

BY-LAW NUMBER TWO

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

TELFERSCOT RESOURCES INC.

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TELFERSCOT RESOURCES INC.
(the “Corporation”)

BY-LAW NUMBER TWO

ARTICLE ONE
INTERPRETATION

Section 1.01 **Definitions:** In the by-laws, except as the context otherwise requires:

- (a) **Act** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 or any statute substituted therefor, as amended, and the regulations made under it;
- (b) **appoint** includes "elect" and vice versa;
- (c) **articles** means the articles of the Corporation;
- (d) **board** means the board of directors of the Corporation;
- (e) **by-law or by-laws** means this by-law and all other by-laws of the Corporation;
- (f) **Corporation** means the corporation which adopts this by-law;
- (g) **document** includes a contract, electronic document or other instrument in writing;
- (h) **instrument of transfer** means:
 - (i) such form of transfer as may appear on the back of the share certificate evidencing the share proposed to be transferred; or
 - (ii) such form of separate transfer document as is in general use or adopted or permitted by the board;
- (i) **meeting of shareholders** means an annual or other meeting of shareholders of the Corporation, and a meeting of holders of a class or series of shares in the Corporation; and
- (j) **recorded address** means:
 - (i) in the case of a shareholder, the shareholder's address as recorded in the securities register;
 - (ii) in the case of joint shareholders, the address appearing in the securities register in respect of their joint holding, or the first address so appearing if there is more than one; and
 - (iii) in the case of a director, officer, or auditor, the address of the director, officer or auditor recorded in the records of the Corporation.

Section 1.02 Interpretation: In the interpretation of these by-laws:

- (a) a word importing singular number includes the plural and vice versa;
- (b) a word importing gender includes the masculine, feminine and neuter;
- (c) a word importing a person includes an individual, a body corporate, a partnership, a trust, an estate and an unincorporated organization; and
- (d) a word or expression defined in the Act for the purposes of the entire Act has the meaning so defined.

Section 1.03 Headings: The division of a by-law into parts and the headings of parts and sections will be considered as for convenience of reference only and will not affect the construction or interpretation of the by-law.

ARTICLE TWO BUSINESS OF THE CORPORATION

Section 2.01 Corporate Seal: The board may adopt a corporate seal for the Corporation and adopt a new corporate seal in replacement of a corporate seal previously adopted.

Section 2.02 Reproduction of Seal: Any two persons each of whom is the chairperson, the chief executive officer, the president, a vice-president, the secretary or the treasurer may authorize a person engaged by the Corporation to engrave, lithograph or print a document (including a negotiable instrument) on which a reproduction of the signature of a director or officer of the Corporation is, in accordance with the by-laws, printed or otherwise mechanically reproduced, to cause the Corporation's seal to be affixed to the document by the use of an unmounted die reproducing the Corporation's seal.

Section 2.03 Affixation of Seal: The corporate seal of the Corporation will not be affixed to a document except by or in the presence of:

- (a) a person authorized to do so by a by-law or the board; or
- (b) the secretary or an assistant secretary for the purpose of certifying a copy of, or extract from, the articles or by-laws of the Corporation, minutes of a meeting or resolution of the shareholders or the board or a committee of the board, or a document executed or issued by the Corporation.

Section 2.04 Execution of Documents: A document requiring execution by the Corporation may be signed on behalf of the Corporation by a person authorized by the board, which authorization may be either generally or for a specific document.

Section 2.05 Reproduced Signatures: A document on which the signature of an officer or director of the Corporation that is; by authority of the board, printed or otherwise mechanically reproduced will be as valid as if the signature had been placed manually by such person and will be so valid notwithstanding that, at the time of the issue or delivery of the document, the person is deceased, has ceased to hold the office giving rise to such person's authority or is otherwise unable to personally sign the document.

Section 2.06 Fiscal Period: The fiscal period end of the Corporation will be as the board determines.

Section 2.07 Voting Rights in Other Bodies Corporate: To enable the Corporation to exercise voting rights attaching to securities held by the Corporation, any two persons each of whom is the chairperson, the chief executive officer, the president, a vice-president, the secretary or the treasurer may execute and deliver proxies and arrange for the issuance of voting certificates or other evidences of such rights in favour of the person determined by the officers executing such proxies unless otherwise determined by the board.

ARTICLE THREE BORROWING AND SECURITY

Section 3.01 Borrowing Power: Without limiting the powers of the Corporation as set forth in the Act, the board may cause the Corporation to:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of a person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

Section 3.02 Delegation of Borrowing Authority: The board may delegate to a person any or all of the powers conferred on the board by §3.01 to such extent and in such manner as it determines.

ARTICLE FOUR DIRECTORS

Section 4.01 Calling of Meetings: The chairperson or the chief executive officer may, and the secretary on the request of a director will, convene a meeting of the board.

Section 4.02 Notice of Meeting: Notice of the time and place of a meeting of the board must be given to each director not less than forty-eight (48) hours before the time when the meeting is to be held, but:

- (a) the notice need not specify what matters are to be dealt with at the meeting other than as required by the Act;
- (b) no notice will be necessary if all the directors are present or those who are absent have signified consent to the holding of the meeting; and
- (c) the period for notice of a meeting that begins within forty-eight (48) hours after the appointment or election of a director may be abridged for each such director to a period commencing at the time of such director's appointment or election.

Section 4.03 Quorum: The quorum for the transaction of business at any meeting of the directors shall consist of 50% of the directors then in office; PROVIDED THAT not less than one (1) independent

director is included within such quorum, and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors present or in attendance by any means of electronic transmission or any other form of communication facility.

Section 4.04 Chairperson of Meeting: The chairperson of a meeting of the board will be the first of the chairperson, the chief executive officer (if a director) and the lead director (if appointed) who is present and willing to act as the chairperson, but if no such director so willing is present within 15 minutes after the time appointed for holding the meeting the directors present will choose one of their number to be the chairperson.

Section 4.05 Voting: A question arising at a meeting of the board will be decided by a majority of the votes cast and in the case of an equality of votes, the chairperson may not exercise a second or casting vote.

Section 4.06 Remuneration and Expenses: A director will be paid such remuneration for their services to the Corporation as the board determines and will be reimbursed by the Corporation for travelling and other expenses properly incurred in attending a meeting of the board, a committee of the board or a meeting of shareholders.

Section 4.07 Additional Remuneration: Remuneration payable to a director who is also an officer or employee of the Corporation, or who serves the Corporation in a professional capacity, will be in addition to the director's salary as an officer or employee or professional fees.

Section 4.08 Attending Meeting: A director may participate in a meeting of the directors or of any committee of the directors:

- (a) in person; or
- (b) by telephone or by other communications medium if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other.

A director who participates in a meeting in a manner contemplated by this §4.08 is deemed for all purposes of the Act and these by-laws to be present at the meeting and to have agreed to participate in that manner.

ARTICLE FIVE COMMITTEES

Section 5.01 Transaction of Business: Except as otherwise determined by the board, proceedings of a committee of the board will be governed as follows:

- (a) the powers of the committee may be exercised by a meeting at which a quorum of the committee is present;
- (b) a majority of the members of the committee will constitute a quorum;
- (c) meetings of the committee may be held at any place within or outside of Canada;

- (d) a question arising at a meeting will be determined by a majority of the votes cast and in the case of an equality of votes the chairperson of the meeting will not exercise a second or casting vote;
- (e) the committee may determine when it will hold and adjourn meetings and may elect its chairperson, make rules for the conduct of its business and appoint such assistants as it deems necessary;
- (f) the committee will keep regular minutes of its transactions and report its transactions to the board as required by the board; and
- (g) a waiver of notice of a meeting of a committee may be given in any manner and will be deemed to be given by a director with respect to all business transacted after the director first attends the meeting.

ARTICLE SIX PROTECTION OF DIRECTORS AND OTHERS

Section 6.01 Contracts with the Corporation: Subject to the Act,

- (a) no director is, by being a director, or by reason of holding any other office or place of profit under the Corporation or under a person in which the Corporation is a shareholder or is otherwise interested, disqualified from entering into a contract, transaction or arrangement with the Corporation either as vendor, purchaser or otherwise, or from being concerned or interested in any manner in a contract, transaction or arrangement made or proposed to be entered into with the Corporation;
- (b) no such contract, transaction or arrangement is thereby void or liable to be avoided;
- (c) no director is liable to account to the Corporation for profit arising from such office or place of profit or realized by such contract, transaction or arrangement;
- (d) no director is obligated to make a declaration or disclosure of interest or refrain from voting; and
- (e) no contract or transaction is invalid or voidable, and no director is accountable to the Corporation or a shareholder in respect of a contract or transaction, by reason that the director did not disclose any interest.

Section 6.02 Limitation of Liability: Except as otherwise provided in the Act, no director or officer will be liable for:

- (a) the acts, receipts, neglects or defaults of any other person, or for joining in a receipt or act for conformity;
- (b) a loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to property acquired by, for, or on behalf of the Corporation;
- (c) the insufficiency or deficiency of a security in which monies of the Corporation are invested or in the security or collateral for a loan of monies of the Corporation;

- (d) a loss or damage arising from the bankruptcy, insolvency or wrongful act of a person with whom money, security or other property of the Corporation is lodged or deposited; or
- (e) any other loss, damage, or misfortune that arises out of the execution of the duties of a director or in relation thereto.

Section 6.03 Indemnification of Directors and Officers: To the maximum extent permitted by law, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, provided that:

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

The Corporation is authorized to enter into agreements evidencing its indemnity in favour of the foregoing persons to the full extent permitted by law.

Section 6.04 Amplification of Rights: The provisions of this Part are in amplification of and in addition to, and not by way of limitation of or in substitution for, such rights, immunities and protections as are conferred on a director or officer by law or otherwise.

ARTICLE SEVEN SHARES

Section 7.01 Registration of Transfers: Subject to the provisions of the Act, no transfer of shares shall be registered in a securities register except upon:

- (a) presentation of the certificate representing such shares with an instrument of transfer duly endorsed by the registered holder of the share or the holder's attorney;
- (b) the execution of the instrument of transfer must be attested and validated as reasonably required by the board;
- (c) delivery to the Corporation's transfer agent for shares of that class or series or, if there is no such transfer agent, to the registered office of the Corporation;
 - (i) the certificate evidencing the share to be transferred, if one was issued by the Corporation;
 - (ii) the instrument of transfer; and

- (iii) if the instrument of transfer was executed by the holder's attorney, evidence of the attorney's authority satisfactory to the transfer agent and/or the board.

Section 7.02 Separate Instruments of Transfer: There must be a separate instrument of transfer for each class or series of share proposed to be transferred, or if the shares are uncertificated shares, then upon proper instructions from the holder of uncertificated shares, in each case with such reasonable assurance or evidence of signature, identification and authority to transfer as the board may from time to time require, and upon payment of all applicable taxes and any fees required by the board.

Section 7.03 Transfer Fee: In respect of the registration of a transfer or transmission there must be paid to the Corporation or its transfer agent for such share such fee as the board determines.

Section 7.04 Replacement of Certificates: The board or any officer or agent designated by the board may in its or his discretion direct the issue of a new share certificate in lieu and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken upon payment of such fee, if any, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

Section 7.05 Share Certificates: Shares of the share capital of the Corporation may be certificated or uncertificated. Every holder of one or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to receive a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with §2.4, and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless counter-signed by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced upon share certificates and every such printed or mechanically reproduced signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

ARTICLE EIGHT DIVIDENDS AND RIGHTS

Section 8.01 Declaration: The board may, as permitted by law, declare dividends payable to the shareholders according to their respective rights and interests in the Corporation.

Section 8.02 Interest: No dividend will bear interest against the Corporation.

Section 8.03 Valuation of Non-Cash Dividends: The board will determine the value of a dividend not paid in money.

Section 8.04 Dividend Cheques: A dividend payable in money may be paid by cheque of the Corporation or its paying agent to the order of the registered holder of the share on which it is being paid and mailed by prepaid ordinary mail to the holder at the holder's recorded address or payable to such

person and mailed to such address as the holder directs, and the mailing of such a cheque in that manner will, unless it is not paid on presentation, satisfy and discharge the Corporation from the liability for the dividend to the extent of the sum represented by the cheque plus the amount of any tax that the Corporation is required to and does withhold.

Section 8.05 Cheques to Joint Holders: In the case of joint holders, a cheque in payment of a dividend will, unless they otherwise jointly direct, be made payable to the order of all of them and mailed to them at their recorded address.

Section 8.06 Non-receipt of Cheques: If a dividend cheque is not received by the person to whom it is so sent or is lost, mutilated or destroyed, the Corporation will issue a replacement cheque for a like amount on provision of such evidence of non-receipt, loss, mutilation or destruction and of title, and such indemnity and reimbursement of expense as the board prescribes, whether generally or in a particular case.

Section 8.07 Unclaimed Dividends: A dividend unclaimed for six years after the date of record for its payment will be forfeited and revert to the Corporation.

ARTICLE NINE MEETINGS OF SHAREHOLDERS

Section 9.01 Chairperson of Meeting: The chairperson of a meeting of shareholders will be the first of the chairperson, the chief executive officer, the lead director (if appointed) and the vice-presidents in order of seniority, who is present at the meeting and is willing to act.

Section 9.02 Choosing the Chairperson: If no such individual willing to act is present within 15 minutes after the time fixed for holding the meeting, the persons present and entitled to vote may choose one of their number to be chairperson.

Section 9.03 Secretary of Meeting: If the secretary of the Corporation is absent or unwilling to act, the chairperson will appoint some person, who need not be a shareholder, to act as secretary of the meeting.

Section 9.04 Scrutineers: One or more scrutineers, who need not be shareholders, may be appointed by resolution or by the chairperson with the consent of the meeting.

Section 9.05 Meeting By Electronic Means: The board may determine that a meeting of shareholders called by the board will be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

Section 9.06 Persons Entitled to be Present: The only persons entitled to be present at a meeting of shareholders will be those entitled to vote at the meeting, the directors, the auditor of the Corporation and any other person who, although not entitled to vote, is entitled or required to be present under a provision of the Act or the articles or by-laws, and any other person may be admitted only on the invitation of the chairperson of the meeting.

Section 9.07 Quorum: A quorum for the transaction of business at a meeting of shareholders is at least two persons present at the commencement of the meeting holding, or representing by proxy, the

holder or holders of shares. If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a meeting requisitioned by shareholders, the meeting is dissolved; and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

If, at the adjourned meeting, a quorum is not present within one-half hour from the time set for the holding of the adjourned meeting, one or more persons present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the adjourned meeting shall be deemed to constitute a quorum.

Section 9.08 Persons Entitled to Vote: Individuals present at the commencement of the meeting holding, or representing by proxy the holder or holders of, shares carrying in the aggregate not less than five percent of the votes eligible to be cast at the meeting.

Section 9.09 No Proxy Lodged: The chairperson of a meeting of shareholders may, subject to regulations made, in the chairperson's discretion accept such electronically transmitted or other written communication as to the authority of anyone claiming to vote on behalf of and to represent a shareholder notwithstanding that no proxy conferring such authority has been lodged with the Corporation, and votes given in accordance with such electronically transmitted or written communication accepted by the chairperson will be valid and will be counted.

Section 9.10 Joint Shareholders: If two or more of the joint holders of a share are present in person or represented by proxy and vote, the vote of that one of them, or of the proxy holder for that one of them, whose name appears first on the securities register of the Corporation in respect of the share will be accepted to the exclusion of the vote of another, or of the proxy holder for another, of them.

Section 9.11 Votes to Govern: At a meeting of shareholders every question will, except as otherwise required by the articles or by-laws, be determined by a majority of the votes cast on it, and in the case of an equality of votes the chairperson of the meeting will not be entitled to a second or casting vote.

Section 9.12 Show of Hands: On a show of hands every person who is present and entitled to vote will have one vote.

Section 9.13 Result of Vote on Show of Hands: Whenever a vote by show of hands is taken on a question then, unless a ballot is required or demanded, a declaration by the chairperson of the meeting that the vote has been carried or carried by a particular majority or not carried, and an entry to that effect in the minutes of the meeting, will be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the question, and the result of the vote so declared will be the decision of the shareholders on the question.

Section 9.14 Demand for Ballot: A demand for a ballot may be withdrawn at any time before the ballot is taken.

Section 9.15 Vote by Ballot by Shareholders: If a ballot is taken each person present will be entitled to one vote, or such other number of votes as the articles provide, in respect of each share that such person is entitled to vote on the question at the meeting, and the result of the ballot so taken will be the decision of the shareholders upon the question.

Section 9.16 Vote by Electronic Voting by Shareholders: Any vote at a meeting of the shareholders may be held, to the extent and in the manner permitted by law, entirely by means of remote communication, by telephone, electronic or other communication facility, if the Corporation makes available such a communication facility. Any person participating in a meeting of shareholders by electronic means as provided in §9.05 and entitled to vote at that meeting may vote, to the extent and in the manner permitted by law, by means of remote communication, by telephone, electronic or similar method of communication facility that the Corporation has made available for that purpose.

Section 9.17 Poll: A poll demanded on the election of a chairperson or on a question of adjournment will be taken forthwith, and a poll demanded on any other question will be taken at such time as the chairperson of the meeting directs.

Section 9.18 Adjournment: The chairperson of a meeting of shareholders may, with the consent of the meeting, adjourn the meeting.

Section 9.19 Rulings by the Chairperson: The chairperson of a meeting of shareholders will have regard to accepted rules of parliamentary procedure, and

- (a) the chairperson will have absolute authority over matters of procedure and there will be no appeal from the ruling of the chairperson, but if the chairperson, in the chairperson's absolute discretion, deems it advisable to dispense with the rules of parliamentary procedure at a meeting of shareholders or part of such meeting, the chairperson will so state and will clearly state the rules under which the meeting or the appropriate part of such meeting will be conducted;
- (b) a dispute as to the admission or rejection of a vote will be determined by the chairperson and the chairperson's determination will be final and conclusive;
- (c) if disorder arises that prevents continuation of the business of a meeting, the chairperson may quit the chair and declare the meeting to be adjourned, and upon the chairperson's so doing, the meeting is, notwithstanding §9.18, immediately adjourned to a time and place announced by the chairperson at the time of adjournment or such other time and place described in a notice given not less than seven days before the reconvened meeting to all persons who received notice of the original meeting; and
- (d) subject to §9.6, the chairperson may ask or require anyone who is not a registered shareholder entitled to vote at the meeting or corporate representative or proxyholder representing such a shareholder to leave the meeting.

Section 9.20 Notice of Meetings and Record Date: The Corporation shall give notice of any annual or special meeting of shareholders in the manner provided in Article Ten. Notices of meetings of the shareholders shall state the place, if any, date, and hour of the meeting, and the means of remote communication, if any, by which shareholders and proxy holders may be deemed to be present in person and vote at such meeting. In the case of a special meeting, the notice shall state the purpose or purposes for which the meeting is called. No business other than that specified in the notice thereof shall be transacted at any special meeting. Unless otherwise provided by applicable law or the Articles, notice shall be given to each shareholder entitled to vote at such meeting not fewer than 21 days or more than sixty days before the date of the meeting.

Section 9.21 Delivery of Notice: Notice to shareholders may be given by personal delivery, mail, or, with the consent of the shareholder entitled to receive notice, by facsimile or other means of electronic

transmission. If mailed, such notice shall be delivered by postage prepaid envelope directed to each shareholder at such shareholder's address as it appears in the records of the Corporation and shall be deemed given when deposited in the mail. Notice given by electronic transmission pursuant to this subsection shall be deemed given:

- (a) if by facsimile telecommunication, when directed to a facsimile telecommunication number at which the shareholder has consented to receive notice;
- (b) if by electronic mail, when directed to an electronic mail address at which the shareholder has consented to receive notice;
- (c) if by posting on an electronic network together with separate notice to the shareholder of such specific posting, upon the later of:
 - (i) such posting;
 - (ii) the giving of such separate notice; and
- (d) if by any other form of electronic transmission, when directed to the shareholder. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the Corporation that the notice has been given by personal delivery, by mail, or by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Section 9.22 Meetings without Notice: Notice of any meeting of shareholders need not be given to any shareholder if waived by such shareholder either in a writing signed by such shareholder or by electronic transmission, whether such waiver is given before or after such meeting is held. If such a waiver is given by electronic transmission, the electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the shareholder.

ARTICLE TEN NOTICES

Section 10.01 Notice to Joint Shareholders: If two or more persons are registered as joint holders of a share, a notice must be directed to all of them but need be delivered or addressed only to their recorded address to be sufficient notice to all.

Section 10.02 Signature to Notice: The signature to a notice to be given by the Corporation may be written, stamped, typewritten or printed.

Section 10.03 Effective Date of Notice: Subject to the Act, a notice sent by any means of electronic transmission or any other form of recorded communication will be deemed to have been given on the day when it is transmitted by the Corporation or, if transmitted by another, on the day when it is dispatched or delivered to the appropriate communication company or agency or its representative for dispatch, and a certificate or declaration in respect of any thereof in writing signed by an officer or by an employee of a transfer agent or registrar of the Corporation will be conclusive evidence of the matters therein certified or declared.

Section 10.04 Omissions and Errors: The accidental omission to give a notice to a shareholder, director, officer, or auditor or the non-receipt of a notice by any such person or an error in a notice not affecting its substance will not invalidate an action taken at a meeting held pursuant to such notice or otherwise founded on it.

Section 10.05 Persons Entitled by Death or Operation of Law: A person who, by operation of law, transfer, death of a shareholder or any other means, becomes entitled to a share will be bound by every notice in respect of the share that is duly given to the shareholder from whom the person derives title to the share before the person's name and address is entered on the securities register (whether the notice is given before or after the happening of the event upon which the person becomes so entitled) and before the person furnishes to the Corporation the proof of authority or evidence of entitlement prescribed by the Act.

Section 10.06 Waiver of Notice: Subject to the Act, a shareholder (or the duly appointed proxyholder of a shareholder), director, officer, auditor or member of a committee of the board may at any time in writing waive, or consent to the abridgement of the time for, a notice required to be given to that person under a provision of the Act, the articles, the by-laws or otherwise, and such a waiver or consent, if given before the meeting or other event of which notice is required to be given, will cure a default in the giving or in the time of the notice, as the case may be, to that person.

Section 10.07 Electronic Documents: A requirement under this by- law to provide a person with a notice, document or other information is not satisfied by the provision of an electronic document unless:

- (a) the addressee has consented, in the manner prescribed under the Act, and has designated an information system for the receipt of the electronic document;
- (b) the electronic document is provided to the designated information system, unless otherwise prescribed in the Act;
- (c) in the case of a notice, document or other information that is required by the Act to be provided by registered mail, the provision of such notice, document or other information by the sending of an electronic document is prescribed by the Act;
- (d) the Act has been complied with;
- (e) the information in the electronic document is accessible by the sender so as to be usable for subsequent reference; and
- (f) the information in the electronic document is accessible by the addressee and capable of being retained by the addressee, so as to be usable for subsequent reference.

**ARTICLE ELEVEN
EFFECTIVE DATE**

Section 11.01 Effective Date: This by-law shall come into force when made by the directors in accordance with the Act. and shall supercede and replace By-Law No. 1 of the Corporation dated June 1, 2010

MADE by the board of Telferscot Resources Inc. the 27th June, 2012.

BE IT RESOLVED THAT the foregoing By-Law No.2 being a by-law relating generally to the transaction of the business and affairs of the Corporation be and the same is hereby made as a by-law of the Corporation and anyone director be and is hereby authorized to sign the by-law and to apply the corporate seal thereto.

The directors acknowledge that this resolution may be signed in two (2) or more counterparts by original or facsimile or electronic signature which together shall be deemed to constitute one resolution in writing.

DATED this 27th day of June, 2012.

“James Garcelon”

JAMES GARCELON

This by-law was approved by the shareholders of the Corporation at a meeting held on June 26, 2012.