that it is appropriate to implement such resolution, the share consolidation will become effective upon the filing by the Company of a certified copy of the share consolidation resolution with the office of the Registrar of Companies in the Province of British Columbia. Upon such filing, each person who becomes entitled to receive post-consolidation Common Shares on the terms described above will be immediately recorded as such on the share register of the Company. Each holder of Pre-consolidation Convertible Securities will be advised of the adjustments made to such securities pursuant to the terms thereof.

Beneficial shareholders holding their Common Shares through an intermediary, such as a brokerage firm, bank, dealer or similar organization, should note that such intermediary may have different procedures for processing the share consolidation than those that will be put in place by the Company for the registered shareholders. Beneficial shareholders who have any questions in this regard are encouraged to contact their intermediary.

There can be no assurances whatsoever that the market price of the Common Shares will increase, nor that a higher share price will generate increased investor interest, if the proposed share consolidation is implemented.

Exchange of Shares

The specific procedures for the deposit of certificates representing pre-consolidation Common Shares and the delivery of post-consolidation Common Shares will be set out in a Notice of Share Consolidation and Letter of Transmittal to be delivered to shareholders following the Company's determination to implement the share consolidation resolution. It is recommended that shareholders complete and return their Letter of Transmittal to the Company's registrar and transfer agent at its principal office in Vancouver as soon as possible following receipt of same. Upon return of a properly completed Letter of Transmittal, along with certificates representing pre-consolidation Common Shares, certificates for the appropriate number of post-consolidation Common Shares will be distributed without charge.

No fractional post-consolidation Common Shares will be issued and no cash will be paid in lieu of fractional post-consolidation Common Shares. Any fractions resulting will be rounded to the nearest whole number, with fractions of one-half or more being rounded to the next whole number.

Share Consolidation Resolution

The share consolidation resolution must be approved by a special resolution of Shareholders. Accordingly, to be adopted, the special resolution must be approved by not less than 2/3rds of the votes cast at the Meeting by Shareholders in person or represented by proxy. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass the following special resolution:

"BE IT RESOLVED, as a special resolution of the shareholders of the Company, that:

1. the Company is authorized to change the number of issued and outstanding common shares of the Company (each, a "**Common Share**") by consolidating the issued and outstanding Common Shares of the Company on the basis of not more than 10 pre-consolidation Common Shares for every one post-consolidation Common Share (the "**Consolidation**") or for such other lesser whole or fractional number of existing Common Shares that the directors, in their sole discretion, determine to be appropriate, and in the event that the Consolidation would otherwise result in a holder of Common Shares of the Company holding a fraction of a Common Share, any fractional interest in Common Shares that is less than 0.5 of a Common Share resulting from the Consolidation will be rounded down to the nearest whole Common Share and any fractional interest;

2. any director or officer of the Company is authorized and directed for and in the name of and on behalf of the Company to execute and deliver or cause to be delivered all documents required under the *Business Corporations Act* (British Columbia) or the policies of any applicable regulatory body or exchange and to execute and deliver or cause to be delivered all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution;

3. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares of the Company, the directors of the Company may in

their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the Common Shares of the Company; and

4. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

The Board recommends that Shareholders vote FOR the above resolution. The management designees intend to vote FOR the above resolution, unless a Shareholder specifies otherwise in the proxy.

8. New Stock Option Plan

Pursuant to the policies of the NEX board of the TSX Venture Exchange ("TSXV"), all NEX listed companies are required to adopt a stock option plan prior to granting incentive stock options in compliance with applicable TSXV policies. The Company's Existing Stock Option Plan was adopted by the Company's Board of Directors on March 31, 2008, and first approved by the Company's shareholders on June 8, 2009. The Existing Stock Option Plan has been renewed annually since that time but had not been not been updated since inception.

The following information is intended as a brief description of the new 2016 stock rolling stock option plan (the "**2016 Rolling Stock Option Plan**") and is qualified in its entirety by the full text of the 2016 Rolling Stock Option Plan, a copy of which is attached as Schedule "E" to the Company's information circular dated October 31, 2016, which is available on SEDAR at www.sedar.com:

2016 Stock Option Plan - Summary

On October 31, 2016, the Board of Directors of the Company considered changes made to the policies of the TSX Venture Exchange that relate to stock option plans and approved the adoption of a new 2016 Rolling Stock Option Plan to replace the Existing Stock Option Plan. The 2016 Rolling Stock Option Plan will replace and supersede the Existing Stock Option Plan. The 2016 Rolling Stock Option Plan is substantially similar to the Existing Stock Option Plan and with the move to the 2016 Rolling Stock Option Plan, all stock options outstanding under the Existing Stock Option Plan will be rolled into the 2016 Rolling Stock Option Plan. As of the date of this Information Circular, the total number of options outstanding is 390,000, all as granted to a director and officer of the Company.

At the Meeting, Shareholders are being asked to approve the 2016 Rolling Stock Option Plan.

The purpose of the 2016 Rolling Stock Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares. It is the intention of the Company that, if and so long as the Common Shares are listed on the NEX and/or TSX Venture Exchange, at the discretion of the Board of Directors of the Company, the 2016 Rolling Stock

Option Plan will at all times be in compliance with the policies of the TSX Venture Exchange and unless the Board of Directors determines otherwise, any inconsistencies between the 2016 Rolling Stock Option Plan and the policies of the TSX Venture Exchange whether due to inadvertence or changes in the policies of the TSX Venture Exchange will be resolved in favour of the policies of the TSX Venture Exchange.

The Board will administer the 2016 Rolling Stock Option Plan and may, from time to time, in its discretion, and in accordance with the requirements of the TSX Venture Exchange, grant to bona fide directors, employees and consultants of the Company, non-assignable and non-transferable options to purchase Common Shares. The Board may from time to time, subject to regulatory or shareholder approval, amend or revise the terms of the 2016 Rolling Stock Option Plan.

Under the 2016 Rolling Stock Option Plan, the aggregate number of Common Shares that may be reserved for issuance, together with any Common Shares reserved for issuance under any other share compensation arrangement implemented by the Company, shall not exceed 10% of the total number of issued Common Shares of the Company (calculated on a non-diluted basis) at the time an option is granted. If any options granted under the 2016 Rolling Stock Option Plan shall expire, terminate or be cancelled for any reason without having been exercised in full, any unpurchased Common Shares to which such options relate shall be available for the purposes of granting of further options under the 2016 Rolling Stock Option Plan.

The Board of Directors has resolved that no stock options shall be granted under the 2016 Rolling Stock Option Plan until such time as the Common Shares of the Company are reinstated to trading.

Limitation on Option Grants

The following restrictions on the granting of Options are applicable under the Plan:

(a) Individuals. The aggregate number of optioned shares that may be reserved for issuance pursuant to options granted to any one individual must not exceed 5% of the issued Common Shares of the Company (determined as at the date of grant) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval, as such term is defined in the 2016 Rolling Stock Option Plan.

(b) Optionees Performing Investor Relations Activities. The aggregate number of options granted to individuals/consultants engaged to provide Investor Relations Activities (as defined in the policies of the TSX Venture Exchange) in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the date of grant) without the prior consent of the TSX Venture Exchange.

(c) Consultants. The aggregate number of options granted to any one consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the date of grant) without the prior consent of the TSX Venture Exchange.

Exercise Price

If the Common Shares are listed on the TSX Venture Exchange, subject to a minimum price of $0.05 per share, the exercise price for an option under the 2016 Rolling Stock Option Plan shall be fixed by the Board when the option is granted, provided that such price shall not be less than the discounted market price and the exercise price must be set in accordance with the policies of the TSX Venture Exchange. If the Common Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting. If an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by the policies of the TSX Venture Exchange and the per share price paid by public investors for Common Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus. In all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

Term and Vesting

Any option must be exercised within a term set by the Board at the time of grant, such term not to exceed ten (10) years from the date of the granting of the option. The vesting period or periods within this term during which an option or a portion thereof may be exercised by a participant under the 2016 Rolling Stock Option Plan shall be determined by the Board.

Termination of Options

Unless the Board determines otherwise, options will terminate in the following circumstances:

(a) Termination of Services For Cause, Refusal to Stand for Election or Upon Resignation. If the engagement of the optionee as a director, employee or consultant is terminated for cause (as determined by common law) or if such director, employee or consultant resigns, or in the case of a director, refuses to stand for re-election, any option granted to such optionee shall terminate and cease to be exercisable immediately upon the optionee ceasing to be a director, employee or consultant by reason of termination for cause, refusal to stand for re-election or by resignation.

(b) Termination of Services Without Cause. If the engagement of the optionee as a director, employee or consultant of the Company is terminated for any reason other than cause (as determined by common law), resignation, disability or death, the optionee may exercise any option granted hereunder to the extent that such option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the expiry date of the option, and (ii) the date that is 90 days after the effective date of the optionee ceasing to be a director, employee or consultant for that other reason.

(c) Death. If the optionee dies, the optionee's lawful personal representatives, heirs or executors may exercise any option granted hereunder to the optionee to the extent such option was exercisable and had vested on the date of death until the earlier of (i) the expiry date of the option, and (ii) one year after the date of death of such optionee.

(d) Disability. If the optionee ceases to be an eligible person, as such term is defined in the 2016 Rolling Stock Option Plan, due to his disability, or, in the case of an optionee that is a company, the disability of the person who provides management or consulting services to the Company or to an affiliate of the Company, the optionee may exercise any option granted hereunder to the extent that such option was exercisable and had vested on the date of disability until the earlier of (i) the expiry date of the option, and (ii) the date that is 90 days after the date of disability.

Other Provisions

The 2016 Rolling Stock Option Plan contains provisions governing the acceleration of the vesting of options in the event of a change of control of the Company or in the event of a take-over proposal.

Notwithstanding the provisions contained herein for the expiry of options, in the event that the expiry date of an option falls during a black out period that is formally imposed by the Company pursuant to its policies as a result of the *bona fide* existence of undisclosed material information, the 2016 Rolling Stock Option Plan provides that the expiry date of such option shall be automatically extended for a period of ten (10) business days following the general disclosure of the undisclosed material information.

Approval

The 2016 Rolling Stock Option Plan, which is subject to acceptance by the TSX Venture Exchange, must be approved by the shareholders of the Company at the Meeting and on an annual basis thereafter.

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

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

1. The incentive stock option plan of the Company, as described and detailed as the 2016 Rolling Stock Option Plan in the Information Circular of the Company dated October 31, 2016 (the "**Plan**"), be and is hereby ratified, confirmed and approved;

2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange (the "**TSXV**");

3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or other applicable securities

regulatory authorities and to complete all transactions in connection with the administration of the Plan; and

4. The directors of the Company may revoke this resolution before it is acted upon without further approval of the shareholders."

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

The foregoing resolutions must be approved by a majority of the votes cast with respect to such resolutions by the shareholders of the Company present in person or by proxy at the Meeting. Unless otherwise directed, Management intends to vote such proxies in favour of the resolutions approving the 2016 Rolling Stock Option Plan.

9. Ratification of Previous Acts and Deeds

Management of the Company will be seeking shareholder ratification and approval of all previous acts and deeds by the directors, including, without limitation, approval by the directors of the Company of the secured convertible debenture financing, and the closing of the First Tranche thereof, as more fully described under "Particulars of Matters to be Acted Upon – 6. Private Placement of Secured Convertible Debentures", above, since the last meeting of shareholders held by the Company.

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

1. All previous acts and deeds by the directors since the last meeting of shareholders held by the Company be hereby ratified and approved."

It is the intention of the persons named in the enclosed Proxy, in the absence of instructions to the contrary, to vote the Proxy FOR of the resolution ratifying and approving all the previous acts and deeds by the directors since the last meeting of shareholders.

10. Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the Common Shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com under "Company Profiles – Sparrow Ventures Corp.". The Company's financial information is provided in the Company's comparative financial statements for its financial year ended January 31, 2016, attached hereto as Schedule "B". Shareholders of the Company

may request copies of the Company's financial statements by contacting the Chief Executive Officer of the Company at Suite 610, 700 West Pender Street, Vancouver, British Columbia, V6C 1G8.

Schedule "A"

The following is the text of the current Charter of the Audit Committee (the "**Charter")** as adopted by the Board on January 1, 2008. The Board of Directors may amend the Charter in the future in light of evolving corporate governance standards.

Audit Committee Charter

Overall Purpose / Objectives

The Audit Committee will assist the board of directors (the "Board") in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.

Organization

(a) *Membership*

The Audit Committee will be comprised of at least three members, who are directors, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the committee from time to time.
A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company Secretary, or such person nominated by the Chairman.

(b) *Attendance at Meetings*

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting of the Audit Committee if they consider that it is necessary.

The proceedings of all meetings will be minuted.

Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside independent counsel whenever deemed appropriate.

- Review the annual and quarterly financial statements, including Management's Discussion and Analysis and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.

- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.

- Meet with management and the external auditors to review the annual financial statements and the results of the audit.

- Evaluate the fairness of the interim financial statements and disclosures and obtain explanations from management on whether:

    (a) actual financial results for the interim period varied significantly from budgeted or projected results;

    (b) generally accepted accounting principles have been consistently applied;

    (c) there are any actual or proposed changes in accounting or financial reporting practices; and

(d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.

- Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.

- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.

- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

- Review and approve the Company's hiring policies regarding partners, employers and former partners and employees of the present and former external auditors of the Company.

- Establish a procedure for:

  (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and

  (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

- Perform other functions as requested by the full Board.

- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

- Review and recommend updates to the charter; receive approval of changes from the Board.

SCHEDULE "B"

SPARROW VENTURES CORP.

Financial Statements

Years Ended January 31, 2016 and 2015

(Expressed in Canadian Dollars)

- Independent Auditors' Report
- Statements of Financial Position
- Statements of Changes in Shareholders' Deficiency
- Statements of Comprehensive Loss
- Statements of Cash Flows
- Notes to the Financial Statements

JACKSON & COMPANY
Chartered Accountants

800 – 1199 West Hastings Street
Vancouver, British Columbia
Canada V6E 3T5
Telephone: +1.604.630.3838
Facsimile: +1.888.241.5996

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Sparrow Ventures Corp.

We have audited the accompanying financial statements of Sparrow Ventures Corp. which comprise the statement of financial position as at January 31, 2016, and the statements of financial position, changes in equity, comprehensive loss, and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Sparrow Ventures Corp. as at January 31, 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Sparrow Ventures Corp. to continue as a going concern.

Other Matter
The financial statements of Sparrow Ventures Corp. as at January 31, 2015 and for the year then ended were audited by another firm of independent auditors who expressed an unmodified opinion on those statements in their report dated May 29, 2015.

"JACKSON & COMPANY"

CHARTERED ACCOUNTANTS

Vancouver, British Columbia
November 4, 2016

SPARROW VENTURES CORP.

Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	January 31, 2016 $	January 31, 2015 $
ASSETS			
CURRENT			
Cash		176	285
GST recoverable		1,660	433
		1,836	718
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities		33,147	12,700
Loans payable	5	24,557	21,813
		57,704	34,513
SHAREHOLDERS' DEFICIENCY			
Share capital	6	1,010,618	1,010,618
Share-based payment reserve		98,714	98,714
Deficit		(1,165,200)	(1,143,127)
		(55,868)	(33,795)
		1,836	718

Nature of operations and going concern (Note 1)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the board:

"Marc Morin"
Marc Morin, Director

"Michael Young"
Michael Young, Director

SPARROW VENTURES CORP.

Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital $	Share-Based Payment Reserve $	Deficit $	Total $
Balance, January 31, 2014		13,590,500	1,007,228	134,338	(1,143,287)	(1,721)
Share issued pursuant to loan agreements	5	67,800	3,390	-	-	3,390
Comprehensive loss for the year		-	-	-	(59,731)	(59,731)
Forfeited options	6	-	-	(59,891)	59,891	-
Share-based payments	6	-	-	24,267	-	24,267
Balance, January 31, 2015		13,658,300	1,010,618	98,714	(1,143,127)	(33,795)
Comprehensive loss for the year		-	-	-	(22,073)	(22,073)
Balance, January 31, 2016		13,658,300	1,010,618	98,714	(1,165,200)	(55,868)

The accompanying notes are an integral part of these financial statements.

SPARROW VENTURES CORP.

Statements of Comprehensive Loss
For the Years Ended January 31, 2016 and 2015
(Expressed in Canadian Dollars)

	Note	2016 $	2015 $
EXPENSES			
Accounting, audit and legal		8,000	12,697
Bank charges		118	215
Depreciation		-	233
Office, rent and administration	7(a)	-	1,726
Regulatory fees		9,360	10,316
Share-based payments	6(d)	-	24,267
Transfer agent and shareholder information		1,851	4,598
LOSS BEFORE OTHER ITEMS		(19,329)	(54,052)
OTHER ITEMS			
Loss on disposal of equipment		-	(802)
Finance and other costs	8	(2,744)	(4,877)
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(22,073)	(59,731)
BASIC AND DILUTED LOSS PER SHARE		(0.002)	(0.004)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUSTANDING – BASIC AND DILUTED		13,658,300	13,631,737

The accompanying notes are an integral part of these financial statements.

SPARROW VENTURES CORP.

Statements of Cash Flows
For the Years Ended January 31, 2016 and 2015
(Expressed in Canadian Dollars)

	2016 $	2015 $
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the year	(22,073)	(59,731)
Non-cash items		
Depreciation	-	233
Loss on disposal of equipment	-	802
Finance and other costs	2,744	4,877
Share-based payments	-	24,267
Changes in non-cash working capital accounts		
GST recoverable	(1,227)	(433)
Prepaid expenses and deposits	-	1,736
Accounts payable and accrued liabilities	20,447	6,201
	(109)	(22,048)
FINANCING ACTIVITY		
Proceeds from loans	-	20,326
DECREASE IN CASH	(109)	(1,722)
Cash, beginning of year	285	2,007
CASH, END OF YEAR	176	285

The accompanying notes are an integral part of these financial statements.

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Sparrow Ventures Corp. (the "Company") was incorporated on July 4, 2006, under the laws of the *Business Corporations Act* (British Columbia). Effective June 17, 2014, the Company's listing was transferred to the NEX board of the TSX Venture Exchange (the "Exchange") due to the Company failure to maintain the requirements for a TSX Venture Tier 2 company. Effective at the opening on June 29, 2015, trading in the shares of the Company was suspended due to the Company's failure to maintain the services of a transfer agent in accordance with the policies of the Exchange (see Note 12). In addition, effective October 6, 2015, and October 26, 2015, the British Columba Securities Commission and the Ontario Securities Commission, respectively, issued cease trade orders that all trading in the securities of the Company cease until it files all necessary continuous disclosure records (see Note 12). Members are prohibited from trading in the securities of the Company during the period of the suspension and until the full revocation of all cease trade orders.

The head office, principal address, and records office of the Company are located at Suite 610, 700 West Pender Street, Vancouver, British Columbia, Canada, V6C 1G8. The Company's registered office address is located at Suite 700, 1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5.

The Company is engaged in the acquisition, exploration, and development of resource properties. The Company currently does not hold any mineral property interests and is actively evaluating mineral properties to acquire or option.

These financial statements have been prepared in accordance with International Financial Reporting Standards on the basis that the Company is a going concern and will be able to meet its obligations and continue its operations for its next fiscal year. Several conditions as set out below cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon the identification and acquisition of resource properties, financial support from its creditors, shareholders, and related parties, its ability to obtain financing to fund working capital requirements and upon the attainment of future profitable operations.

The Company has not yet achieved profitable operations, has incurred significant operating losses and negative cash flows from operations, and has been reliant on external financing of equity. As at January 31, 2016, the Company has accumulated losses of $1,165,200 since inception. There is no assurance that the Company will be successful in generating and maintaining profitable operations, or able to secure future debt or equity financing for its working capital and development activities.

These financial statements do not reflect any adjustments to the amounts and classifications of assets and liabilities, which would be necessary should the Company be unable to continue as a going concern.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements were authorized for issue on November 4, 2016, by the Directors of the Company. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of Presentation

These financial statements have been prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

(b) Functional and Presentation of Foreign Currency

The functional currency and presentation currency of the Company is the Canadian dollar.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Equipment and Depreciation

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a declining-balance basis to write off the cost of the assets to their residual values over their estimated useful lives. The depreciation rate applicable to equipment is 30%.

(d) Share Capital

Share Capital includes cash consideration received for share issuances. The proceeds from the exercise of stock options or warrants together with amounts previously recorded over the vesting periods are recorded as share capital. Common Shares issued for non-monetary consideration is recorded at an amount based on their fair market value on the date of issue. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity.

(e) Share-Based Payments

The Company operates an employee stock option plan.

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods.

Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

The fair value of options is determined using the Black–Scholes option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Amounts recorded for forfeited or expired unexercised options are reversed in the period the forfeiture occurs.

Upon the exercise of stock options, consideration received on the exercise of these equity instruments is recorded as share capital and the related share-based payment reserve is transferred to share capital.

(f) Income Taxes

Tax expense recognized in profit or loss comprises the sum of current and deferred taxes not recognized in other comprehensive income or directly in equity.

(i) Current Income Tax

Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Income Taxes (Continued)

(ii) Deferred Income Tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

(g) Loss per Share

The Company calculates basic loss per share using the weighted average number of common shares outstanding during the period. Diluted loss per share is the same as basic loss per share, as the issuance of shares on the exercise of stock options and share purchase warrants is anti-dilutive.

(h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity. Financial assets and financial liabilities are recognized on the statements of financial position at the time the Company becomes a party to the contractual provisions of the financial instrument.

Financial instruments are initially measured at fair value. Measurement in subsequent periods is dependent on the classification of the financial instrument. The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, available-for-sale, and other financial liabilities.

(i) Financial Assets and Liabilities at Fair Value Through Profit or Loss

Financial assets and liabilities at fair value through profit or loss are either 'held-for-trading' or classified at fair value through profit or loss. They are initially and subsequently recorded at fair value and changes in fair value are recognized in profit or loss for the period. The Company does not have any financial assets and liabilities at fair value through profit or loss.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value and subsequently on an amortized cost basis using the effective interest method, less any impairment losses. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The Company has designated its cash as loans and receivables.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

(iii) Held-to-Maturity Financial Assets

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are initially recorded at fair value and subsequently measured at amortized cost. The Company does not have any held-to-maturity financial assets.

(iv) Available-For-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any other financial asset categories. They are initially and subsequently measured at fair value and the changes in fair value, other than impairment losses are recognized in other comprehensive income (loss) and presented in the fair value reserve in shareholders' equity. When the financial assets are sold or an impairment write-down is required, losses accumulated in the fair value reserve recognized in shareholders' equity are included in profit or loss. The Company does not have any available-for-sale financial assets.

(v) Financial Liabilities at Amortized Cost

Financial liabilities at amortized cost are non-derivative financial liabilities (excluding financial guarantees) that are recorded at the date of obligation at fair value and are subsequently measured at amortized cost using the effective interest method.

The Company's non-derivative financial liabilities are its accounts payable and accrued liabilities and loans payable.

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies which are described in Note 2, management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgments, estimates, and assumptions that have the most significant effect on the amounts recognized in the financial statements are described below.

(a) Share-Based Compensation

The Company grants stock options to directors, officers, employees, and consultants of the Company under its incentive stock option plan. The fair value of stock options is estimated using the Black-Scholes option pricing model and are expensed over their vesting periods. In estimating fair value, management is required to make certain assumptions and estimates such as the life of options, volatility, and forfeiture rates. Changes in assumptions used to estimate fair value could result in materially different results.

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

(b) Deferred Tax Assets

Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

NOTE 4 – ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the period ended January 31, 2016 and have not been applied in preparing these financial statements. The Company is currently considering the possible effects of the new and revised standards which will be effective to the Company's financial statements for the year ending January 31, 2017 or later:

(a) IFRS 9 – Financial Instruments: Classification and Measurement

Classification and measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. This amendment is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company does not expect any effect on its financial statements from the adoption of this standard.

(b) IFRS 7 – Financial Instruments: Disclosures

Disclosures amended to require additional disclosure on transition from IAS 39 to IFRS 9. The Company does not expect any effect on its financial statements from the adoption of this standard.

(c) IFRS 16 – Leases

Leases specifies the recognition, measurement, presentation and disclosure of leases. This standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently assessing any effect on its financial statements from the adoption of this standard.

The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

NOTE 5 – LOANS PAYABLE

The Company entered into loan agreements dated May 28, 2014 (the "Loans"), with one current director and one former director of the Company ("the Lenders") in the total principal amount of $20,326. The Loans are unsecured, bear interest at 12% per annum, and mature on November 28, 2016 (the original maturity date of May 28, 2015 was extended subsequently to November 28, 2016). In consideration for the Loans, the Company issued an aggregate of 67,800 common shares to the Lenders at a fair value of $3,390 which was recorded as finance cost.

During the year ended January 31, 2016, the Company accrued $2,744 (2015 - $1,487) in interest expense on the Loans which remained outstanding as at January 31, 2016.

(Expressed in Canadian Dollars)

NOTE 6 – SHARE CAPITAL

(a) Authorized

The Company is authorized to issue an unlimited number of voting common shares without par value.

(b) Issued and Outstanding Share Capital

As at January 31, 2016, the Company had 13,658,300 issued and fully paid common shares (January 31, 2015 – 13,658,300) outstanding as presented in the statements of changes in shareholders' deficiency.

(c) Stock Options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, at its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees, and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Stock options and charitable options will be exercisable for a year of up to 10 years from the date of grant.

In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days, or, in the case of an optionee providing investor relations activities, the 30th day following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum year of six months after such death, subject to the expiry date of such option.

A summary of the status of the options outstanding is as follows:

	Number of Options	Weighted Average Exercise Price $
Balance, January 31, 2014	1,214,000	0.05
Granted	760,000	0.05
Cancelled (i)	(760,000)	0.05
Balance, January 31, 2015 (ii)	1,214,000	0.05
Cancelled (iii)	(824,000)	0.05
Balance, January 31, 2016	390,000	0.05

(i) During the year ended January 31, 2015, the fair value of 760,000 cancelled options of $59,891 was reclassified from reserves to deficit.

(ii) During the year ended January 31, 2015, the Company amended the terms of 1,214,000 stock options previously granted to employees, directors and consultants of the Company. These options had original exercise prices ranging from $0.10 to $0.12 per share with expiry dates between May 21, 2018 and May 27, 2021 and were amended to have an exercise price of $0.05 per share.

(Expressed in Canadian Dollars)

NOTE 6 – SHARE CAPITAL (Continued)

(d) Stock Options

(iii) During the year ended January 31, 2016, 824,000 stock options were cancelled and unexercised.

The following table summarizes the stock options outstanding as at January 31, 2016:

Exercise Price $	Number of Options Outstanding	Expiry Date	Number of Options Exercisable
0.05	60,000	May 27, 2021	60,000
0.05	330,000	June 17, 2024	330,000
	390,000		390,000

(d) Share-Based Payments

During the year ended January 31, 2016, the Company recorded share-based payments of $Nil (2015 – $16,927) for stock options granted and vested and $Nil (2015 – $7,340) for the repricing of stock options during the year.

The fair values of the stock options granted and repriced were estimated using the Black-Scholes option pricing model, with the following assumptions made for the year ended January 31, 2016 – Nil and January 31, 2015:

Risk free interest rate	1.31% to 1.98%
Expected dividend yield	0%
Expected stock price volatility	89% to 122%
Expected life (in years)	3 to 6 years

The weighted average fair value of options granted and vested during the year ended January 31, 2016 was $Nil (January 31, 2015: $0.02) per option.

Option pricing models require the input of highly subjective assumptions. The volatility assumption is based on an analysis of historical volatility over a year equivalent to the expected life of the equity instruments. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models may not necessarily provide a single reliable measure of the fair value of stock options.

(e) Charitable options

As at January 31, 2016, the Company has 105,000 outstanding charitable stock options exercisable at $0.10 which expire on May 26, 2018.

(Expressed in Canadian Dollars)

NOTE 7 – RELATED PARTY TRANSACTIONS

Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewher in these financial statements are described as follows.

(a) Related Party Transactions

The Company incurred the following transactions with companies having directors and officers in common durin the years ended January 31, 2016, and 2015:

	2016 $	2015 $
Office, rent and administration expense	-	1,500
Legal fees	-	1,397
	-	2,897

(b) Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the years ended Januar 31, 2016, and 2015 were as follows:

Share-based payment on options granted and vested (i)	-	16,927
Share-based payment on repriced options (ii)	-	4,763
	-	21,690

(i) Share-based payments represent the fair value of options granted and vested to key management personn under the Company's stock option plan (Note 6(d)).

(ii) Share-based payments represent the incremental fair value of repriced options held by key managemer personnel.

(c) Related Party Balances

The following related party amounts were reflected in the statement of financial position as at January 31, 201 and 2015.

Accounts Payable and Accrued Liabilities	1,116	1,116
Loans Payable (Note 5)	12,279	21,813
Loans Payable (Former director)	12,279	-
	25,674	22,929

NOTE 8 – FINANCE AND OTHER COSTS

Finance cost (Note 5)	-	3,390
Interest expense (Note 5)	2,744	1,487
	2,744	4,877

(Expressed in Canadian Dollars)

NOTE 9 – INCOME TAXES

(a) Reconciliation of Effective Tax Rate

Income tax expense (recovery) differs from the amounts computed by applying the combined federal and provincial income tax rate of 26% (2015 – 26.00%) to pre-tax loss as a result of the following:

	2016 $	2015 $
Computed expected income tax recovery	(5,739)	(15,530)
Change in tax benefits not recognized	(3,482)	6,309
Effect of change in tax rates	-	-
Permanent difference	9,221	9,221
Income tax expense (recovery)	-	-

(b) Deferred Income Tax Assets and Liabilities

Deferred tax assets have not been recognized in respect of the following items:

Non-capital losses carry-forward	282,316	282,316
Exploration and evaluation assets	22,758	22,758
Other	218	218
Unrecognized deferred tax assets	305,292	305,292

(c) Non-Capital Losses

As at January 31, 2016, the Company has non-capital losses of $1,107,904, which may be applied to reduce taxable income of future years. These non-capital losses expire as follows:

Year	$
2028	677
2029	98,734
2030	327,778
2031	196,550
2032	172,681
2033	132,779
2034	118,979
2035	37,653
2036	22,073
	1,107,904

In addition, the Company has cumulative resource pools of $87,531 which can be carried forward indefinitely to offset future resource profits.

NOTE 10 – FINANCIAL RISK MANAGEMENT

(a) Fair Value of Financial Instruments

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, and loans payable. The carrying values of these financial instruments approximate their fair values because of their short term nature and/or the existence of market related interest rates on the instruments. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Company has no financial instrument assets or liabilities recorded in the statements of financial position at fair value at January 31, 2016 and 2015.

(b) Financial Instruments Risk

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

(i) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions. The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. There can be no assurance that the Company will be successful with generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and development activities (Note 1).

(iii) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interests on the Company's loans payable is based on a fixed rate, and as such, the Company is not exposed to significant interest rate risk.

NOTE 11 – CAPITAL MANAGEMENT

The Company manages its share capital as capital, which as at January 31, 2016, was $1,010,618 (2015 - $1,010,618). The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to pursue the development and expansion of its business and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, or return capital to its shareholders.

To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its objectives. The Company may issue new shares or seek debt financing to ensure that there is sufficient working capital to meet its short-term business requirements. The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's management of capital during the year ended January 31, 2016.

NOTE 12 – SUBSEQUENT EVENTS

Partial Revocation of Cease Trade Order

On August 15, 2016, the British Columbia Securities Commission issued a partial revocation order (the "Partial Revocation Order") in respect of its cease trade order dated October 6, 2015 (the "Cease Trade Order") issued for the failure of the Company to file certain of its periodic continuous disclosure filings including its interim and annual financial statements and Management's Discussion and Analysis from and after the period ended July 31, 2015, as required by National Instrument 51-102 - *Continuous Disclosure Obligations*.

Pursuant to the Partial Revocation Order, the Company has undertaken a non-brokered private placement of secured convertible debentures to B.C. or offshore subscribers only, for gross proceeds of up to $250,000 in order to hold its annual general meeting, effect a 10-to-1 consolidation of the common shares of the Company, prepare and file all outstanding continuous disclosure records, and provide sufficient working capital to continue its operations until it can apply for a full revocation of the Cease Trade Order and the cease trade order issued by the Ontario Securities Commission on October 26, 2015.

Reinstatement of Transfer Agency Services

Effective September 20, 2016, transfer agency services for the Company as provided by Computershare Trust Company of Canada were reinstated.

Secured Convertible Debenture Offering

On October 3, 2016, the Company announced the first closing of the first tranche of its non-brokered private placement of secured convertible debentures (the "Debentures") (the "Private Placement") in the amount of $28,754, of a total of up to $250,000.

The Debentures mature 24 months from the date of issue, accrue interest at a rate of 11% per year and are convertible into units of the Company (each, a "Unit") at a per Unit conversion price equal to the 10-day post-consolidated average closing price of the common shares of the Company on the NEX following the resumption of trading subject to a $0.05 minimum (the "Conversion Price"). Each Unit is comprised of one common share and one common share purchase warrant (each, a "Warrant") of the Company. Each Warrant entitles the holder to acquire one additional common share of the Company at an exercise price equal to the Conversion Price.

NOTE 12 – SUBSEQUENT EVENTS (Continued)

Secured Convertible Debenture Offering (Continued)

The holders of the Debentures of the Private Placement received a copy of the cease trade orders presently in effect and a copy of the Partial Revocation Order in accordance with the terms of the Partial Revocation Order received by the Company. The Company's obligations under the Debentures are secured by a general security agreement.

SCHEDULE "C"

NOTICE OF CHANGE OF AUDITOR

SPARROW VENTURES CORP.
Suite 610, 700 West Pender Street
Vancouver, BC V6C 1G8

To: WDM Chartered Accountants
Jackson & Company, Chartered Accountants

Re: Sparrow Ventures Corp. (the "**Company**")
Notice of Change of Auditor (the "**Notice**")

In compliance with Section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**"), please be advised as follows:

1. The Company has decided to change its auditor from WDM Chartered Accountants of Suite 420, 1501 West Broadway, Vancouver, BC V6J 4Z6, to Jackson & Company, of Suite 800, 1199 West Hastings Street, Vancouver, BC V6E 3T5.

2. The date of said change of auditor is October 12, 2016.

3. WDM Chartered Accountants have resigned at the request of the Company.

4. The resignation of WDM Chartered Accountants and the appointment of Jackson & Company have been approved by the Company's Board of Directors.

5. None of the reports of WDM Chartered Accountants on any of the Company's financial statements relating to the "relevant period" (as such term is defined in section 4.11(1) of NI 51-102) expressed a modified opinion.

6. There have been no "reportable events" (as such term is defined in section 4.11(1) of NI 51-102), which occurred in connection with the audit of the financial years ended January 31, 2014, and January 31, 2015, or for any period subsequent thereto.

Please review this Notice and prepare a letter identifying whether you agree, disagree and the reasons why, or have no basis to agree or disagree with each statement contained in this Notice, addressing your response to the relevant securities regulatory authorities (list of addresses attached hereto). Please deliver the response to the Company as soon as possible.

This Notice and your reply will be part of the reporting package that will be filed with the applicable regulator or relevant securities administrators.

Dated this 31st day of October, 2016.

SPARROW VENTURES CORP.

/s/ Marc Morin

Marc Morin
Chief Executive Officer, President, Director

List of Addresses

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, AB T2P 0R4

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

WDM
CHARTERED ACCOUNTANTS

SERVICE

INTEGRITY

TRUST

October 14, 2016

British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

Dear Sirs:

Re: Sparrow Ventures Corp. (the "Company")
Notice Pursuant to NI 51-102 – Change of Auditor

As required by National Instrument 51-102, we confirm that we have reviewed the information contained in the Company's Notice of Change of Auditor dated October 12, 2016, and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours truly,

WDM

Chartered Professional Accountants

WDM CHARTERED PROFESSIONAL ACCOUNTANTS

cc. Sparrow Ventures Corp.

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SUITE 420
1501 WEST BROADWAY
VANCOUVER, BC
CANADA V6J 4Z6

TEL: 604-734-3247
FAX: 604-734-4802
WWW.WDMCA.COM
WDM

October 17th, 2016

To: **British Columbia Securities Commission**
12th floor, 701 West Georgia Street
PO Box 10142, Pacific Centre
Vancouver, B.C. V7Y 1L2

Alberta Securities Commission
Suite 600, 250 – 5 Street SW
Calgary, AB T2P 0R4

Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street W
Toronto, ON M5H 3S8

Dear Sir or Madam:

Re: Notice of Change of Auditors – Sparrow Ventures Corp. (the "Company")

We have read the statements made by Sparrow Ventures Corp. (the "Company") in its Notice of Change of Auditors dated October 12th, 2016 (the "Notice of Change"), which has been filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statement in the Notice of Change.

Yours very truly,

Jackson & Company
Chartered Professional Accountants
Vancouver, B.C.
October 17th, 2016

SCHEDULE "D"

BUSINESS CORPORATIONS ACT

ARTICLES

OF

SPARROW VENTURES CORP.

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BUSINESS CORPORATIONS ACT

ARTICLES

OF

SPARROW VENTURES CORP.
(the "**Company**")

PART 1 – INTERPRETATION

1.1 Definitions

Without limiting Article 1.2, in these Articles, unless the context requires otherwise:

(a) "**adjourned meeting**" means the meeting to which a meeting is adjourned under Article 8.6 or 8.9;

(b) "**board**" and "**directors**" mean the board of directors of the Company for the time being;

(c) "***Business Corporations Act***" means the *Business Corporations Act*, S.B.C. 2002, c.57, and includes its regulations;

(d) "**Company**" means Sparrow Ventures Corp.;

(e) "***Interpretation Act***" means the *Interpretation Act*, R.S.B.C. 1996, c. 238; and

(f) "**trustee**", in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

1.2 Business Corporations Act definitions apply

The definitions in the Business Corporations Act apply to these Articles.

1.3 Interpretation Act applies

The *Interpretation Act* applies to the interpretation of these Articles as if these Articles were an enactment.

1.4 Conflict in definitions

If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

1.5 Conflict between Articles and legislation

If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2 – SHARES AND SHARE CERTIFICATES

2.1 Form of share certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.2 Shareholder Entitled to Certificate or Acknowledgement

Unless the shares are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

2.3 Sending of share certificate

Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

2.4 Replacement of worn out or defaced certificate

If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit:

(a) order the certificate to be cancelled; and

(b) issue a replacement share certificate.

2.5 Replacement of lost, stolen or destroyed certificate

If a share certificate is lost, stolen or destroyed, a replacement share certificate must be issued to the person entitled to that certificate if the directors receive:

(a) proof satisfactory to them that the certificate is lost, stolen or destroyed; and

(b) any indemnity the directors consider adequate.

2.6 Splitting share certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name 2 or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

2.7 Shares may be uncertificated

Notwithstanding any other provisions of this Part, the directors may, by resolution, provide that:

(a) the shares of any or all of the classes and series of the Company's shares may be uncertificated shares; or

(b) any specified shares may be uncertificated shares.

PART 3 – ISSUE OF SHARES

3.1 Directors authorized to issue shares

The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

3.2 Company need not recognize unregistered interests

Except as required by law or these Articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

PART 4 – SHARE TRANSFERS

4.1 Recording or registering transfer

A transfer of a share of the Company must not be registered

(a) unless a duly signed instrument of transfer in respect of the share has been received by the Company and the certificate (or acceptable documents pursuant to Article 2.5 hereof) representing the share to be transferred has been surrendered and cancelled; or

(b) if no certificate has been issued by the Company in respect of the share, unless a duly signed instrument of transfer in respect of the share has been received by the Company.

4.2 Form of instrument of transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

4.3 Signing of instrument of transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer:

(a) in the name of the person named as transferee in that instrument of transfer; or

(b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

4.4 Enquiry as to title not required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

4.5 Transfer fee

There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors from time to time.

PART 5 – ACQUISITION OF SHARES

5.1 Company authorized to purchase shares

Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

5.2 Company authorized to accept surrender of shares

The Company may, if it is authorized to do so by the directors, accept a surrender of any of its shares.

5.3 Company authorized to convert fractional shares into whole shares

The Company may, if it is authorized to do so by the directors, convert any of its fractional shares into whole shares in accordance with, and subject to the limitations contained in, the *Business Corporations Act*.

PART 6 – BORROWING POWERS

6.1 Powers of directors

The directors may from time to time on behalf of the Company:

(a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;

(b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person, and at any discount or premium and on such other terms as they consider appropriate;

(c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future assets and undertaking of the Company.

PART 7 – GENERAL MEETINGS

7.1 Annual general meetings

Unless an annual general meeting is deferred or waived in accordance with section 182(2)(a) or (c) of the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

7.2 When annual general meeting is deemed to have been held

If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 7.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

7.3 Calling of shareholder meetings

The directors may, whenever they think fit, call a meeting of shareholders.

7.4 Notice for meetings of shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting and to each director, unless these Articles otherwise provide, at least the following number of days before the meeting:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

7.5 Record date for notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

7.6 Record date for voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

7.7 Failure to give notice and waiver of notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

7.8 Notice of special business at meetings of shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 8.1, the notice of meeting must:

(a) state the general nature of the special business; and

(b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

(i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice, and

(ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

PART 8– PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

8.1 Special business

At a meeting of shareholders, the following business is special business:

(a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting or the election or appointment of directors;

(b) at an annual general meeting, all business is special business except for the following:

(i) business relating to the conduct of or voting at the meeting,

(ii) consideration of any financial statements of the Company presented to the meeting,

(iii) consideration of any reports of the directors or auditor,

(iv) the setting or changing of the number of directors,

(v) the election or appointment of directors,

(vi) the appointment of an auditor,

(vii) the setting of the remuneration of an auditor,

(viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution, and

(ix) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

8.2 Special resolution

The votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

8.3 Quorum

Subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons who are, or who represent by proxy, shareholders of the Company.

8.4 Other persons may attend

The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those persons do attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

8.5 Requirement of quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote at the meeting is present at the commencement of the meeting.

8.6 Lack of quorum

If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

(a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved; and

(b) in the case of any other meeting of shareholders, the shareholders entitled to vote at the meeting who are present, in person or by proxy, at the meeting may adjourn the meeting to a set time and place.

8.7 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

(a) the chair of the board, if any;

(b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

8.8 Alternate chair

At any meeting of shareholders, the directors present must choose one of their number to be chair of the meeting if: (a) there is no chair of the board or president present within 15 minutes after the time set for holding the meeting; (b) the chair of the board and the president are unwilling to act as chair of the meeting; or (c) if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting. If, in any of the foregoing circumstances, all of the directors present decline to accept the position of chair or fail to choose one of their number to be chair of the meeting, or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

8.9 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.10 Notice of adjourned meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

8.11 Motion need not be seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

8.12 Manner of taking a poll

Subject to Article 8.13, if a poll is duly demanded at a meeting of shareholders:

(a) the poll must be taken

(i) at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and

(ii) in the manner, at the time and at the place that the chair of the meeting directs;

(b) the result of the poll is deemed to be a resolution of, and passed at, the meeting at which the poll is demanded; and

(c) the demand for the poll may be withdrawn.

8.13 Demand for a poll on adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

8.14 Demand for a poll not to prevent continuation of meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

8.15 Poll not available in respect of election of chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

8.16 Casting of votes on poll

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

8.17 Chair must resolve dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

8.18 Chair has no second vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

8.19 Declaration of result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

8.20 Meetings by telephone or other communications medium

A shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in this Section shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a manner contemplated by this Article 8.20:

(a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and

(b) the meeting shall be deemed to be held at the location specified in the notice of the meeting.

PART 9 – ALTERATIONS AND RESOLUTIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by resolution of the directors:

(a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(c) if the Company is authorized to issue shares of a class of shares with par value:

(i) decrease the par value of those shares,

(ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,

(iii) subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value, or

(iv) consolidate all or any of its unissued or fully paid issued shares with par value into shares of larger par value;

(d) subdivide all or any of its unissued or fully paid issued shares without par value;

(e) change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;

(f) alter the identifying name of any of its shares;

(g) consolidate all or any of its unissued or fully paid issued shares without par value; or

(h) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Change of Name

The Company may by resolution of the directors authorize an alteration to its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.3 Other Alterations or Resolutions

If the *Business Corporations Act* does not specify:

(a) the type of resolution and these Articles do not specify another type of resolution, the Company may by resolution of the directors authorize any act of the Company, including without limitation, an alteration of these Articles; or

(b) the type of shareholders' resolution and these Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

PART 10 – VOTES OF SHAREHOLDERS

10.1 Voting rights

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 10.3:

(a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote; and

(b) on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

10.2 Trustee of shareholder may vote

A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or satisfies all of the directors present at the meeting, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

10.3 Votes by joint shareholders

If there are joint shareholders registered in respect of any share:

(a) any one of the joint shareholders, but not both or all, may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

(b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

10.4 Trustees as joint shareholders

Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 10.3, deemed to be joint shareholders.

10.5 Representative of a corporate shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

(a) for that purpose, the instrument appointing a representative must

(i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least 2 business days before the day set for the holding of the meeting, or

(ii) unless the notice of the meeting provides otherwise, be provided, at the meeting, to the chair of the meeting; and

(b) if a representative is appointed under this Article 10.5,

(i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and

(ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

10.6 When proxy provisions do not apply

Articles 10.7 to 10.13 do not apply to the Company if and for so long as it is a public company.

10.7 Appointment of proxy holder

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

10.8 Alternate proxy holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

10.9 When proxy holder need not be shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

(a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 10.5;

(b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or

(c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

10.10 Form of proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

(Name of Company)

The undersigned, being a shareholder of the above named Company, hereby appoints ..... or, failing that person, ..., as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the day of and at any adjournment of that meeting.

Signed this ..... day of ....., ...

.....
Signature of shareholder

10.11 Provision of proxies

A proxy for a meeting of shareholders must:

(a) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies, at least the number of business days specified in the notice or, if no number of days is specified, 2 business days before the day set for the holding of the meeting; or

(b) unless the notice of the meeting provides otherwise, be provided at the meeting to the chair of the meeting.

10.12 Revocation of proxies

Subject to Article 10.13, every proxy may be revoked by an instrument in writing that is:

(a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) provided at the meeting to the chair of the meeting.

10.13 Revocation of proxies must be signed

An instrument referred to in Article 10.12 must be signed as follows:

(a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee; or

(b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 10.5.

10.14 Validity of proxy votes

A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

(a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) by the chair of the meeting, before the vote is taken.

10.15 Production of evidence of authority to vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 11 – DIRECTORS

11.1 First directors; number of directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 12.7, is set at:

(a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;

(b) if the Company is a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and

(c) if the Company is not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

11.2 Change in number of directors

If the number of directors is set under Articles 11.1(b) or 11.1(c):

(a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;

(b) if, contemporaneously with setting that number, the shareholders do not elect or appoint the directors needed to fill vacancies in the board of directors up to that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

11.3 Directors' acts valid despite vacancy

An act or proceeding of the directors is not invalid merely because fewer directors have been appointed or elected than the number of directors set or otherwise required under these Articles.

11.4 Qualifications of directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

11.5 Remuneration of directors

The directors are entitled to the remuneration, if any, for acting as directors as the directors may from time to time determine. If the directors so decide, the remuneration of the directors will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to a director in such director's capacity as an officer or employee of the Company.

11.6 Reimbursement of expenses of directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

11.7 Special remuneration for directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

11.8 Gratuity, pension or allowance on retirement of director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her 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.

PART 12 – ELECTION AND REMOVAL OF DIRECTORS

12.1 Election at annual general meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 7.2:

(a) the shareholders entitled to vote at the annual general meeting for the election of directors may elect, or in the unanimous resolution appoint, a board of directors consisting of up to the number of directors for the time being set under these Articles; and

(b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment.

12.2 Consent to be a director

No election, appointment or designation of an individual as a director is valid unless:

(a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

(b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

12.3 Failure to elect or appoint directors

If:

(a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 7.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

(b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 7.2, to elect or appoint any directors;

then each director in office at such time continues to hold office until the earlier of:

(c) the date on which his or her successor is elected or appointed; and

(d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

12.4 Directors may fill casual vacancies

Any casual vacancy occurring in the board of directors may be filled by the remaining directors.

12.5 Remaining directors' power to act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or for the purpose of summoning a meeting of shareholders to fill any vacancies on the board of directors or for any other purpose permitted by the *Business Corporations Act*.

12.6 Shareholders may fill vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, and the directors have not filled the vacancies pursuant to Article 12.5 above, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

12.7 Additional directors

Notwithstanding Articles 11.1 and 11.2, between annual general meetings or unanimous resolutions contemplated by Article 7.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 12.7 must not at any time exceed:

(a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 12.7.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 12.1(a), but is eligible for re-election or re-appointment.

12.8 Ceasing to be a director

A director ceases to be a director when:

(a) the term of office of the director expires;

(b) the director dies;

(c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(d) the director is removed from office pursuant to Articles 12.9 or 12.10.

12.9 Removal of director by shareholders

The Shareholders may, by special resolution, remove any director before the expiration of his or her term of office, and may, by ordinary resolution, elect or appoint a director to fill the resulting vacancy. If the shareholders do not contemporaneously elect or appoint a director to fill the vacancy created by the removal of a director, then the directors may appoint, or the shareholders may elect or appoint by ordinary resolution, a director to fill that vacancy.

12.10 Removal of director by directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

12.11 Nominations of directors

(a) Except as provided by applicable laws, only persons who are nominated in accordance with the procedures set forth in this Article 12.11 shall be eligible for election as directors of the Company.

(b) Nominations of persons for election to the board may be made at any annual meeting of shareholders or at any special meeting of shareholders (if one of the purposes for which the special meeting was called was the election of directors):

(i) by or at the direction of the board, including pursuant to a notice of meeting;

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*; or

(iii) any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 12.11 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 12.11.

(c) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof (as provided for in Article 12.11(d)) in proper written form to the secretary of the Company at the principal executive offices of the Company.

(d) To be timely, a Nominating Shareholder's notice to the secretary of the Company must be given:

(i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date"**) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day after the Notice Date in respect of such meeting; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

(e) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:

A. the name, age, business address and residential address of the person,

B. the principal occupation or employment of the person during the past five years,

C. the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice,

D. a statement as to whether such person would be "independent" of the Company (as such term is defined under Applicable Securities Laws (as defined below)) if elected as a director at such meeting and the reasons and basis for such determination,

E. a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand, and

F. any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws; and

(ii) as to the Nominating Shareholder giving the notice:

A. any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company,

B. the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of the record by the Nominating Shareholder as of the record date for the meeting of shareholders

(if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and

C. any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Business Corporations Act and Applicable Securities Laws (as defined below).

(f) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

(g) The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the provisions set forth in this Article 12.11 and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.

(h) For purposes of this Article 12.11:

(i) "**Affiliate**", when used to indicate a relationship with a person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

(ii) "**Applicable Securities Laws**" means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statutes, and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;

(iii) "**Associate**", when used to indicate a relationship with a specified person, means:

A. any corporation or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding,

B. any partner of that person,

C. any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity,

D. a spouse of such specified person,

E. any person of either sex with whom such specified person is living in a conjugal relationship outside marriage, or

F. any relative of such specified person or of a person mentioned in clauses D or E of this definition if that relative has the same residence as the specified person;

(iv) "**Derivatives Contract**" means a contract between two parties (the "**Receiving Party**" and the "**Counterparty**") that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such

shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the "**Notional Securities**"), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

(v) "**owned beneficially**" or "**owns beneficially**" means, in connection with the ownership of shares in the capital of the Company by a person:

A. any such shares as to which such person or any of such person's Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

B. any such shares as to which such person or any of such person's Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

C. any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty's Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however, that the number of shares that a person owns beneficially pursuant to this clause in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate, and

D. any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and

(vi) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

(i) Notwithstanding any other provision of this Article 12.11, notice given to the secretary of the Company pursuant to this Article 12.11 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 Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid provided that receipt of confirmation of such transmission has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

(j) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 12.11.

PART 13 – PROCEEDINGS OF DIRECTORS

13.1 Meetings of directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place and at the time that the board may by resolution from time to time determine.

13.2 Chair of meetings

Meetings of directors are to be chaired by:

(a) the chair of the board, if any;

(b) in the absence of the chair of the board, the president, if any, if the president is a director; or

(c) any other director chosen by the directors if:

(i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting,

(ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting, or

(iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

13.3 Voting at meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

13.4 Meetings by telephone or other communications medium

A director may participate in a meeting of the directors or of any committee of the directors in person, or by telephone or other communications medium, if all directors participating in the meeting are able to communicate with each other. A director may participate in a meeting of the directors or of any

committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 13.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner**.**

13.5 Who may call extraordinary meetings

A director may call a meeting of the board at any time. The secretary, if any, must on request of a director, call a meeting of the board.

13.6 Notice of extraordinary meetings

Subject to Articles 13.7 and 13.8, if a meeting of the board is called under Article 13.4, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors:

(a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose;

(b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose; or

(c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

13.7 When notice not required

It is not necessary to give notice of a meeting of the directors to a director if:

(a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed;

(b) the director has filed a waiver under Article 13.9; or

(c) the director attends such meeting.

13.8 Meeting valid despite failure to give notice

The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

13.9 Waiver of notice of meetings

Any director may file with the Company a notice waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

13.10 Effect of waiver

After a director files a waiver under Article 13.9 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

13.11 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

13.12 If only one director

If, in accordance with Article 11.1, the number of directors is one, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

PART 14 – COMMITTEES OF DIRECTORS

14.1 Appointment of committees

The directors may, by resolution:

(a) appoint one or more committees consisting of the director or directors that they consider appropriate;

(b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:

(i) the power to fill vacancies in the board,

(ii) the power to change the membership of, or fill vacancies in, any committee of the board, and

(iii) the power to appoint or remove officers appointed by the board; and

(c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

14.2 Obligations of committee

Any committee formed under Article 14.1, in the exercise of the powers delegated to it, must:

(a) conform to any rules that may from time to time be imposed on it by the directors; and

(b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

14.3 Powers of board

The board may, at any time:

(a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding;

(b) terminate the appointment of, or change the membership of, a committee; and

(c) fill vacancies in a committee.

14.4 Committee meetings

Subject to Article 14.2(a):

(a) the members of a directors' committee may meet and adjourn as they think proper;

(b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(c) a majority of the members of a directors' committee constitutes a quorum of the committee; and

(d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

PART 15 – OFFICERS

15.1 Appointment of officers

The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary or desirable, and none of the individuals appointed as officers need be a member of the board.

15.2 Functions, duties and powers of officers

The board may, for each officer:

(a) determine the functions and duties the officer is to perform;

(b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

(c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

15.3 Remuneration

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

PART 16 – CERTAIN PERMITTED ACTIVITIES OF DIRECTORS

16.1 Other office of director

A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.2 No disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

16.3 Professional services by director or officer

Subject to compliance with the provisions of the *Business Corporations Act*, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

16.4 Remuneration and benefits received from certain entities

A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

PART 17 – INDEMNIFICATION

17.1 Indemnification of directors

The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the *Business Corporations Act*.

17.2 Deemed contract

Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 17.1.

PART 18 – AUDITOR

18.1 Remuneration of an auditor

The directors may set the remuneration of the auditor of the Company.

18.2 Waiver of appointment of an auditor

The Company shall not be required to appoint an auditor if all of the shareholders of the Company, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive

the appointment of an auditor. Such waiver may be given before, on or after the date on which an auditor is required to be appointed under the *Business Corporations Act*, and is effective for one financial year only.

PART 19 – DIVIDENDS

19.1 Declaration of dividends

Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

19.2 No notice required

The directors need not give notice to any shareholder of any declaration under Article 19.1.

19.3 Directors may determine when dividend payable

Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

19.4 Dividends to be paid in accordance with number of shares

Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

19.5 Manner of paying dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

19.6 Dividend bears no interest

No dividend bears interest against the Company.

19.7 Fractional dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

19.8 Payment of dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed:

(a) subject to paragraphs (b) and (c), to the address of the shareholder;

(b) subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares; or

(c) to the person and to the address as the shareholder or joint shareholders may direct in writing.

19.9 Receipt by joint shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

PART 20 – ACCOUNTING RECORDS

20.1 Recording of financial affairs

The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

PART 21 – EXECUTION OF INSTRUMENTS

21.1 Who may attest seal

The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of:

(a) any 2 directors;

(b) any officer, together with any director;

(c) if the Company has only one director, that director; or

(d) any one or more directors or officers or persons as may be determined by resolution of the directors.

21.2 Sealing copies

For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 21.1, may be attested by the signature of any director or officer.

21.3 Execution of documents not under seal

Any instrument, document or agreement for which the seal need not be affixed may be executed for and on behalf of and in the name of the Company by any one director or officer of the Company, or by any other person appointed by the directors for such purpose.

PART 22 – NOTICES

22.1 Method of giving notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

(a) mail addressed to the person at the applicable address for that person as follows:

(i) for a record mailed to a shareholder, the shareholder's registered address,

(ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class, or

(iii) in any other case, the mailing address of the intended recipient;

(b) delivery at the applicable address for that person as follows, addressed to the person:

(i) for a record delivered to a shareholder, the shareholder's registered address,

(ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class,

(iii) in any other case, the delivery address of the intended recipient;

(c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;

(e) physical delivery to the intended recipient; or

(f) such other manner of delivery as is permitted by applicable legislation governing electronic delivery.

22.2 Deemed receipt of mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 22.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

22.3 Certificate of sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 22.1, prepaid and mailed or otherwise sent as permitted by Article 22.1 is conclusive evidence of that fact.

22.4 Notice to joint shareholders

A notice, statement, report or other record may be provided by the Company to the joint registered shareholders of a share by providing the notice to the joint registered shareholder first named in the central securities register in respect of the share.

22.5 Notice to trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

(a) mailing the record, addressed to them:

(i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and

(ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(b) if an address referred to in Article 22.5(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

PART 23 – RESTRICTION ON SHARE TRANSFER

23.1 Application

Article 23.2 does not apply to the Company if and for so long as it is a public company.

23.2 Consent required for transfer

No shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

SCHEDULE "E"

SPARROW VENTURES CORP.
(the "Company")

2016 ROLLING STOCK OPTION PLAN

October 31, 2016

2. PURPOSE

The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that, if and so long as the Common Shares are listed on the TSXV (as defined herein), at the discretion of the Board (as defined herein), this Plan will at all times be in compliance with the TSXV Policies (as defined herein) and unless the Board determines otherwise, any inconsistencies between this Plan and the TSXV Policies whether due to inadvertence or changes in TSXV Policies will be resolved in favour of the TSXV Policies.

3. INTERPRETATION

3.1 Definitions

For the purposes of this Plan, the following terms have the respective meanings set forth below:

(a) "**Affiliate**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(b) "**Associate**" has the same meaning as ascribed to that term as set out in the TSXV Policies;

(c) "**Board**" means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;

(d) "**Change of Control**" means the occurrence of any one of the following events:

(i) there is a report filed with any securities commission or securities regulatory authority in Canada, disclosing that any offeror (as the term "offeror" is defined in Section 1.1 of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*) has acquired beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, any shares of capital stock of any class of the Company carrying voting rights under all circumstances (the "**Voting Shares**"), that, together with the offeror's securities would constitute Voting Shares of the Company representing more than 50% of the total voting power attached to all Voting Shares of the Company then outstanding,

(ii) there is consummated any amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company: (1) in which the Company is not the continuing or surviving corporation, or (2) pursuant to which any Voting Shares of the Company would be reclassified, changed or converted into or exchanged for cash, securities or other property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company in which the holders of the Voting Shares of the Company immediately prior to such amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction have, directly or indirectly, more than 50% of the Voting Shares of the continuing or surviving corporation immediately after such transaction,

(iii) any person or group of persons shall succeed in having a sufficient number of its nominees elected as directors of the Company such that such nominees, will constitute a majority of the directors of the Company, or

(iv) there is consummated a sale, transfer or disposition by the Company of all or substantially all of the assets of the Company,

provided that an event shall not constitute a Change of Control if its sole purpose is to change the jurisdiction of the Company's organization or to create a holding company, partnership or trust that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such event;

(e) "**Common Shares**" means the common shares in the capital of the Company as constituted on the Grant Date, provided that, in the event of any adjustment pursuant to Section 4.9, "Common Shares" shall thereafter mean the shares or other securities or other property resulting from the events giving rise to the adjustment;

(f) "**Company**" means Sparrow Ventures Corp. and includes, unless the context otherwise requires, all of its subsidiaries or Affiliates and successors according to law;

(g) "**Consultant**" has the meaning ascribed to that term as set out in the TSXV Policies;

(h) "**Consultant Company**" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(i) "**Director**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(j) "**Disability**" means any disability with respect to an Optionee which the Board in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:

(i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries, or

(ii) acting as a director or officer of the Company or its subsidiaries,

and "**Date of Disability**" means the effective date of the Disability as determined by the Board in its sole and unfettered discretion;

(k) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders, and their Associates, to whom Options may be granted under this Plan;

(l) "**Distribution**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(m) "**Eligible Person**" means, from, time to time, any bona fide Director, Employee or Consultant of the Company or an Affiliate of the Company and a company wholly owned by individuals eligible to be granted Options;

(n) "**Employee**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(o) "**Exercise Price**" means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

(p) "**Expiry Date**" means 5:00 p.m. (Vancouver time) on the day on which an Option expires as specified in the Option Agreement therefor or in accordance with the terms of this Plan;

(q) "**Grant Date**" for an Option means the date of grant thereof by the Board, whether or not the grant is subject to any Regulatory Approval;

(r) "**Insider**" means:

(i) an insider as defined in the TSXV Policies or as defined in securities legislation applicable to the Company, and

(ii) an Associate of any person who is an Insider by virtue of Section 3.1(r)(i) above;

(s) "**Investor Relations Activities**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(t) "**Management Company Employee**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(u) "**Notice of Exercise**" means a written notice in substantially the form attached as Exhibit A1 to Schedule A hereto or as Exhibit B1 to Schedule B hereto, as applicable;

(v) "**Option**" means the right to purchase Common Shares granted hereunder to an Eligible Person;

(w) "**Option Agreement**" means the stock option agreement between the Company and an Eligible Person whereby the Company provides notice of grant of an Option to such Eligible Person substantially in the form of Schedule A hereto for Eligible Persons not

engaged in Investor Relations Activities and substantially in the form of Schedule B hereto for Eligible Persons engaged in Investor Relations Activities;

(x) "**Optioned Shares**" means Common Shares that may be issued to an Eligible Person upon the exercise of an Option;

(y) "**Optionee**" means the recipient of an Option hereunder, their heirs, executors and administrators;

(z) "**Person**" means a corporation or an individual;

(aa) "**Plan**" means this Stock Option Plan, the terms of which are set out herein or as may be amended and/or restated from time to time;

(bb) "**Plan Shares**" means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 4.2;

(cc) "**Regulatory Approval**" means the approval of the TSXV and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder, as may be required;

(dd) "**Share Compensation Arrangement**" means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;

(ee) "**Tier 1 Issuer**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(ff) "**Tier 2 Issuer**" has the same meaning ascribed to that term as set out in the TSXV Policies;

(gg) "**TSXV**" means the TSX Venture Exchange and any successor thereto; and

(hh) "**TSXV Policies**" means the rules and policies of the TSXV, as amended from time to time.

3.2 Currency. Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.

3.3 Gender. As used in this Plan and any Schedules hereto, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires.

3.4 Interpretation. This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

4. STOCK OPTION PLAN

4.1 Establishment of Plan. This Plan is hereby established to recognize contributions made by Eligible Persons and to create an incentive for their continuing assistance to the Company and its Affiliates.

4.2 Maximum Number of Plan Shares. Subject to adjustment as provided in this Plan, the aggregate number of Plan Shares reserved for issuance under the Plan, including any other Common Shares which may be issued pursuant to any other stock options granted by the Company outside of this Plan, shall not exceed ten percent (10%) of the total number of issued Common Shares of the Company (calculated on a non-diluted basis) at the time an Option is granted.

4.3 Eligibility. Options to purchase Common Shares may be granted hereunder to Eligible Persons from time to time by the Board. If and when the Common Shares are listed on the TSXV, Eligible Persons that are corporate entities will be required to agree in writing not to effect or permit any transfer of ownership or option of any of its shares, nor issue more of its shares to any other individual or entity as long as such Options remain outstanding, unless the written permission of the TSXV and the Company is obtained. The Company represents that Eligible Persons who are granted Options will be bona fide Directors, Employees or Consultants of the Company or a subsidiary of the Company at the time of grant of such Options.

4.4 Options Granted Under the Plan. All Options granted under the Plan will be evidenced by an Option Agreement in substantially the form attached hereto as Schedule A (or such other form determined by the Board) in the case of Optionees not engaged in Investor Relations Activities or Schedule B (or such other form determined by the Board) in the case of Optionees engaged in Investor Relations Activities, as applicable, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

4.5 Terms Incorporated. Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Agreement made hereunder. In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.

4.6 Limitations on Option Grants. If the Common Shares are listed on the TSXV, the following restrictions on the granting of Options are applicable under the Plan:

(a) Individuals. The aggregate number of Optioned Shares that may be reserved for issuance pursuant to Options granted to any one individual must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval pursuant to Section 4.9(c).

(b) Optionees Performing Investor Relations Activities. The aggregate number of Options granted to Eligible Persons engaged to provide Investor Relations Activities in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.

(c) Consultants. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.

4.7 Acceleration of Unvested Options. If there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Optioned Shares subject to such Options to be issued and tendered to such bid provided that notwithstanding anything to the contrary contained herein the acceleration of any vested Options or the removal of any vesting provisions required under TSXV Policies are subject to prior written consent of the TSXV.

4.8 Powers of the Board. The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to appropriate shareholder and Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in TSXV Policies or the Company's tier classification thereunder;

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and

(e) may in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Eligible Persons (before a particular Option is granted) subject to the other terms hereof.

4.9 Terms Requiring Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV and if required by the TSXV Policies, the Company must obtain Disinterested Shareholder Approval of Options if the Options, together with any other Share Compensation Arrangement, could result at any time in:

(a) the number of Common Shares reserved for issuance under stock options granted to Insiders (as a group) exceeding 10% of the issued Common Shares of the Company;

(b) the grant to Insiders (as a group), within a 12-month period, of stock options exceeding 10% of the issued Common Shares of the Company; or

(c) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the issued Common Shares of the Company.

4.10 Effective Date of Plan. This Plan is effective as of the date first written above, subject to applicable Regulatory Approval and approval of the shareholders of the Company if required by the TSXV Policies.

5. TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Price. The Board shall establish the Exercise Price at the time each Option is granted, subject to the following conditions:

(a) if the Common Shares are listed on the TSXV, then the Exercise Price for the Options granted will not be less than the Discounted Market Price (as defined in the TSXV Policies);

(b) if the Common Shares are not listed, posted and trading on any stock exchange or quoted on any quotation system, then the Exercise Price for the Options granted will be determined by the Board at the time of grant;

(c) if an Option is granted within 90 days of a distribution by a prospectus by the Company, the Exercise Price will not be less than the price that is the greater of the Discounted Market Price (as defined in the TSXV Policies) and the per Common Share price paid by public investors for Common Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and

(d) in all other cases, the Exercise Price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

The Exercise Price shall be subject to adjustment in accordance with the provisions of Section 4.9.

5.2 Term of Option. The Board shall establish the Expiry Date for each Option at the time such Option is granted, subject to the following conditions:

(a) the Option will expire upon the occurrence of any event set out in Section 5.8 and at the time period set out therein; and

(b) the Expiry Date cannot be longer than the maximum exercise period as determined by the TSXV Policies.

5.3 Automatic Extension of Term of Option. The Expiry Date will be automatically extended if the Expiry Date falls:

(e) within a blackout period during which the Company prohibits Optionees from exercising their Options, provided that:

(i) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the TSXV Policies). For greater certainty, in the absence of the Company formally imposing a blackout period, the Expiry Date of any Options will not be automatically extended in any circumstances;

(ii) the blackout period expires upon the general disclosure of the undisclosed Material Information and the Expiry Date of the affected Options is extended to no later than ten (10) business days after the expiry of the blackout period; and

(iii) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities; or

(f) on a date which is not a business day, provided that:

(i) the Expiry Date is extended to no later than the end of the next business day; and

(ii) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

5.4 Hold Period.

(a) If required by applicable securities laws, any Optioned Shares will be subject to a hold period expiring on the date that is four months and a day after the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

> "UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY MUST NOT TRADE THE SECURITIES BEFORE *[INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT]*

(b) If an Exchange Hold Period (as such term is defined in Policy 1.1 of the TSXV Policies) is required in connection with the grant of any Option, all such Options and any Optioned Shares issuable upon exercise of such Options will be subject to a four month and one day hold period commencing on the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

> "WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT

UNTIL [INSERT THE DATE THAT IS 4 MONTHS AND ONE DAY AFTER THE DATE OF GRANT]."

5.5 Vesting of Options.

(a) No Option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to Eligible Persons, provided that Options granted to Eligible Persons performing Investor Relations Activities are required to vest in stages over at least 12 months with no more than one quarter of the Options vesting in any three month period.

(b) If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities, the Option shall vest immediately.

5.6 Non Assignable. Subject to Section 5.9(e), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

5.7 Option Amendment.

(a) Exercise Price. The Board may amend the Exercise Price of any Options provided that, subject to Section 5.1, and if the Common Shares are traded on the TSXV, the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of:

(i) the Grant Date;

(ii) the date the Common Shares commenced trading on the TSXV; or

(iii) the date of the last amendment of the Exercise Price.

(b) Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV, any proposed reduction in the exercise price of Options for Optionees that are Insiders will be subject to TSXV Policies, including Disinterested Shareholder Approval.

(c) Term. The term of an Option cannot be extended so that the effective term of the Option exceeds ten (10) years in total, or such other period as prescribed by the TSXV Policies. If the Common Shares are traded on the TSXV, an option must be outstanding for at least one year before the Company can extend its term and the TSXV treats any extension of the length of the term of the Option as a grant of a new Option, which must comply with pricing and other requirements of this Plan.

(d) TSXV Approval. If the Common Shares are listed on the TSXV, any proposed amendment to the terms of an Option must be approved by the TSXV prior to the exercise of such Option as amended.

5.8 Termination of Option. Unless the Board determines otherwise, the Options will terminate in the following circumstances:

(g) Termination of Services For Cause, Refusal to Stand for Election or Upon Resignation. If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law) or if such Director, Employee or Consultant resigns, or in the case of a Director, refuses to stand for re-election, any Option granted hereunder to such Optionee shall terminate and cease to be exercisable immediately upon the Optionee ceasing to be a Director, Employee or Consultant by reason of termination for cause, refusal to stand for re-election or by resignation.

(h) Termination of Services Without Cause. If the engagement of the Optionee as a Director, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), resignation, disability or death, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.

(i) Death. If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee.

(j) Disability. If the Optionee ceases to be an Eligible Person, due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate of the Company, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the Date of Disability.

(k) Changes in Status of Eligible Person. If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the Expiry Date. Where the Optionee ceases to be any type of Eligible Person, the Option will terminate on the applicable date set forth in Sections 4.8(a) to 4.8(d) above. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate of the Company.

5.9 Adjustment of the Number of Optioned Shares. The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) Following the date an Option is granted, the exercise price for and the number of Optioned Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Section 4.9, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the

Board, and any such determination will be binding on the Company, the Optionee and all other affected parties.

(b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:

(i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;

(ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and

(iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable, and if the Company undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

(c) If the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another corporation or entity, in a manner other than as specified in Section 5.9(b), then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in Section 5.9(a), and such adjustments shall be effective and binding upon the Company and the Optionee for all purposes.

(d) No adjustment provided in this Section 4.9 shall require the Company to issue a fractional share and the total adjustment with respect to each Option shall be limited accordingly.

(e) The grant or existence of an Option shall not in any way limit or restrict the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

6. COMMITMENT AND EXERCISE PROCEDURES

6.1 Option Agreement. Upon grant of an Option hereunder, an authorized director or officer of the Company will deliver to the Optionee an Option Agreement detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase

the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions of this Plan and the Option Agreement.

6.2 Manner of Exercise. An Optionee who wishes to exercise his vested Option, in its entirety or any portion thereof, may do so by delivering:

(a) a Notice of Exercise to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) cash, a certified cheque or a bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.

6.3 Subsequent Exercises. If an Optionee exercises only a portion of the total number of his Options, then the Optionee may, from time to time, subsequently exercise all or part of the remaining vested Options until the Expiry Date.

6.4 Delivery of Certificate and Hold Periods. As soon as practicable after receipt of the Notice of Exercise described in Section 6.2 and payment in full for the Optioned Shares being received by the Company, the Company will or will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws and TSXV Policies.

6.5 Withholding. The Company may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to Options ("**Withholding Obligations**"). The Company may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by:

(a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such Withholding Obligations; or

(b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Optioned Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

7. AMENDMENTS

7.1 Amendment of the Plan. The Board reserves the right, in its absolute discretion, to at any time amend, suspend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to shareholder approval, if applicable, and any necessary Regulatory Approvals. If this Plan is suspended or terminated, the provisions of this Plan and any

administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

7.2 Amendment of Outstanding Options. The Board may amend any Option with the consent of the affected Optionee and the TSXV, if required, including any shareholder approval required by the TSXV. For greater certainty, Disinterested Shareholder Approval is required by the TSXV for any reduction in the exercise price of an Option if the Optionee is an Insider at the time of the proposed amendment.

7.3 Amendment Subject to Approval. If the amendment of an Option requires shareholder or Regulatory Approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are obtained.

8. GENERAL

8.1 Exclusion from Severance Allowance. Retirement Allowance or Termination Settlement. If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Optioned Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

8.2 Employment and Services. Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

8.3 No Rights as Shareholder. Nothing contained in this Plan nor in any Option granted thereunder shall be deemed to give any Optionee any interest or title in or to any Common Shares of the Company or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option in accordance with the provisions of the Plan and the Option Agreement.

8.4 No Representation or Warranty. The Company makes no representation or warranty as to the future market value of Optioned Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Optioned Shares issuable thereunder or the tax consequences to a Optionee. Compliance with applicable securities laws as to the disclosure and resale obligations of each Optionee is the responsibility of such Optionee and not the Company.

8.5 Other Arrangements. Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.

8.6 No Fettering of Discretion. The awarding of Options under this Plan is a matter to be determined solely in the discretion of the Board. This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common

Shares or any other securities in the capital of the Company or any of its Affiliates other than as specifically provided for in this Plan.

SCHEDULE A
STOCK OPTION AGREEMENT
(NON-INVESTOR RELATIONS)

THIS STOCK OPTION AGREEMENT (this "**Agreement**") is made as of the ____ day of _____, 20___.

BETWEEN:

SPARROW VENTURES CORP., a company having an address at Suite 610 – 700 West Pender Street, Vancouver, British Columbia V6C 1G8

(the "**Company**")

AND:

♦, of ♦

(the "**Optionee**")

WHEREAS:

A. The Company's board of directors (the "**Board**") has approved and adopted an incentive stock option plan (the "**Plan**") dated for reference October ♦, 2016, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 10% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides services to the Company as a ♦**[director/officer/consultant]** of ♦**[the Company] OR [a subsidiary of the Company]** (the "**Services**"); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the "**Parties**") as follows:

1. IN THIS AGREEMENT, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(a) "**Date of Grant**" means the date of this Agreement;

(a) "**Exercise Payment**" means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;

(b) "**Exercise Price**" means ♦ per Optioned Share;

(c) "**Expiry Date**" means the date which is ♦ years after the Date of Grant;

(d) "**Notice of Exercise**" means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit A1 hereto, which notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;

(e) "**Options**" means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement and the terms of the Plan;

(f) "**Optioned Shares**" means the Shares subject to the Options;

(g) "**Personal Information**" means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit A2 attached hereto.

(h) "**Securities**" means, collectively, the Options and the Optioned Shares;

(i) "**Shareholders**" means holders of record of the Shares; and

(j) "**Shares**" means the common shares in the capital of the Company.

2. ALL CAPITALIZED TERMS USED BUT NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE MEANING ASCRIBED TO SUCH TERMS IN THE PLAN.

3. THE COMPANY HEREBY GRANTS TO THE OPTIONEE, SUBJECT TO THE TERMS AND CONDITIONS OF THE PLAN AND AS HEREINAFTER SET FORTH, OPTIONS TO PURCHASE A TOTAL OF ♦ OPTIONED SHARES AT THE EXERCISE PRICE.

4. UNLESS ACCELERATED AT THE DISCRETION OF THE BOARD WITHIN THE RULES AND REGULATIONS OF ANY APPLICABLE REGULATORY BODIES, THE OPTIONS SHALL VEST AS FOLLOWS ♦[REVISE AS APPLICABLE]**:**

(a) **♦[provide]** on the Date of Grant;

(b) **♦[provide]** on the first anniversary of the Date of Grant; and

(c) **♦[provide]** on the second anniversary of the Date of Grant.

5. THE OPTIONS SHALL, AT 5:00 P.M. (VANCOUVER TIME) ON THE EXPIRY DATE, FORTHWITH EXPIRE AND BE OF NO FURTHER FORCE OR EFFECT WHATSOEVER.

6. SUBJECT TO THE PROVISIONS OF THE PLAN AND HEREOF, THE OPTIONS SHALL BE EXERCISABLE IN WHOLE OR IN PART (AT ANY TIME AND FROM TIME TO TIME AS AFORESAID) BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE GIVING A NOTICE OF EXERCISE TOGETHER WITH THE EXERCISE PAYMENT BY CASH, CERTIFIED CHEQUE OR BANK DRAFT, MADE PAYABLE TO THE COMPANY.

7. UPON THE EXERCISE OF ALL OR ANY PART OF THE OPTIONS AND UPON RECEIPT BY THE COMPANY OF NOTICE OF EXERCISE AND THE EXERCISE PAYMENT, THE COMPANY SHALL CAUSE TO BE DELIVERED TO THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE, WITHIN TEN (10) DAYS FOLLOWING RECEIPT BY THE COMPANY OF THE LATER OF: (I) NOTICE OF EXERCISE AND (II) THE EXERCISE PAYMENT, A CERTIFICATE IN THE NAME OF THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE REPRESENTING, IN AGGREGATE, THE NUMBER OF OPTIONED SHARES SPECIFIED IN THE NOTICE OF EXERCISE.

8. NOTHING IN THIS AGREEMENT SHALL OBLIGATE THE OPTIONEE TO PURCHASE ANY OPTIONED SHARES EXCEPT THOSE OPTIONED SHARES IN RESPECT OF WHICH THE OPTIONEE SHALL HAVE EXERCISED THE OPTIONS IN THE MANNER PROVIDED IN THIS AGREEMENT.

9. THE COMPANY AGREES THAT PRIOR TO THE EARLIER OF THE EXPIRATION OF THE OPTIONS AND THE EXERCISE AND PURCHASE OF THE TOTAL NUMBER OF OPTIONED SHARES REPRESENTED BY THE OPTIONS, THERE SHALL BE RESERVED FOR ISSUANCE AND DELIVERY UPON EXERCISE OF THE OPTIONS SUCH NUMBER OF THE COMPANY'S AUTHORIZED AND UNISSUED SHARES AS SHALL BE NECESSARY TO SATISFY THE TERMS AND CONDITIONS OF THIS AGREEMENT.

10. THE OPTIONEE ACKNOWLEDGES, REPRESENTS AND WARRANTS TO THE COMPANY THAT:

(a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and

(b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933.

11. THE OPTIONEE HEREBY COVENANTS AND AGREES WITH THE COMPANY THAT THE OPTIONEE WILL EXECUTE AND DELIVER ANY DOCUMENTS AND INSTRUMENTS AND PROVIDE ANY INFORMATION AS MAY BE REASONABLY REQUESTED BY THE COMPANY, FROM TIME TO TIME, TO ESTABLISH THE AVAILABILITY OF EXEMPTIONS FROM PROSPECTUS REQUIREMENTS AND TO COMPLY WITH ANY APPLICABLE SECURITIES LEGISLATION AND TSXV POLICIES, INCLUDING WITHOUT LIMITATION THOSE PROVISIONS OF ANY APPLICABLE SECURITIES LEGISLATION AND TSXV POLICIES RELATING TO ESCROW REQUIREMENTS.

12. THE OPTIONEE HEREBY ACKNOWLEDGES AND AGREES TO THE COMPANY MAKING A NOTATION ON ITS RECORDS OR GIVING INSTRUCTIONS TO THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY IN ORDER TO IMPLEMENT THE RESTRICTIONS ON TRANSFER SET FORTH AND DESCRIBED IN THIS AGREEMENT.

13. UNLESS THE COMPANY PERMITS OTHERWISE, THE OPTIONEE SHALL PAY THE COMPANY IN CASH ALL LOCAL, PROVINCIAL AND FEDERAL WITHHOLDING TAXES APPLICABLE TO THE GRANT OR EXERCISE OF THE OPTIONS, OR THE TRANSFER OR OTHER DISPOSITION OF SHARES ACQUIRED UPON EXERCISE OF THE OPTIONS. ANY SUCH PAYMENT MUST BE MADE PROMPTLY WHEN THE AMOUNT OF SUCH OBLIGATION BECOMES DETERMINABLE. IN ADDITION TO ANY REMEDIES AVAILABLE TO THE COMPANY UNDER THE PLAN TO COMPLY WITH WITHHOLDING OBLIGATIONS, THE COMPANY MAY IN ITS DISCRETION SELL ON THE OPTIONEE'S BEHALF, OR REQUIRE THE OPTIONEE TO SELL, ANY SHARES ACQUIRED BY THE OPTIONEE UNDER THE PLAN, OR RETAIN ANY AMOUNT WHICH WOULD OTHERWISE BE PAYABLE TO THE OPTIONEE IN CONNECTION WITH ANY SUCH SALE.

14. THIS AGREEMENT SHALL ENURE TO THE BENEFIT OF AND BE BINDING UPON THE COMPANY, ITS SUCCESSORS AND ASSIGNS, AND THE OPTIONEE AND HIS PERSONAL REPRESENTATIVE, IF APPLICABLE.

15. OTHER THAN IN THE EVENT OF DEATH OF THE OPTIONEE IN WHICH CASE THE OPTIONS MAY BE TRANSFERRED OR ASSIGNED BY WILL OR BY THE LAW GOVERNING THE DEVOLUTION OF PROPERTY TO THE OPTIONEE'S EXECUTOR, ADMINISTRATOR OR OTHER PERSON REPRESENTATIVE, THIS AGREEMENT SHALL NOT BE TRANSFERABLE OR ASSIGNABLE BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE AND THE OPTIONS MAY BE EXERCISED ONLY BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE PROVIDED THAT, SUBJECT TO THE PRIOR APPROVAL OF THE BOARD AND, IF NECESSARY, ANY APPLICABLE STOCK EXCHANGE, THE OPTIONEE MAY ASSIGN THE OPTIONS TO A COMPANY OF WHICH ALL OF THE VOTING SECURITIES ARE BENEFICIALLY OWNED BY THE OPTIONEE, WHICH OWNERSHIP WILL CONTINUE FOR AS LONG AS ANY PORTION OF THE OPTIONS REMAIN UNEXERCISED.

16. THE GRANTING OF THE OPTIONS AND THE TERMS AND CONDITIONS HEREOF SHALL BE SUBJECT TO REGULATORY APPROVAL AS REQUIRED.

17. THE OPTIONEE AND THE COMPANY REPRESENT THAT THE OPTIONEE IS A DIRECTOR, EMPLOYEE OR CONSULTANT OF THE COMPANY OR ANY AFFILIATE OF THE COMPANY OR OF A COMPANY OF WHICH ALL OF THE VOTING SECURITIES ARE BENEFICIALLY OWNED BY ONE OR MORE OF THE FOREGOING.

18. THE OPTIONEE REPRESENTS THAT HE HAS NOT BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY THE EXPECTATION OF EMPLOYMENT OR CONTINUED EMPLOYMENT OR RETENTION OR CONTINUED RETENTION BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY.

19. THE OPTIONS WILL TERMINATE IN ACCORDANCE WITH THE PLAN.

20. THE OPTIONEE ACKNOWLEDGES AND CONSENTS TO THE FACT THAT THE COMPANY IS COLLECTING THE OPTIONEES' PERSONAL INFORMATION FOR THE PURPOSES SET OUT IN EXHIBIT A2 WHICH MAY BE DISCLOSED BY THE COMPANY TO:

(a) the TSXV or securities regulatory authorities;

(b) the Company's registrar and transfer agent;

(c) Canadian tax authorities; and

(d) authorities pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. NEITHER THIS AGREEMENT NOR THE PLAN CONFERS ON THE OPTIONEE THE RIGHT TO CONTINUE IN THE EMPLOYMENT OF OR ASSOCIATION WITH THE COMPANY OR ANY AFFILIATE OF THE COMPANY, NOR DO THEY INTERFERE IN ANY WAY WITH THE RIGHT OF THE OPTIONEE OR THE COMPANY OR ANY AFFILIATE OF THE COMPANY TO TERMINATE THE OPTIONEE'S EMPLOYMENT AT ANY TIME.

22. REFERENCE IS MADE TO THE PLAN FOR PARTICULARS OF THE RIGHTS AND OBLIGATIONS OF THE OPTIONEE AND THE COMPANY IN RESPECT OF THE TERMS AND CONDITIONS ON WHICH THE OPTIONS ARE GRANTED, ALL TO THE SAME EFFECT AS IF THE PROVISIONS OF THE PLAN WERE SET OUT IN THIS AGREEMENT AND TO ALL OF WHICH THE OPTIONEE ASSENTS.

23. THE COMPANY WILL GIVE A COPY OF THE PLAN TO THE OPTIONEE ON REQUEST.

24. TIME IS OF THE ESSENCE OF THIS AGREEMENT.

25. THE TERMS OF THE OPTIONS ARE SUBJECT TO THE PROVISIONS OF THE PLAN, AS THE SAME MAY FROM TIME TO TIME BE AMENDED, AND ANY INCONSISTENCIES BETWEEN THIS AGREEMENT AND THE PLAN, AS THE SAME MAY BE FROM TIME TO TIME AMENDED, SHALL BE GOVERNED BY THE PROVISIONS OF THE PLAN.

26. IF AT ANY TIME DURING THE TERM OF THIS AGREEMENT THE PARTIES DEEM IT NECESSARY OR EXPEDIENT TO MAKE ANY ALTERATION OR ADDITION TO THIS AGREEMENT, THEY MAY DO SO BY MEANS OF A WRITTEN AGREEMENT BETWEEN THEM WHICH SHALL BE SUPPLEMENTAL HERETO AND FORM PART HEREOF AND WHICH SHALL BE SUBJECT TO REGULATORY APPROVAL IF REQUIRED.

27. WHEREVER THE PLURAL OR MASCULINE ARE USED THROUGHOUT THIS AGREEMENT, THE SAME SHALL BE CONSTRUED AS MEANING SINGULAR OR FEMININE OR NEUTER OR THE BODY POLITIC OR CORPORATE WHERE THE CONTEXT REQUIRES.

28. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL PARTS IN THE SAME FORM AND SUCH PARTS AS SO EXECUTED SHALL TOGETHER CONSTITUTE ONE ORIGINAL AGREEMENT, AND SUCH PARTS, IF MORE THAN ONE, SHALL BE READ TOGETHER AND CONSTRUED AS IF EACH OF THE PARTIES HAD EXECUTED ONE COPY OF THIS AGREEMENT.

29. DELIVERY OF AN EXECUTED COPY OF THIS AGREEMENT BY ELECTRONIC FACSIMILE TRANSMISSION OR OTHER MEANS OF ELECTRONIC COMMUNICATION CAPABLE OF PRODUCING A PRINTED COPY WILL BE DEEMED TO BE EXECUTION AND DELIVERY OF THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

30. THIS AGREEMENT SHALL BE EXCLUSIVELY GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF BRITISH COLUMBIA WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE THAT WOULD CAUSE THE APPLICATION OF THE DOMESTIC SUBSTANTIVE LAWS OF ANY OTHER JURISDICTION, AND SHALL BIND AND INURE TO THE BENEFIT OF THE PARTIES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

SPARROW VENTURES CORP.

Per: _____
Authorized Signatory

♦[If the optionee is an individual use this signature block]

WITNESSED BY:)
)
_____)
Name)
_____)
Address)
_____) ♦ _____
)
_____)
Occupation)

♦[or if a company is the optionee, the following:]

♦

Per: _____
Authorized Signatory

EXHIBIT A1

TO: Sparrow Ventures Corp. (the "**Company**")
Suite 610 – 700 West Pender Street
Vancouver, British Columbia V6C 1G8

NOTICE OF EXERCISE

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "**Agreement**") dated as of the ____ day of _____, 20___, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase _____ common shares of the Company at a price of $_____ per share, for aggregate consideration of $_____, on the terms and conditions set forth in the Agreement and the Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

The Optionee hereby directs the Company to issue, register and deliver the certificates representing the shares as follows:

Registration Information:	Delivery Instructions:
Name to appear on certificates	Name
Address	Address
	Telephone Number

DATED at _____, the _____ day of _____, _____.

_____
Name of Optionee (Please type or print)

_____
Signature of Optionee or Authorized Signatory

_____
Name and Office of Authorized Signatory

_____
Address of Optionee

_____
Address of Optionee

_____
Facsimile Number

EXHIBIT A2

TSX venture EXCHANGE

TSX

ACKNOWLEDGEMENT – PERSONAL INFORMATION

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as "the Exchange") collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

(a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and

(b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.

SCHEDULE B
STOCK OPTION AGREEMENT
(INVESTOR RELATIONS)

THIS STOCK OPTION AGREEMENT (this "**Agreement**") is made as of the ____ day of _____, 20___.

BETWEEN:

SPARROW VENTURES CORP., a company having an address at Suite 610 – 700 West Pender Street, Vancouver, British Columbia V6C 1G8

(the "**Company**")

AND:

♦, of ♦

(the "**Optionee**")

WHEREAS:

A. The Company's board of directors (the "**Board**") has approved and adopted an incentive stock option plan (the "**Plan**") dated for reference October ♦, 2016, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 10% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides investor relations services to the Company as a consultant (the "**Services**"); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the "**Parties**") as follows:

1. IN THIS AGREEMENT, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(a) "**Date of Grant**" means the date of this Agreement;

(b) "**Exercise Payment**" means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;

(c) "**Exercise Price**" means ♦ per Optioned Share;

(d) "**Expiry Date**" means the date which is ♦ years after the Date of Grant;

(e) "**Notice of Exercise**" means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit B1 hereto, which notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;

(f) "**Options**" means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement and the terms of the Plan;

(g) "**Optioned Shares**" means the Shares subject to the Options;

(h) "**Personal Information**" means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit B2 attached hereto.

(i) "**Securities**" means, collectively, the Options and the Optioned Shares;

(j) "**Shareholders**" means holders of record of the Shares; and

(k) "**Shares**" means the common shares in the capital of the Company.

2. ALL CAPITALIZED TERMS USED BUT NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE MEANING ASCRIBED TO SUCH TERMS IN THE PLAN.

3. THE COMPANY HEREBY GRANTS TO THE OPTIONEE, SUBJECT TO THE TERMS AND CONDITIONS OF THE PLAN AND AS HEREINAFTER SET FORTH, OPTIONS TO PURCHASE A TOTAL OF ♦ OPTIONED SHARES AT THE EXERCISE PRICE.

4. THE OPTIONS SHALL VEST AS FOLLOWS ♦[TSXV RULES REQUIRE THE OPTIONS TO VEST IN STAGES OVER AT LEAST 12 MONTHS WITH NO MORE THAN ONE QUARTER OF THE OPTIONS VESTING IN ANY 3 MONTH PERIOD]**:**

(a) **♦[provide]** on the date that is 3 months after the Date of Grant;

(b) **♦[provide]** on the date that is 6 months after the Date of Grant;

(c) **♦[provide]** on the date that is 9 months after the Date of Grant; and

(d) **♦[provide]** on the date that is 12 months after the Date of Grant.

5. THE OPTIONS SHALL, AT 5:00 P.M. (VANCOUVER TIME) ON THE EXPIRY DATE, FORTHWITH EXPIRE AND BE OF NO FURTHER FORCE OR EFFECT WHATSOEVER.

6. SUBJECT TO THE PROVISIONS OF THE PLAN AND HEREOF, THE OPTIONS SHALL BE EXERCISABLE IN WHOLE OR IN PART (AT ANY TIME AND FROM TIME TO TIME AS AFORESAID) BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE GIVING A NOTICE OF EXERCISE TOGETHER WITH THE EXERCISE PAYMENT BY CASH OR BY CERTIFIED CHEQUE, MADE PAYABLE TO THE COMPANY.

7. UPON THE EXERCISE OF ALL OR ANY PART OF THE OPTIONS AND UPON RECEIPT BY THE COMPANY OF THE NOTICE OF EXERCISE AND THE EXERCISE PAYMENT, THE COMPANY SHALL CAUSE TO BE DELIVERED TO THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE, WITHIN TEN (10) DAYS FOLLOWING RECEIPT BY THE COMPANY OF THE LATER OF (I) THE NOTICE OF EXERCISE, AND (II) THE EXERCISE PAYMENT, A CERTIFICATE IN THE NAME OF THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE REPRESENTING, IN AGGREGATE, THE NUMBER OF OPTIONED SHARES SPECIFIED IN THE NOTICE OF EXERCISE.

8. NOTHING IN THIS AGREEMENT SHALL OBLIGATE THE OPTIONEE TO PURCHASE ANY OPTIONED SHARES EXCEPT THOSE OPTIONED SHARES IN RESPECT OF WHICH THE OPTIONEE SHALL HAVE EXERCISED THE OPTIONS IN THE MANNER PROVIDED IN THIS AGREEMENT.

9. THE COMPANY AGREES THAT PRIOR TO THE EARLIER OF THE EXPIRATION OF THE OPTIONS AND THE EXERCISE AND PURCHASE OF THE TOTAL NUMBER OF OPTIONED SHARES REPRESENTED BY THE OPTIONS, THERE SHALL BE RESERVED FOR ISSUANCE AND DELIVERY UPON EXERCISE OF THE OPTIONS SUCH NUMBER OF THE COMPANY'S AUTHORIZED AND UNISSUED SHARES AS SHALL BE NECESSARY TO SATISFY THE TERMS AND CONDITIONS OF THIS AGREEMENT.

10. THE OPTIONEE ACKNOWLEDGES, REPRESENTS AND WARRANTS TO THE COMPANY THAT:

(a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and

(b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933.

11. THE OPTIONEE HEREBY COVENANTS AND AGREES WITH THE COMPANY THAT THE OPTIONEE WILL EXECUTE AND DELIVER ANY DOCUMENTS AND INSTRUMENTS AND PROVIDE ANY INFORMATION AS MAY BE REASONABLY REQUESTED BY THE COMPANY, FROM TIME TO TIME, TO ESTABLISH THE AVAILABILITY OF EXEMPTIONS FROM PROSPECTUS REQUIREMENTS AND TO COMPLY WITH ANY APPLICABLE SECURITIES LEGISLATION AND TSXV POLICIES, INCLUDING WITHOUT LIMITATION THOSE PROVISIONS OF ANY APPLICABLE SECURITIES LEGISLATION AND TSXV POLICIES RELATING TO ESCROW REQUIREMENTS.

12. THE OPTIONEE HEREBY ACKNOWLEDGES AND AGREES TO THE COMPANY MAKING A NOTATION ON ITS RECORDS OR GIVING INSTRUCTIONS TO THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY IN ORDER TO IMPLEMENT THE RESTRICTIONS ON TRANSFER SET FORTH AND DESCRIBED IN THIS AGREEMENT.

13. UNLESS THE COMPANY PERMITS OTHERWISE, THE OPTIONEE SHALL PAY THE COMPANY IN CASH ALL LOCAL, PROVINCIAL AND FEDERAL WITHHOLDING TAXES APPLICABLE TO THE GRANT OR EXERCISE OF THE OPTIONS, OR THE TRANSFER OR OTHER DISPOSITION OF SHARES ACQUIRED UPON EXERCISE OF THE OPTIONS. ANY SUCH PAYMENT MUST BE MADE PROMPTLY WHEN THE AMOUNT OF SUCH OBLIGATION BECOMES DETERMINABLE. IN

ADDITION TO ANY REMEDIES AVAILABLE TO THE COMPANY UNDER THE PLAN TO COMPLY WITH WITHHOLDING OBLIGATIONS, THE COMPANY MAY IN ITS DISCRETION SELL ON THE OPTIONEE'S BEHALF, OR REQUIRE THE OPTIONEE TO SELL, ANY SHARES ACQUIRED BY THE OPTIONEE UNDER THE PLAN, OR RETAIN ANY AMOUNT WHICH WOULD OTHERWISE BE PAYABLE TO THE OPTIONEE IN CONNECTION WITH ANY SUCH SALE.

14. THIS AGREEMENT SHALL ENURE TO THE BENEFIT OF AND BE BINDING UPON THE COMPANY, ITS SUCCESSORS AND ASSIGNS, AND THE OPTIONEE AND HIS PERSONAL REPRESENTATIVE, IF APPLICABLE.

15. OTHER THAN IN THE EVENT OF DEATH OF THE OPTIONEE IN WHICH CASE THE OPTIONS MAY BE TRANSFERRED OR ASSIGNED BY WILL OR BY THE LAW GOVERNING THE DEVOLUTION OF PROPERTY TO THE OPTIONEE'S EXECUTOR, ADMINISTRATOR OR OTHER PERSON REPRESENTATIVE, THIS AGREEMENT SHALL NOT BE TRANSFERABLE OR ASSIGNABLE BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE AND THE OPTIONS MAY BE EXERCISED ONLY BY THE OPTIONEE OR HIS PERSONAL REPRESENTATIVE PROVIDED THAT, SUBJECT TO THE PRIOR APPROVAL OF THE BOARD AND, IF NECESSARY, ANY APPLICABLE STOCK EXCHANGE, THE OPTIONEE MAY ASSIGN THE OPTIONS TO A COMPANY OF WHICH ALL OF THE VOTING SECURITIES ARE BENEFICIALLY OWNED BY THE OPTIONEE, WHICH OWNERSHIP WILL CONTINUE FOR AS LONG AS ANY PORTION OF THE OPTIONS REMAIN UNEXERCISED.

16. THE GRANTING OF THE OPTIONS AND THE TERMS AND CONDITIONS HEREOF SHALL BE SUBJECT TO REGULATORY APPROVAL AS REQUIRED.

17. THE OPTIONEE AND THE COMPANY REPRESENT THAT THE OPTIONEE IS A DIRECTOR, EMPLOYEE OR CONSULTANT OF THE COMPANY OR ANY AFFILIATE OF THE COMPANY OR OF A COMPANY OF WHICH ALL OF THE VOTING SECURITIES ARE BENEFICIALLY OWNED BY ONE OR MORE OF THE FOREGOING.

18. THE OPTIONEE REPRESENTS THAT HE HAS NOT BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY THE EXPECTATION OF EMPLOYMENT OR CONTINUED EMPLOYMENT OR RETENTION OR CONTINUED RETENTION BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY.

19. THE OPTIONS WILL TERMINATE IN ACCORDANCE WITH THE PLAN.

20. THE OPTIONEE ACKNOWLEDGES AND CONSENTS TO THE FACT THAT THE COMPANY IS COLLECTING THE OPTIONEES' PERSONAL INFORMATION FOR THE PURPOSES SET OUT IN EXHIBIT B2 WHICH MAY BE DISCLOSED BY THE COMPANY TO:

(a) the TSXV or securities regulatory authorities;

(b) the Company's registrar and transfer agent;

(c) Canadian tax authorities; and

(d) authorities pursuant to the *Proceeds of Crime (Money Laundering)* and *Terrorist Financing Act (Canada)*.

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. NEITHER THIS AGREEMENT NOR THE PLAN CONFERS ON THE OPTIONEE THE RIGHT TO CONTINUE IN THE EMPLOYMENT OF OR ASSOCIATION WITH THE COMPANY OR ANY AFFILIATE OF THE COMPANY, NOR DO THEY INTERFERE IN ANY WAY WITH THE RIGHT OF THE OPTIONEE OR THE COMPANY OR ANY AFFILIATE OF THE COMPANY TO TERMINATE THE OPTIONEE'S EMPLOYMENT AT ANY TIME.

22. REFERENCE IS MADE TO THE PLAN FOR PARTICULARS OF THE RIGHTS AND OBLIGATIONS OF THE OPTIONEE AND THE COMPANY IN RESPECT OF THE TERMS AND CONDITIONS ON WHICH THE OPTIONS ARE GRANTED, ALL TO THE SAME EFFECT AS IF THE PROVISIONS OF THE PLAN WERE SET OUT IN THIS AGREEMENT AND TO ALL OF WHICH THE OPTIONEE ASSENTS.

23. THE COMPANY WILL GIVE A COPY OF THE PLAN TO THE OPTIONEE ON REQUEST.

24. TIME IS OF THE ESSENCE OF THIS AGREEMENT.

25. THE TERMS OF THE OPTIONS ARE SUBJECT TO THE PROVISIONS OF THE PLAN, AS THE SAME MAY FROM TIME TO TIME BE AMENDED, AND ANY INCONSISTENCIES BETWEEN THIS AGREEMENT AND THE PLAN, AS THE SAME MAY BE FROM TIME TO TIME AMENDED, SHALL BE GOVERNED BY THE PROVISIONS OF THE PLAN.

26. IF AT ANY TIME DURING THE TERM OF THIS AGREEMENT THE PARTIES DEEM IT NECESSARY OR EXPEDIENT TO MAKE ANY ALTERATION OR ADDITION TO THIS AGREEMENT, THEY MAY DO SO BY MEANS OF A WRITTEN AGREEMENT BETWEEN THEM WHICH SHALL BE SUPPLEMENTAL HERETO AND FORM PART HEREOF AND WHICH SHALL BE SUBJECT TO REGULATORY APPROVAL IF REQUIRED.

27. WHEREVER THE PLURAL OR MASCULINE ARE USED THROUGHOUT THIS AGREEMENT, THE SAME SHALL BE CONSTRUED AS MEANING SINGULAR OR FEMININE OR NEUTER OR THE BODY POLITIC OR CORPORATE WHERE THE CONTEXT REQUIRES.

28. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL PARTS IN THE SAME FORM AND SUCH PARTS AS SO EXECUTED SHALL TOGETHER CONSTITUTE ONE ORIGINAL AGREEMENT, AND SUCH PARTS, IF MORE THAN ONE, SHALL BE READ TOGETHER AND CONSTRUED AS IF EACH OF THE PARTIES HAD EXECUTED ONE COPY OF THIS AGREEMENT.

29. DELIVERY OF AN EXECUTED COPY OF THIS AGREEMENT BY ELECTRONIC FACSIMILE TRANSMISSION OR OTHER MEANS OF ELECTRONIC COMMUNICATION CAPABLE OF PRODUCING A PRINTED COPY WILL BE DEEMED TO BE EXECUTION AND DELIVERY OF THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

30. THIS AGREEMENT SHALL BE EXCLUSIVELY GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF BRITISH COLUMBIA WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE THAT WOULD CAUSE THE APPLICATION OF THE DOMESTIC SUBSTANTIVE LAWS OF ANY OTHER JURISDICTION, AND SHALL BIND AND INURE TO THE BENEFIT OF THE PARTIES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

SPARROW VENTURES CORP.

Per: _____
Authorized Signatory

♦[If the optionee is an individual use this signature block]

WITNESSED BY:)
)
_____)
Name)
_____)
Address)
_____) ♦ _____
)
_____)
Occupation)

♦[or if a company is the optionee, the following:]

♦

Per: _____
Authorized Signatory

EXHIBIT B1

TO: SPARROW VENTURES CORP. (the "**Company**")
Suite 610 – 700 West Pender Street
Vancouver, British Columbia V6C 1G8

NOTICE OF EXERCISE

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "**Agreement**") dated as of the ____ day of _____, 20___, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase _____ common shares of the Company at a price of $_____ per share, for aggregate consideration of $_____, on the terms and conditions set forth in the Agreement and the Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

The Optionee hereby directs the Company to issue, register and deliver the certificates representing the shares as follows:

Registration Information:	Delivery Instructions:
Name to appear on certificates	Name
Address	Address
	Telephone Number

DATED at _____, the _____ day of _____, _____.

_____
Name of Optionee (Please type or print)

_____
Signature of Optionee or Authorized Signatory

_____
Name and Office of Authorized Signatory

_____
Address of Optionee

_____
Address of Optionee

_____
Facsimile Number

EXHIBIT B2

TSX venture EXCHANGE

TSX

ACKNOWLEDGEMENT – PERSONAL INFORMATION

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as "the Exchange") collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

(a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and

(b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.