



CERTIVE SOLUTIONS INC.

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
OF CERTIVE SOLUTIONS INC.
TO BE HELD ON JANUARY 29, 2019**

**NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR**

December 24, 2018

SUMMARY

The following is a summary of information relating to Certive Solutions Inc. (the “**Company**”) and certain other matters and should be read together with the more detailed information and financial statements and accompanying management’s discussion and analysis contained elsewhere in this Information Circular. This Summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere in this Information Circular and the schedules attached hereto.

THE MEETING

The annual general and special meeting of shareholders of the Company (the “**Meeting**”) will be held in the office of Buckley Dodds LLP Chartered Professional Accountants, Suite 1140, 1185 W Georgia Street, Vancouver, British Columbia, at 10:00 a.m. (Vancouver time) on January 29, 2019. The record date for determining the shareholders eligible to vote at the Meeting is December 24, 2018. At the Meeting, the shareholders will be asked, among other things, to vote on the election of directors; the appointment of an auditor; approval of a stock option plan, and adoption of a new set of articles of the Company.

THE BUSINESS OF THE COMPANY

The common shares of the Company are listed and posted for trading on the Canadian Securities Exchange under the symbol “CBP”. The Company is in the business of revenue cycle management solutions to the health care industry in the United States and operates through four (4) wholly owned subsidiaries being Certive Health Inc, a company duly existing under the laws of Arizona, Omega Technology Solutions Inc., a company duly existing under the laws of Arizona, Knowledge Capital Alliance, Inc.(“KCA Inc.”), a company duly existing under the laws of Delaware, and Advantive Information Systems Inc., a company duly existing under the laws of Arizona.

Certive Health Inc., a wholly owned subsidiary of the Company owns both operating subsidiaries, KCA Inc and Omega Technology Solutions Inc.

The Company’s continuous disclosure filings, including its financial statements and accompanying management’s discussion and analyses, can be found under its profile on www.sedar.com.

THE BUSINESS OF THE MEETING

- To fix the number of directors for the ensuing year at five (5).
- To elect directors for the ensuing year.
- To appoint the auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration.
- To consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to affirm, ratify, and approve the Company's stock option plan.
- To consider and, if thought advisable, to pass, with or without variation, a special resolution adopting new articles of the Company.
- To transact such other business as may properly come before the Meeting or any adjournments thereof.

CERTIVE SOLUTIONS INC.

**NOTICE OF ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS TO BE HELD ON
JANUARY 29, 2019**

NOTICE IS HEREBY GIVEN that an annual general and special meeting of the shareholders of Certive Solutions Inc. (“**Certive**” or the “**Company**”) will be held in the office of Buckley Dodds LLP Chartered Professional Accountants, Suite 1140, 1185 W Georgia Street, Vancouver, British Columbia at 10:00 a.m. (Vancouver time) on January 29, 2019 (the “**Meeting**”), for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the financial years ended May 31, 2018, May 31, 2017 and May 31, 2016, together with the report of the auditors thereon;
2. to fix the number of directors of the Company at five (5) and to elect the directors (“**Directors**”) of the Company;
3. to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution re-appointing Buckley Dodds LLP, Chartered Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration of the auditors, as more particularly set out in the accompanying management information circular (the “**Circular**”);
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, substantially in the form set out in the accompanying Circular, approving the incentive stock option plan of the Company (the “**Stock Option Plan**”);
5. To consider and, if thought fit, to pass a special resolution adopting new articles of the Company in replacement of the existing articles as more particularly described in the Circular; and
6. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

Details of the foregoing matters are contained in the accompanying Circular of the Company.

If you are a registered Shareholder of Certive and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with Certive’s transfer agent, **Computershare Trust Company of Canada, c/o the Proxy Department, 510 Burrard Street, 3rd Floor, Vancouver, BC, V6C 3B9, on or before 10:00 a.m. (Vancouver time) on January 25, 2019**, or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used, or by delivering it to the Chair of the Meeting before the time of voting on the day of the Meeting or any adjournment thereof.

If you are a non-registered Shareholder and received this Notice of Meeting 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 securities on your behalf (the “**Intermediary**”), please complete and return the

materials in accordance with the instructions provided to you by your Intermediary.

DATED: December 24, 2018.

**BY ORDER OF THE BOARD OF
DIRECTORS**

(signed) "Tom Marreel"

Chief Executive Officer

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

CERTIVE SOLUTIONS INC.

MANAGEMENT INFORMATION CIRCULAR

As at December 24, 2018

SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Certive Solutions Inc. (“Certive” or the “Company”) for use at the annual general and special meeting (the “Meeting”) of shareholders of the Company to be held in the office of Buckley Dodds LLP Chartered Professional Accountants, Suite 1140, 1185 W Georgia Street, Vancouver, British Columbia at 10:00 a.m. (Vancouver time) on January 29, 2019 and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting. Solicitations may be made by mail and supplemented by telephone or other personal contact by the officers, employees or agents of the Company without special compensation. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation materials to the beneficial owners of the common shares of the Company (the “Shares”). The cost of any such solicitation will be borne by the Company.

The Board of Directors of the Company has fixed the record date for the Meeting to be the close of business on **December 24, 2018** (the “**Record Date**”). Shareholders of record as of the Record Date are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those Shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are Directors and/or officers of the Company. **A shareholder has the right to appoint a person (who need not be a shareholder of the Company) to attend and represent him or her at the Meeting, other than those persons named in the enclosed form of proxy. A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy, or by completing another proper form of proxy.** A form of proxy will not be valid unless it is completed, dated, signed and delivered to the office of the registrar and transfer agent of the Company, Computershare Trust Company of Canada (“**Computershare**”), Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than 48 hours (excluding Saturday, Sunday and statutory holidays) preceding the Meeting or an adjournment of the Meeting.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy.

A proxy may be revoked by depositing an instrument in writing, executed by the shareholder or his or her attorney authorized in writing, or, if the shareholder is a corporation, under its corporate seal or signed by a duly authorized officer or attorney for the corporation at the office of Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, at any time, not less than 48 hours (excluding Saturdays,

Sundays and statutory holidays) preceding the Meeting or an adjournment of the Meeting at which the proxy is to be used.

In addition, a proxy may be revoked by the shareholder executing another form of proxy bearing a later date and depositing same at the offices of the registrar and transfer agent of the Company within the time period set out under the heading "Voting of Proxies", or by the shareholder personally attending the Meeting or any adjournment thereof and voting his or her Shares. Any revocation made or delivered at the Meeting or any adjournment thereof shall be valid only with respect to matters not yet dealt with at the time such revocation is received by the Chairman or the Scrutineer of the Meeting.

VOTING OF PROXIES

All Shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Shares represented by the proxy will be voted in accordance with such specifications. **In the absence of any such specifications, the management designees, if named as proxy, will vote IN FAVOUR of:**

- (i) **The election of Directors;**
- (ii) **The appointment of auditors;**
- (iii) **The ordinary resolution adopting, ratifying, and confirming the incentive stock option of the Company (the "Stock Option Plan"). The current plan is a 20% rolling plan as allowable pursuant to the policies of the Canadian Securities Exchange.**
- (iv) **The special resolution adopting the new articles of the Company in replacement for the existing articles of the Company.**

The enclosed form of proxy confers discretionary authority upon the management designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the date of this Circular, the Company is not aware of any amendments to, or variations of, or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management of the Company.

Proxies, to be valid, must be deposited at the office of Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) preceding the Meeting or an adjournment of the Meeting.

NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the common shares, such as securities dealers or brokers, banks, trust companies, and trustees, as administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with NI 54-101, the Company has distributed copies of the notice of meeting and this Circular (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries, for distribution to Non-Registered Holders. Intermediaries are required to

forward the Meeting Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (often called a “**voting instruction form**”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The Non-Registered Holder will generally be given a page of instructions which contains a removable label containing a bar code and other information. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the computerized form, properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number, or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

In either case, the purpose of these procedures is to permit the Non-Registered Holder to direct the voting of the common shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare at the address set out above.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares, of which 83,836,756 Shares are issued and outstanding and entitled to vote at the Meeting on the basis of one vote for each Share held.

The holders of Shares of record at the close of business on the record date, set by the Directors of the Company to be December 24, 2018 (the “**Record Date**”), are entitled to vote such Shares at the Meeting on the basis of one vote for each Share held.

To the knowledge of the Directors and senior officers of the Corporation, as at the date hereof, No persons beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the issued and outstanding Shares of the Corporation. Information as to the number of Shares beneficially owned, directly or

indirectly or over which control or direction is exercised by the persons noted is based upon information available to the Company as at December 24, 2018.

Shareholder and Municipality of Residence	Number of Shares	Percentage of Shares

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company's Directors, the only matters to be placed before the Meeting are those matters set forth in the accompanying Notice of Meeting relating to (i) the receipt of the financial statements; (ii) the election of Directors; (iii) the appointment of auditors; (iv) the approval of the Company's Stock Option Plan and (v) the adoption of a new set of articles of the Company.

I. Presentation of the Audited Annual Financial Statements

The audited financial statements of the Company for the fiscal years ended May 31, 2018, May 31, 2017, and May 31, 2016 together with the auditor's report thereon, will be presented to shareholders at the Meeting. The financial statements and the accompanying management's discussion and analyses are available on SEDAR at www.sedar.com.

II. Election of Directors

The board of Directors of the Company (the "**Board**") presently consists of six (6) Directors, all of whom are elected annually. Only five (5) of these Directors will stand for re-election therefor, it is proposed that the number of Directors be fixed for the ensuing year at five (5) and the persons named below nominated at the Meeting. Each Director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the articles of the Company, unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") or the Company's Articles of Incorporation. **It is the intention of the management designees, if named as proxy, to vote FOR the election of said persons to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as Directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his or her proxy that his or her Shares are to be withheld from voting in the election of Directors.**

The following table sets out the names of persons proposed to be nominated by management for election as a Director; all positions and offices in the Company held by them; their principal occupation for the last five years; the periods during which they have served as a Director; and the number of Shares beneficially owned or controlled, directly or indirectly, by them or over which control or direction is exercised, as of the date hereof. Each Director elected will hold office until the next annual meeting of the Company, unless his office is earlier vacated in accordance with the Articles of Incorporation of the Company or becomes disqualified to act as a Director.

Name of Proposed Nominees, Municipality of Residence and Proposed Position with the Corporation	Director Since	Principal Occupation During Last Five Years	Number of Shares Beneficially Owned or Controlled
Jeff Wareham ⁽¹⁾ Toronto, Ontario, Director	February 14, 2017	Jeff served in various roles with RBC and ScotiaMcLeod, before joining MGI Securities, where he was named Vice President, Private Client Group. He was then named Vice President Private Client Group at IA Securities, a role that he held until 2017. He is a director of Marquest Asset Management. Jeff was Vice President at IA securities until 2017, and appointed Director at Certive in 2017.	Nil
Scott Thomas ⁽²⁾ Tempe, Arizona, Director	March 2, 2018	Scott Thomas, is a seasoned Venture Capitalist and Private Investor with 25+ years of experience in the financial industry as a Broker, Trader, Market Maker, and Hedge Fund Manager. Prior to becoming Director, he has been serving as Vice President of Investor Relations for Certive Solutions. Prior to Certive Solutions, Scott was managing Director and Founder of Four Peaks Ventures, a Venture Capital firm with a focus on Small Cap Private and Public Companies in the Southwest. From 1996 to 1999 Scott was a Market Maker, Trader, and Portfolio Manager at Heritage West Securities.	1,234,200 Shares
Tom Marreel ¹²⁾⁽¹⁾ Chandler, AZ, Acting Chief Executive Officer, Director	July 19, 2018	Tom Marreel is founder and CEO of Marreel Slater Insurance, a healthcare consulting and benefit brokerage company in Phoenix, Arizona. Prior to Marreel Slater Insurance, Tom worked for Schaller Anderson, Inc., a health management and consulting company based in Phoenix, Arizona. Tom became senior vice president of Schaller Anderson in 2000, assuming development and oversight of the commercial self-funded business sector.	2,140,797 Shares
Tim Hyland Scottsdale, AZ, Chief Financial Officer, Treasurer, Director	July 27, 2018	Timothy J Hyland is a principal and founder of Hyland Real Estate Investment Group, LLC and its subsidiaries, including Hyland Property Management Services, LLC (aka Hyland Management and Consulting Services). As such, Mr. Hyland has been a consultant serving on the Company's Advisory Council since its inception. In addition, Hyland has served in various volunteer roles at his alma mater, the University of Wisconsin – Whitewater, where he currently serves on the Chancellor's Advisory Circle, the CoBE Dean's Advisory Council, and is a Director on the UW-Whitewater Foundation Board and chairs its Investment Committee. Mr. Hyland also remains active in the Healthcare Financial Management Association.	333,333 Shares

Name of Proposed Nominees, Municipality of Residence and Proposed Position with the Corporation	Director Since	Principal Occupation During Last Five Years	Number of Shares Beneficially Owned or Controlled
Jack Saltich ⁽¹⁾⁽²⁾⁽³⁾ Scottsdale, AZ Director	July 27, 2018	<p>Jack Saltich is the Chair of the Company’s Governance Committee, has more than 30 years of management and leadership expertise demonstrated at C - Level and Board positions of numerous innovative companies most notably in the Semiconductor and Display industries.</p> <p>Previously Jack served as a Board Member at the following public companies: Immersion, Atmel, Ramtron, Leadis, as well as President and CEO of Three Five Systems and Chairman and CEO of Vitex Systems. Jack also held executive positions at Motorola, VLSI Technology Applied Micro Circuits, and Advanced Micro Devices. Jack received his B.S. and M.S. degrees from the University of Illinois and completed his course work for his PhD at Arizona State University.</p>	801,355 Shares,

Notes:

- (1) Member or proposed member of the Audit Committee.
- (2) Member or proposed member of the Governance, Nominations and Compensation Committee.
- (3) Jack Saltich was previously a Director of the Company between Oct 20, 2012 and March 15, 2017.

Management recommends voting for the resolution to elect the nominated Directors.

As at the date hereof, the Directors and officers of the Company, as a group, beneficially owned, directly or indirectly, 4,509,685 Shares, or approximately 5.4% of the issued and outstanding Shares.

Biographies of the Proposed Directors

Tom Marreel, Chairman of the Board and Acting CEO

Tom Marreel has been in senior leadership positions in health care and employee benefit companies for more than 30 years. Prior to becoming a Director, Tom served on the Company’s Advisory Council. Most recently, Tom is founder and CEO of Marreel Slater Insurance, a health care consulting and benefit brokerage business in Phoenix, Arizona. Prior to Marreel Slater Insurance, Tom was a Senior VP – Business Development at Schaller Anderson, Inc., a Medicaid managed care company acquired by Aetna in 2008. From 1994 to 2000, Tom was a principal at Mercer, a prominent human capital consulting firm and part of the Marsh and McLennan family of companies. Prior to 1994, Tom was a senior health care consultant for The Segal Company in Phoenix, Arizona, where he spent more than eight years consulting to key large public and private sector employer groups. Tom has been actively involved with a number of Arizona-based healthcare organizations – providing capital investments, board leadership, strategic planning, and business development consulting services. Tom holds a BS degree in Marketing from Arizona State University.

Timothy Hyland, Director and CFO.

Timothy Hyland was serving on the Company’s Advisory Council and as a M&A consultant to the Company when appointed to the Board of Directors in July 2018. His career included serving as a Senior VP & CFO of Schaller Anderson Inc., a Medicaid managed care company acquired by Aetna in 2008. He has been active in the Healthcare Financial Management Association (“HFMA”). After serving as the Arizona Chapter’s President, he was appointed to a 3-year term as a National Director of HFMA. Tim received his BBA –

Accounting Degree from the University of Wisconsin – Whitewater, started his career in the Auditing Department of Deloitte & Touche (formerly Deloitte Haskins & Sells) and is a Retired CPA in Arizona.

Jack Saltich, Director.

Jack Saltich is the Chair of the Company’s Governance Committee, has more than 30 years of management and leadership expertise demonstrated at C - Level and Board positions of numerous innovative companies most notably in the Semiconductor and Display industries. Previously Jack served as a Board Member at the following public companies: Immersion, Atmel, Ramtron, Leadis, as well as President and CEO of Three Five Systems and Chairman and CEO of Vitex Systems. Jack also held executive positions at Motorola, VLSI Technology Applied Micro Circuits, and Advanced Micro Devices. Jack received his B.S. and M.S. degrees from the University of Illinois and completed his course work for his PhD at Arizona State University.

Scott Thomas, Director.

Scott Thomas is a seasoned Venture Capitalist and Private Investor with 25+ years of experience in the financial industry as a Broker, Trader, Market Maker, and Hedge Fund Manager. He has participated in numerous financings, IPO’s, and exits. Scott is a seasoned business executive, with a wide range of experience financing and growing several public listed companies in diverse industries. He has held various Board and Advisory Board positions with startups, and Venture Companies, helping to position them for public markets, organic growth, or acquisition. Scott has a B.S. in Finance from the W.P. Carey School of Business at Arizona State University, and serves as a Mentor for the School of Innovation and Technology there at Skysong. He also participates as a member of Conscious Capitalism.

Jeff Wareham, Director

Jeff Wareham is a graduate of the University of Western Ontario (1990) with a bachelor's degree in economics. Jeff has spent his career in Financial Services. He began with MetLife in 1990, eventually serving as Chief Agent for Nova Scotia. He then served in various roles with RBC and ScotiaMcLeod, before joining MGI Securities, where he was named Vice President, Private Client Group. He was then named Vice President Private Client Group at IA Securities, a role that he held until 2017. He is a director of Marquest Asset Management. Jeff was Vice President at IA securities until 2017, and appointed Director at Certive in 2017. He became a Director at Marquest Asset Management in 2018.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as otherwise disclosed in this Circular, to the best of the Company’s knowledge, none of the Company’s Directors, officers, or shareholders holding a sufficient number of securities of the Company to materially affect the control of the Company is, or during the ten years preceding the date of this Circular, has been a Director or officer of any issuer that, while the person was acting in that capacity:

- a) was the subject of a cease trade order or similar order, or an order that denied such issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- b) 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.

Penalties or Sanctions

To the best of the Company’s knowledge, no Director, officer, or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company has been subject to any penalties

or sanctions imposed by a court relating to Canadian securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

Except as otherwise disclosed in this Circular, to the best of the Company's knowledge, during the ten years preceding the date of this Circular, no Director, officer, or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

III. Appointment of Auditors

The persons named in the enclosed form of proxy intend to vote for the appointment of Buckley Dodds LLP, Chartered Accountants, of Vancouver, British Columbia, as auditors of the Company to hold office until the next annual meeting of shareholders and to authorize the Directors of the Company to fix the auditors' remuneration. Buckley Dodds LLP were first appointed auditors of the Company in 2011.

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

Management recommends voting for the resolution to appoint Buckley Dodds LLP, Chartered Professional Accountants, as the Company's auditors and to authorize the Board of Directors to fix their remuneration.

IV. Stock Option Plan

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution approving the adoption by the Company of the stock option plan (the "Stock Option Plan"). The purpose of the Stock Option Plan is to allow the Company to grant options to Directors, officers, consultants, employees, and management company employees as additional compensation and as an opportunity to participate in the profitability of the Company. The granting of such option is intended to align the interests of such persons with that of the Company. The Corporation's existing stock option plan was approved on August 7, 2015. The following is a description of select material terms of the 2015 plan:

The pertinent terms and conditions of the Stock Option Plan are as follows:

- (a) The Stock Option Plan will be administered by the Board of Directors of the Company or a committee established by the Board for that purpose;
- (b) The maximum number of shares that may be reserved for issuance under the Stock Option Plan will be a rolling number not to exceed 20% of the issued and outstanding common shares of the Company at the time of the stock option grant;
- (c) The exercise price of the options granted under the Stock Option Plan will be set by the Board of Directors, in accordance with Canadian Securities Exchange policy, at no less than than the greater of the closing market prices of the underlying securities on (a) the trading day

- prior to the date of grant of the stock options; and (b) the date of grant of the stock options;
- (d) The full purchase price of common shares purchased under the Stock Option Plan shall be paid in cash upon the exercise thereof;
 - (e) Options may be granted under the Stock Option Plan exercisable over a period not exceeding ten years;
 - (f) All employees, executive officers, Directors and consultants are eligible to be granted options under the Stock Option Plan;
 - (g) Options covering not more than 10% of the issued shares of the Company may be granted to and exercised by any one individual in any 12 month period;
 - (h) No more than 5% of the issued and outstanding shares may be granted to and exercised by any one consultant in any 12 month period and no more than an aggregate of 5% of the issued and outstanding shares may be granted to and exercised by an employee conducting investor relations activities in any 12 month period;
 - (i) Options may be exercised while the optionee is a Director, officer, employee or consultant to the Company, or within a period of 90 days after ceasing to be so;
 - (j) The Company has no plans to grant any financial assistance or other financial support to participants under the Stock Option Plan;
 - (k) Notwithstanding paragraphs (i) and (m), an optionee's heirs or administrators shall have one year from the death of the optionee in which to exercise any portion of options outstanding at the time of death of the optionee;
 - (l) Notwithstanding paragraph (i), options granted to an optionee who is engaged in investor relations activities expire 30 days after the optionee ceases to be employed to provide investor relations activities;
 - (m) The options shall not be assignable or transferable by an optionee;
 - (n) The obligation of the Company to issue and deliver common shares under the Stock Option Plan will be subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company; and

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution approving the adoption by the Corporation of a new Stock Option Plan. The purpose of the Stock Option Plan is to allow the Corporation to grant options to Directors, officers, consultants, employees and management company employees as additional compensation and as an opportunity to participate in the profitability of the Corporation. The granting of such option is intended to align the interests of such persons with that of the Corporation. A copy of the Stock Option Plan is attached hereto as Schedule "B". All votes attaching to outstanding common shares of the Company will be counted in determining whether security holder approval of the Stock Option Plan has been obtained.

The Board of Directors has unanimously approved the Stock Option Plan and recommends that shareholders vote FOR the following resolution to approve the Stock Option Plan:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The incentive stock option plan, as described is attached as Schedule “B” in the Company’s management information circular dated December 24, 2018, and the same is hereby authorized and approved;
2. The number of common shares of the Company reserved for issuance under the incentive stock option plan shall be no more than 20% of the Company’s issued and outstanding common shares from time to time; and
3. The Board of Directors of the Company be and is authorized to make any changes to the incentive stock option plan if required by any such stock exchange or market upon which the common shares of the Company may be listed from time to time.”

The foregoing resolution must be approved by a simple majority of the votes of shareholders cast in person or by proxy at the Meeting.

NEW ARTICLES

The articles of the Company, which are similar to by-laws found in other corporate jurisdictions, govern the proceedings and operations of the Company, such as addressing Directors’ meetings, shareholder meetings, share capital alterations and the powers of Directors. On the advice of legal counsel, management have determined that it would be appropriate to replace the existing articles (“**Existing Articles**”) of the Company with new articles (“**New Articles**”) to provide the Directors with maximum flexibility, primarily in carrying out corporate capital restructuring in future without the need for shareholder approval, which will enhance the ability of management to raise capital.

Key Differences Between the New Articles and the Existing Articles

The New Articles are very similar to the Existing Articles with a few key differences as discussed below. A copy of the New Articles is attached as Schedule “C” to this Circular.

The New Articles of the Company (article 9.1) provide, consistent with British Columbia corporate law, that the following matters may be approved by simple majority resolution of the Directors, or by ordinary resolution of the shareholders, in each case as determined by the Directors, which under the Existing Articles would require shareholder approval by ordinary resolution:

- (a) the subdivision or the consolidation (reverse split) of all or any of its unissued or fully paid issued shares;
- (b) if the Company is authorized to issue shares with par value:
 - (i) decrease the par value of those shares; or
 - (ii) if none of such shares are allotted or issued, increase the par value of those shares;
- (c) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (d) alter the identifying name of any of its shares; or
- (e) otherwise alter its shares or authorized share structure when required or permitted to do so by the Business Corporations Act.
 - (i) decrease the par value of those shares; or

- (ii) if none of such shares are allotted or issued, increase the par value of those shares;

In connection with shareholder meetings, article 10.10 of the New Articles provides that for a shareholder to put forward a motion for business to be considered at a meeting, such shareholder will be required, in most cases, to provide the Company with written notice of such motion not less than 30 nor more than 65 days prior to the date of the meeting, which gives management time to consider and respond to such a motion.

Currently under the Existing Articles, a Director may only be removed during their term of office between shareholder meetings if such Director has been convicted of an indictable offence or the Director ceases to have the minimal qualifications required to act as a Director. Article 14.11 of the New Articles provides that if there are at least three Directors on the Board, then if all other Directors pass a resolution to remove a specific Director, such resolution will be effective to remove any such Director immediately. The remaining Directors may in such event appoint a Director to fill the resulting vacancy.

Currently, there is no specific requirement in the Existing Articles to require advance notice of the nomination of persons to be elected Directors of the Company as may be proposed by a shareholder. Article 14.12 of the New Articles requires that any such shareholder will be required to, in most cases, provide the Company with written notice of such nomination not less than 30 nor more than 65 days prior to the date of the meeting, which gives management time to consider and respond to such nomination.

The Board of Directors has unanimously approved the New Articles and recommends that shareholders vote FOR the following special resolution to approve the New Articles:

“BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS, WITH OR WITHOUT AMENDMENT, THAT:

1. the existing articles of the Company be deleted in their entirety and that the form of articles attached hereto as Schedule C be adopted as the new articles of the Company; and
2. the alterations made to the Company's articles shall take effect upon deposit of this resolution at the Company's records office.”

The foregoing special resolution must be approved by a two-thirds (2/3rds) of the votes of shareholders cast in person or by proxy at the Meeting.

Other Matters

Management of the Company knows of no other matter to come before the Meeting other than those referred to in the notice of meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

For purposes of this Statement of Executive Compensation, “named executive officer” of the Company means an individual who, at any time during the year, was

- (a) The Company’s chief executive officer (“CEO”);
- (b) The Company’s chief financial officer (“CFO”);

- (c) Each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (d) Each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

each a "Named Executive Officer" ("NEO").

Based on the foregoing definition, during the last completed fiscal year of the Company, there were several Named Executive Officers for the year ended May 31, 2018.

All matters relating specifically to senior executive compensation are reviewed and approved by the Board of Directors. The Board of Directors has just formed a new compensation committee which will be chaired by Jack Saltich. The Board of Directors of the Company is responsible for determining compensation for the individual Directors and officers of the Company, including the Chief Executive Officer. Given the stage of development of the Company, it is not currently envisioned that any of the Directors will be paid Director's fees with the exception of the Audit Committee Chair. Rather, Directors will be granted incentive stock options to help ensure their continued interest in the ongoing business and affairs of the Company. The Board of Directors determines compensation for the officers of the Company, and any consulting or other agreements, to which the Company is a party, are reviewed on an annual basis.

The Company's overall policy regarding compensation of the Company's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Company, attract and retain qualified executive management and establish a compensation framework which is industry competitive. The Company's policy is to recognize and reward individual performance as well as to place executive compensation within the range of the compensation levels in the industry.

The Company does not have a compensation program other than paying base salaries, incentive bonuses, and incentive stock options to the NEOs. The Company recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length service providers.

Base Salary

The objectives of the base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The base salary paid to the NEOs shall be reviewed annually by the Board of Directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board of Directors.

Incentive Bonuses

The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No incentive bonuses were paid to NEOs, other executive officers and employees during the most recently completed fiscal year.

Option Based Awards

The Directors of the Company have adopted a Stock Option Plan, subject to shareholder approval. Under the Stock Option Plan, the maximum number of shares that may be reserved for issuance under the Stock Option Plan will be a rolling number, not to exceed 20% of the issued and outstanding common shares of the Company at the time of the stock option grant. The Stock Option Plan will be a “rolling” stock option plan.

Compensation Source	Description of Compensation	Compensation Objectives
Annual Base Salary (all NEOs)	Salary is market-competitive, fixed level of compensation	Retain qualified leaders, motivate strong business performance
Incentive Stock Option (all NEOs)	Equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance	Retain qualified leaders, motivate strong business performance

Summary Compensation Table

The following table summarizes the compensation paid to each NEO of the Company for the Company’s financial years end to May 31, 2018 and May 31, 2017:

Name and Principal Position	Fiscal Year	Salary (\$)	Share based awards ⁽²⁾ (\$)	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation ⁽¹⁾ (\$)		Pension value (\$)	All other compensation (\$) ⁽²⁾	Total compensation
					Annual incentive plans	Long term incentive plans			
Van Potter, Former President and Chief Executive Officer	2018	\$285,000	Nil	Nil	Nil	Nil	Nil	Nil	285,000
	2017	\$309,000	Nil	216,192	Nil	Nil	Nil	Nil	606,192
Brian Cameron, Former Chief Financial Officer	2018	\$285,000	Nil	Nil	Nil	Nil	Nil	Nil	285,000
	2017	\$309,000	Nil	216,192	Nil	Nil	Nil	Nil	606,192

Tom Marreel Acting Chief Executive Officer	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tim Hyland Chief Financial Officer	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mike Miller, Corporate Secretary	2018	240,000	Nil	Nil	Nil	Nil	Nil	Nil	240,000
Ann Fierro, President Omega Technology Solutions Inc	2018	192,000	Nil	Nil	Nil	Nil	Nil	Nil	192,000

Notes:

- (1) "Non-equity Incentive Plan Compensation" includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.
- (2) "Share-based Awards" 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.
- (3) "Option-based Awards" 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.

Employment Contracts

The Company has not entered into employment contracts with any of its employees which include, among other things, noncompetition, confidentiality, intellectual property and non-solicitation clauses.

Annual Base Salary

Base salary for the NEOs is determined by the Board of Directors primarily by comparison of the remuneration paid by other companies with the same size and industry and with publicly available information on remuneration.

The annual base salary paid to the NEOs shall, for the purpose of establishing appropriate increases, be reviewed annually by the Board of Directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board of Directors.

Long Term Incentive Plan (LTIP)

The Company does not have a formal or written LTIP in place, pursuant to which cash or non-cash compensation intended to serve as an incentive for performance (whereby performance is measured by reference to financial performance or the price of the Company's securities), was proposed to be paid or distributed to the Named Executive Officer during its financial year ended May 31, 2018.

Option Based Award

An option based award is in the form of an incentive stock option plan. The objective of the incentive stock option is to reward NEOs, employees, consultants and Directors for their individual performance at the discretion of the Board of Directors.

Subject to shareholder approval, the Company will maintain a formal stock option plan, under which stock options will be granted and may be granted to purchase a number equal to 20% of the Company's issued capital from time to time.

The stock option plan will be administered by the Board of Directors and the process to grant option-based awards to executive officers will be within the discretion of the Directors.

All previous grants of option-based awards will be taken into account when considering new grants.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

During the most recently completed fiscal year, additional options were granted to the Named Executive Officers.

The following table sets forth the options proposed to be granted to the Named Executive Officers to purchase or acquire securities of the Company at its financial year end of May 31, 2018.

Name	Option-based awards				Share-based awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Van Potter, Former President and Chief Executive Officer	508,709 1,050,000	\$0.25 \$0.22 US	Dec. 31, 2020 Sept. 13, 2021	nil	nil	nil
Brian Cameron, Former Chief Financial Officer	508,709 1,050,000	\$0.25 \$0.22 US	Dec. 31, 2020 Sept. 13, 2021	nil	nil	nil
Tom Marreel Acting Chief Executive Officer	800,000	\$0.25	Dec. 31, 2020	nil	nil	nil
Tim Hyland Chief Financial Officer	200,000	\$0.25	Dec. 31, 2020	nil	nil	nil

Ann Fierro, President Omega Technology Solutions Inc	Nil	Nil	Nil	Nil	Nil	Nil
Mike Miller, Corporate Secretary	Nil	Nil	Nil	Nil	Nil	Nil

Incentive plan awards – value vested or earned during the year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to any Named Executive Officers during the financial year end to May 31, 2018.

Name	Option-based awards – value vested during the year (\$)	Share-based awards – value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Van Potter, Former President and Chief Executive Officer	nil	nil	nil
Brian Cameron, former Chief Financial Officer	nil	nil	nil
Tom Marreel Acting Chief Executive Officer	nil	nil	nil
Tim Hyland Chief Financial Officer	nil	nil	nil
Mike Miller, Corporate Secretary	nil	nil	nil

Pension Plan Benefits

The Company does not provide retirement benefits for Directors and executive officers. No funds were set aside or accrued by the Company during the fiscal years ended May 31, 2018 to provide pension, retirement or similar benefits for the Company's Directors or officers pursuant to any existing plan provided or contributed to by the Company or its subsidiaries.

Termination and Change of Control Benefits

The Company has no plan or arrangement whereby any Named Executive Officer may be compensated in the event of that Named Executive Officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in the Named Executive Officer's responsibilities following such a change of control.

Director Compensation

The Company does not compensate its Directors in their capacities as such, although Directors of the Company will be reimbursed for their expenses incurred in connection with their services as Directors and may be issued stock options from time to time at the discretion of the Board. It is anticipated that the Company

will implement a compensation plan for its Directors shortly, which will be consistent with industry standards. The compensation given to Directors for the year ended May 31, 2018 is as follows:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation ⁽²⁾	Total (\$)
Jeff Wareham ⁽³⁾	\$52,000	Nil	Nil	Nil	Nil	Nil	\$52,000
Scott Thomas	\$21,300	Nil	Nil	Nil	Nil	Nil	\$21,300
Van Potter (former director) ⁽⁶⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Camerion ⁽⁶⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ed Holder ⁽⁴⁾ (Former Director)	\$30,000	Nil	Nil	Nil	Nil	Nil	\$30,000
Michael Bartlett ⁽⁵⁾ (former Director)	\$147,200	Nil	Nil	Nil	Nil	Nil	\$147,200

(1) The dollar value ascribed to option grants represents non-cash consideration and has been estimated using the Black Scholes Model as at the date of grant.

(2) Other benefits did not exceed the lesser of \$50,000 and 10% of the total annual compensation for the named Director.

(3) Mr. Jeff Wareham was appointed as a Director of the Company on February 14, 2017

(4) Mr. Ed Holder served as a Director of the Company from March 2017 until his resignation in November 2017.

(5) Mr. Bartlett is no longer a Director, he passed away July 20, 2018.

(6) The compensation for Brian Camerion and Van Potter is noted in the NEO table.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Aggregate Indebtedness

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 Information Circular (“**Form 52-102F5**”), no Directors, executive officers and employees and no former Directors, executive officers and employees of the Company is, or was, indebted to the Company or any of its subsidiaries in connection with a purchase of securities and all other indebtedness as at November 21, 2017.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no Directors or executive officers of the Company, proposed nominees for election as a Director of the Company and associates of such Director, executive officers or proposed nominees is or was indebted to the Company or any of its subsidiaries as at November 21, 2017.

Directors' and Officers' Liability Insurance

Effective June 30, 2017, the Company has Directors' and officers' liability insurance in place for the benefit of the Directors and officers of the Company, as set out in the following summary.

AIG Insurance Company

Policy Period – June 30, 2017-June 30, 2018

Limit of Liability - \$5,000,000

Aggregate - \$5,000,000

Defence costs included in limits – yes

Premium - \$22,500

Commission – 17.5%

AUDIT COMMITTEE

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On September 29, 2012, the Audit Committee adopted a charter delineating its responsibilities substantially in the following terms:

- i) review with the independent accountants the scope of the audit and the results of the annual audit examination by the independent accountants and any reports of the independent accountants with respect to reviews of interim financial statements or other audit, review or attest services. The Audit Committee will be responsible for resolving any disagreements between management and the external auditor regarding financial reporting;
- (ii) review information, including written statements from the independent accountants, concerning any relationships between the auditors and the Corporation or any other relationships that may adversely affect the independence of the auditors and assess the independence of the outside auditor;
- (iii) review and discuss with management and the independent auditors the Corporation's annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Corporation's accounting principles;
- (iv) review the Corporation's MD&A and annual and interim earnings press releases prior to their public disclosure;
- (v) review the services to be provided by the independent auditors to assure that the independent auditors do not undertake any engagement for services for the Corporation that would constitute prohibited services under applicable securities laws under the rules of any stock exchange or trading market on which the Shares are listed for trading, or could be viewed as compromising the auditor's

independence. The Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries;

- (vi) review with management and the independent auditors the results of any significant matters identified as a result of the independent auditors' interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;
- (vii) review the annual program for the Corporation's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;
- (viii) periodically review the adequacy of the Corporation's internal controls;
- (ix) review changes in the accounting policies of the Corporation and accounting and financial reporting proposals that are provided by the independent accountants that may have a significant impact on the Corporation's financial reports, and make comments on the foregoing to the Board;
- (x) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation;
- (xi) oversee and review annually the Corporation's Code of Business Conduct and Ethics (the "Code") and program for compliance with the Code;
- (xii) periodically review the adequacy of the Audit Committee Charter;
- (xiii) make reports and recommendations to the Board within the scope of its functions;
- (xiv) approve material contracts where the Board determines that it has a conflict;
- (xv) establish procedures for receipt, retention and treatment of complaints received by the Corporation regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (xvi) where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and/or other advisors at the Corporation's expense upon the terms and conditions, including compensation, determined by the Audit Committee;
- (xvii) satisfy itself that management put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements. The Audit Committee will assess the adequacy of these procedures annually;
- (xviii) review all loans to officers;
- (xix) review and monitor all related party transactions which may be entered into by the Corporation as required by rules of the stock exchange or trading market upon which the Corporation's shares are listed for trading; and
- (xx) ensure all public disclosure regarding the Audit Committee is made in compliance with applicable stock exchange rules and securities legislation.

Composition of the Audit Committee

At present, the Company proposes that the Audit Committee consist of Jeff Wareham, Scott Thomas and Jack Saltich. All members of the Audit Committee are independent within the meaning of that term as defined in Section 1.4 of National Instrument 52-110 *Audit Committee* (“NI 52-110”). All members of the Audit Committee are financially literate as required by Part 1.6 of NI 52-110.

Relevant Education and Experience

The education of each of the members of the Audit Committee is set out in this Circular. More specifically, some of the members of the Audit Committee have also taken accounting courses directly relating to financial statement preparation and analysis. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financial statements and will seek clarification from the Company’s auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience preparing, auditing, analyzing or evaluating financial statements similar to those of the Company.

Audit Committee Oversight

At no time from the commencement of the years ended May 31, 2017 and May 31, 2016, were any recommendations of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

The Company has not relied on any exemptions under section 2.4 *De Minimis Non-audit Services* of NI 52-110 or from Form 52-110F2 *Disclosure by Venture Issuer*, in whole or in part, granted under Part 8 of NI 52-110, during the financial year ended May 31, 2017.

Pre-Approval Policies and Procedures

As of the date hereof, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Services Fees (By Category)

The following table sets out the “audit fees”, “audit-related fees”, “tax fees” and “other fees” billed in the financial years ended May 31, 2018 and May 31, 2017.

	Audit Fees and Audit Related Fees	Tax Fees	Other Fees
For the year ended May 31, 2018	\$43,600	\$5,318	\$16,533
For the year ended May 31, 2017	\$78,750	\$15,223	\$37,755

Exemption

The Company is relying upon the exemption set out in section 6.1 of NI 52-110 that provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

CORPORATE GOVERNANCE

General

National Policy 58-201 - *Corporate Governance Guidelines* and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Company, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Company's required annual disclosure of its corporate governance practices.

Board of Directors

Composition of the Board

NI 58-101, when taken with Section 1.4 of National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) provides that a member is “independent” if the member has no direct or indirect material relationship with the issuer, a “material relationship” being one which could, in the view of the Company’s Board of Directors, reasonably interfere with the exercise of a member’s independent judgment. To facilitate independence, the Company is committed to the following practices:

- 1) To expand the Board’s composition through the recruitment of strong, independent Directors;
- 2) To maintain a majority of independent Directors on the Board;
- 3) To ensure that all committees of the Board are constituted of a majority of independent Directors, and solely independent Directors, if possible.

The Company has determined that the following individuals are independent within the meaning of NI 58-101 and NI 52-110:

Jeff Wareham	– Independent Director
Scott Thomas	– Independent Director
Jack Saltich	– Independent Director

The Company has determined that the following individuals are not independent based on the guidelines set forth in NI 58-101 and NI 52-110:

Tom Marreel – Not independent as a result of his position as the Chief Executive Officer of the Company.

Tim Hyland – Not independent as a result of his position as the Chief Financial Officer of the Company.

Directorships

The following table sets forth a list of Directors, officers and promoters who are, or have been within the past three years, a Director, officer or promoter of any other reporting issuer, which table includes the number of other issuers of which the individual is currently a Director, officer or promoter and the names of the reporting issuers with which the individual was involved in the past five years, including the names, markets upon which they trade, and the approximate start and end dates for each:

Director	Name of Reporting Issuer	Name of Exchange or Market	Position	Duration	Committee Appointments
Jack Saltich	Atmel (ATML)	NASDAQ	Director	2007 – 2016	Not applicable
	Immersion (IMMR)	NASDAQ	Director	2002 - 2018	Not applicable
	Canadian Data Preserve Inc.	Canadian Securities Exchange	Director	2012 - 2017	Not applicable

Orientation and Continuing Education of Board Members

If any new Directors are appointed to the Board of Directors, then the existing Directors will provide a brief orientation consisting of a telephone conference and a review of material transactions effected to-date by the Company, as well as the general nature and proceedings of the Board. The existing Board will also require the Company's legal counsel to provide a summary of the new Director's duties and responsibilities as a member of the Board of Directors. Given the direct securities industry experience of the existing Board of Directors, the Company does not contemplate providing continuing education for Directors at this time.

Measures to Encourage Ethical Business Conduct

Pursuant to the *Business Corporations Act* (British Columbia), each of the Directors of the Corporation is required to disclose any conflict of interest that any one of them may have in regard to any dealings with the Corporation. Each of the existing members of the Board has worked together in the past, either by being a Director or officer of other reporting issuers. In the past, the Board has had discussions and meetings about the importance of full disclosure in regard to the business and affairs of a reporting issuer. Given the experience of the Board, and their prior dealings, the Corporation, at this point in time, is not taking any additional steps to encourage and promote a culture of ethical business conduct.

Nomination of Board Members

The Company does not have in place a formal process to identify new candidates for Board nomination or a person responsible for identifying new candidates or that is in the process of identifying new candidates. Given the direct securities experience of the existing Board of Directors, each Director will utilize his own judgment in determining whether or not to put forth a person as a candidate for the Board of Directors of the Company and the appropriate forum for carrying out this task.

Compensation

The Board of Directors of the Company is responsible for determining compensation, including compensation for the individual Directors and officers of the Company, such as the Chief Executive Officer. Given the stage of development of the Company, it is not currently envisioned that any of the Directors will be paid Director's fees. Rather, Directors will be granted stock options to help ensure their continued interest in the ongoing business and affairs of the Company. The Board of Directors determines compensation for the officers of the

Company, and any consulting or other agreements, to which the Company is a party, are reviewed on an annual basis.

Board Committees

At this time, the Board of Directors has two standing committees, the Audit Committee and the Governance, Nominations and Compensation Committee.

Assessments

Given the current stage of development of the Company, the Company does not yet have any formal policies or procedures in place to help ensure that the Board, its committees, if any, and its individual Directors are performing effectively. In the event that the business of the Company increases in size and scale, then the Board of Directors will determine whether it is appropriate to engage an outside consulting firm to make recommendations regarding the foregoing. Certain of the members of the Board of Directors have a direct financial interest in the Company, by virtue of being shareholders of the Company.

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

Other than as set forth in this Circular, the management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a Director or executive officer at any time since the beginning of the Company's last financial year or any proposed nominee for election as a Director, or any associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting other than the election of Directors or the appointment of auditors. All of the Directors and officers may receive options pursuant to the Stock Option Plan of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Circular, neither the Company, nor any Director or officer of the Company, nor any insider of the Company, nor any proposed nominee for election as a Director of the Company, nor any associate or affiliate of any one of them, has or has had, at any time since the beginning of the Company's last completed financial year, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Company, except for any interest arising from the ownership of Shares where the shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all shareholders.

OTHER MATTERS TO BE ACTED UPON

There are no other matters to be considered at the Meeting which are known to the Directors or senior officers of the Company at this time. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the same in accordance with their best judgment of such matters exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting, and other matters which may properly come before the Meeting or any adjournment thereof.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators at www.sedar.com. Financial information

regarding the Company is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year. Shareholders of the Company may contact the Company at 1140-1185 Georgia Street, Vancouver, BC, V6E 4E6, to request copies of the Company's financial statements and management's discussion and analyses.

GENERAL

All matters referred to herein for approval by the shareholders require a majority of the shareholders voting, in person or by proxy, at the Meeting.

There are no other material facts other than as disclosed in this Circular.

BOARD APPROVAL

The Board of Directors of the Company has approved the contents and the delivery of the Circular to its shareholders.

DATED at Vancouver, British Columbia, this 24th day of December, 2018.

**BY ORDER OF THE BOARD OF
DIRECTORS**

(signed) "Tom Marreel"

Chief Executive Officer

SCHEDULE "A"

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF Certive Solutions Inc. (the "Company")

1. Purpose

- 1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:
 - (a) support the Board of Directors in meeting its responsibilities to shareholders;
 - (b) enhance the independence of the external auditor;
 - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
 - (d) increase the credibility and objectivity of the Company's financial reports and public disclosure.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
 - (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and
 - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.
 - (c) Approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1. The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
- (b) recommending to the Board of Directors the compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;
- (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures for:
 - i. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and
 - ii. the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.
- (p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

- (q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
 - (r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.
- 4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.
- 5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.
- 5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.8. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.

SCHEDULE "B"

Stock Option Plan Certive Solutions Inc.

1. The Plan

A stock option plan (the "Plan") pursuant to which options to purchase common shares, or such other shares as may be substituted therefor ("Shares"), in the capital stock of Certive Solutions Inc. (the "Corporation") may be granted to the directors, officers and employees of, and to consultants retained by, the Corporation or any of its subsidiaries or affiliates is hereby established on the terms and conditions herein set forth.

2. Purpose

The purpose of this Plan is to advance the interests of the Corporation by encouraging the directors, officers and employees of, and consultants retained by, the Corporation or any of its subsidiaries or affiliates to acquire Shares, thereby (i) increasing the proprietary interests of such persons in the Corporation, (ii) aligning the interests of such persons with the interests of the Corporation's shareholders generally, (iii) encouraging such persons to remain associated with the Corporation or any of its subsidiaries or affiliates, and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation or any of its subsidiaries or affiliates.

3. Administration

- (a) This Plan shall be administered by the board of directors of the Corporation (the "Board").
- (b) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the granting, exercise and method of exercise of Options (as hereinafter defined), all on such terms (which may vary between Options granted from time to time) as it shall determine. In addition, the Board shall have the authority to: (i) construe and interpret this Plan and all option agreements entered into hereunder, (ii) prescribe, amend and rescind rules and regulations relating to this Plan and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants (as hereinafter defined) and on their legal, personal representatives and beneficiaries.
- (c) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board or to the President or any other officer of the Corporation. Whenever used herein, the term "Board" shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated responsibility and/or authority relating to the Plan or the administration and operation of this Plan pursuant to this Section 3.
- (d) Options to purchase the Shares granted hereunder ("Options") shall be evidenced by an agreement, signed on behalf of the Corporation and by the person to whom an Option is granted, which agreement shall be in such form as the Board shall approve. Initially, the form of agreement shall be in the form attached hereto as Exhibit "A", subject to such changes and amendments to the terms and conditions thereof as the Board or the President may approve from time to time, with execution of an option agreement by an officer of the Corporation to constitute conclusive evidence as to the approval of all such terms and conditions.

4. Shares Subject to Plan

- (a) Subject to Section 15 below, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares. Whenever used herein, the term “Shares” shall be deemed to include any other securities that may be acquired by a Participant upon the exercise of an Option the terms of which have been modified in accordance with Section 15 below.
- (b) The aggregate number of Shares reserved for issuance under this Plan shall be equal to 20% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis).
- (c) If any Option granted under this Plan shall expire or terminate for any reason without having been exercised in full, any unpurchased Shares to which such Option relates shall be available for the purposes of the granting of Options under this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of this Plan ensure that the number of Shares it is authorized to issue shall be sufficient to satisfy the Corporation's obligations under all outstanding Options granted pursuant to this Plan.

6. Eligibility and Participation

- (a) The Board may, in its discretion, select any of the following persons to participate in this Plan:
 - (i) directors of the Corporation or any of its subsidiaries or affiliates;
 - (ii) officers of the Corporation or any of its subsidiaries or affiliates;
 - (iii) employees of the Corporation or any of its subsidiaries or affiliates; and
 - (iv) consultants retained by the Corporation or any of its subsidiaries or affiliates, provided such consultants have performed and/or continue to perform services for the Corporation or any of its subsidiaries or affiliates on an ongoing basis or are expected to provide a service of value to the Corporation or any of its subsidiaries or affiliates; (any such person having been selected for participation in this Plan by the Board is herein referred to as a “Participant”).
- (b) The Board may from time to time, in its discretion, grant an Option to any Participant, upon such terms, conditions and limitations as the Board may determine, including the terms, conditions and limitations set forth herein, provided that Options granted to any Participant shall be approved by the shareholders of the Corporation if the rules of any stock exchange on which the Shares are listed require such approval.
- (c) Options will not be granted to an officer, employee or consultant of the Corporation, unless such Participant is a bona fide officer, employee or consultant of the Corporation.

7. Exercise Price

The Board shall, at the time an Option is granted under this Plan, fix the exercise price at which Shares may be acquired upon the exercise of such Option provided that such exercise price shall not be less than that from time to time permitted under the rules of any stock exchange or exchanges on which the Shares are then listed. In addition, the exercise price of an Option must be paid in cash. Shareholder approval shall be

obtained by the Corporation prior to any reduction to the exercise price if the affected Participant is an insider (as defined in the *Securities Act* (British Columbia)) of the Corporation at the time of the proposed amendment.

8. Number of Optioned Shares

The number of Shares that may be acquired under an Option granted to a Participant shall be determined by the Board as at the time the Option is granted, provided that:

- (a) the aggregate number of Shares reserved for issuance under this Plan, together with any other security based compensation arrangement of the Corporation, shall not, at the time of grant, exceed 20% of the total number of issued and outstanding Shares (calculated on a non-diluted basis) unless the Corporation receives the permission of the stock exchange or exchanges on which the Shares are then listed to exceed such threshold;
- (b) the aggregate number of Shares reserved for issuance to any one Participant under this Plan or any other plan of the Corporation, shall not exceed 10% of the total number of issued and outstanding Shares (calculated on a non-diluted basis) in any 12 month period (and, in the case of consultants and persons retained to perform investor relation activities, shall not exceed 5% in any 12 month period) unless the Corporation receives the permission of the stock exchange or exchanges on which the Shares are listed to exceed such threshold; and
- (c) the Corporation shall obtain shareholder approval for grants of Options to insiders (as defined in the *Securities Act* (British Columbia)), of a number of Options exceeding 20% of the issued Shares, within any 12 month period.

9. Term

The period during which an Option may be exercised (the "Option Period") shall be determined by the Board at the time the Option is granted, subject to any vesting limitations which may be imposed by the Board in its sole unfettered discretion at the time such Option is granted, and subject to Sections 11, 12 and 16 below, provided that:

- (a) Option shall be exercisable for a period not to exceed 10 years from the date the Option is granted;
- (b) no Option in respect of which shareholder approval is required under the rules of any stock exchange or exchanges on which the Shares are then listed shall be exercisable until such time as the Option has been approved by the shareholders of the Corporation;
- (c) the Board may, subject to the receipt of any necessary regulatory approvals, in its sole discretion, accelerate the time at which any Option may be exercised, in whole or in part; and
- (d) any Options granted to any Participant must expire within 90 days after the Participant ceases to be a Participant, and immediately for any Participant engaged in investor relation activities after such Participant ceases to be employed to provide investor relation activities.

10. Method of Exercise of Option

- (a) Except as set forth in Sections 11 and 12 below or as otherwise determined by the Board, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates.

- (b) Options that are otherwise exercisable in accordance with the terms thereof may be exercised in whole or in part from time to time.
- (c) Any Participant (or the Participant's legal, personal representative) wishing to exercise an Option shall deliver to the Corporation, at its principal office in the City of Vancouver, British Columbia:
 - (i) a written notice expressing the intention of such Participant (or the Participant's legal, personal representative) to exercise the Participant's Option and specifying the number of Shares in respect of which the Option is exercised; and
 - (ii) a cash payment, cheque or bank draft, representing the full purchase price of the Shares in respect of which the Option is exercised.
- (d) Upon the exercise of an Option as aforesaid, the Corporation shall use its reasonable efforts to forthwith deliver, or cause the registrar and transfer agent of the Shares to deliver, to the relevant Participant (or the Participant's legal, personal representative) or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Shares as the Participant (or the Participant's legal, personal representative) shall have then paid for.
- (e) Notwithstanding anything else contained herein, at or after the time that any Option could be exercised by a Participant, the Participant may elect to surrender, in whole or in part, his or her rights under any Option by written notice given to the Corporation stating that such Participant wishes to surrender his or her Option in exchange for a payment by the Corporation of a cash amount per Optioned Share equal to the difference between the exercise price of the Option and the closing price of the Shares on the stock exchange on which the Shares are then listed. The Board has the sole discretion to consent to or disapprove of the election of the Participant to receive cash pursuant to this Section 10(e). If the Board disapproves of the election, the Participant may (i) exercise the Option under Section 10(c) or (ii) retract the request to exercise such Option.

11. Ceasing to be a Director, Officer, Employee or Consultant

Subject to any written agreement between the Corporation and a Participant providing otherwise and subject to the Option Period, if any Participant shall cease to hold the position or positions of director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates for any reason other than death or permanent disability of the Participant, the Option granted to the Participant will terminate at 5:00 p.m. (Vancouver time) on the earlier of the date of the expiration of the Option Period and 90 days after the date such Participant ceases to hold the position or positions of director, officer, employee or consultant of the Corporation as the case may be, and ceases to actively perform services for the Corporation.

An Option granted to a Participant who performs Investor Relations services on behalf of the Corporation shall terminate on the date of termination of the employment or cessation of services being provided and shall be subject to exchange policies and procedures for the termination of Options for Investor Relations services. For greater certainty, the termination of any Options held by the Participant, and the period during which the Participant may exercise any Options, shall be without regard to any notice period arising from the Participant's ceasing to hold the position or positions of director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates.

If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law), 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.

Neither the selection of any person as a Participant nor the granting of an Option to any Participant under this Plan shall (i) confer upon such Participant any right to continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates, as the case may be, or (ii) be construed as a guarantee that the Participant will continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates, as the case may be.

12. Death and Permanent Disability of a Participant

Subject to any written agreement between the Corporation and a Participant providing otherwise and subject to the Option Period, in the event of the death or permanent disability of a Participant, any Option previously granted to the Participant shall be exercisable until the end of the Option Period or until the expiration of 12 months after the date of death or permanent disability of such Participant, whichever is earlier, and then only:

- (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or applicable law; and
- (b) to the extent that the Participant was entitled to exercise the Option as at the date of the Participant's death or permanent disability.

13. Rights of Participants

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such Option until such Shares have been paid for in full and issued to such person.

14. Proceeds from Exercise of Options

The proceeds from any sale of Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine and direct.

15. Adjustments

- (a) The number of Shares subject to the Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation of the outstanding Shares of the Corporation, and in any such event a corresponding adjustment shall be made to the number of Shares deliverable upon the exercise of any Option granted prior to such event without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Share that may be acquired upon the exercise of the Option. In case the Corporation is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Options outstanding under this Plan and to prevent their dilution or enlargement.
- (b) Adjustments under this Section 15 shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Shares shall be issued upon the exercise of an Option following the making of any such adjustment.

16. Change of Control

Notwithstanding the provisions of section 10, or any vesting restrictions otherwise applicable to the relevant Options, in the event of a sale by the Corporation of all or substantially all of its assets or in the event of a change of control of the Corporation, each Participant shall be entitled to exercise in whole or in part the Options granted to such Participant hereunder either during the term of the Option or within 90 days after the date of sale or change of control, whichever first occurs.

For the purpose of this Plan change of control of the Corporation means and shall be deemed to have occurred if and when:

- (a) the acceptance by the holders of Shares of the Corporation, representing in the aggregate of more than 35% of all issued Shares of the Corporation, of any offer, whether by way of a takeover bid or otherwise, for all or any of the Shares of the Corporation; or
- (b) the acquisition, by whatever means (including, without limitation, amalgamation, arrangement, consolidation or merger), by a person (or two or more persons who in such acquisition have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Shares acquired), directly or indirectly, of the beneficial ownership of such number of Shares or rights to Shares of the Corporation, which together with such person's then owned Shares and rights to Shares, if any, represent (assuming the full exercise of such rights to voting securities) more than 35% of the combined voting rights of the Corporation's then outstanding Shares, inclusive of the Shares that would be outstanding on the full exercise of all rights to Shares that would be outstanding on the full exercise of the rights to Shares; or
- (c) the entering into of any agreement by the Corporation to merge, consolidate, amalgamate, initiate an arrangement or be absorbed by or into another corporation; or
- (d) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets or wind-up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and where the shareholdings remain substantially the same following the re-arrangement as that which existed prior to the re-arrangement); or
- (e) individuals who were members of the Board of the Corporation immediately prior to a meeting of the shareholders of the Corporation involving a contest, for or an item of business relating to the election of directors shall not constitute a majority of the Board following such election.

17. Transferability

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of this Plan shall be non-transferrable and non-assignable unless specifically provided herein. During the lifetime of a Participant any Options granted hereunder may only be exercised by the Participant and in the event of the death or permanent disability of a Participant, by the person or persons to whom the Participant's rights under the Option pass by the Participant's will or applicable law.

18. Amendment and Termination of Plan

The Board may, at any time, suspend or terminate this Plan. The Board may also at any time amend or revise the terms of this Plan, subject to the receipt of all necessary regulatory approvals provided that no

such amendment or revision shall alter the terms of any Options theretofore granted under this Plan.

19. Necessary Approvals

The obligation of the Corporation to issue and deliver Shares in accordance with this Plan and options granted hereunder is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Shares cannot be issued to a Participant upon the exercise of an Option for any reason whatsoever, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the relevant Participant as soon as practicable.

20. Stock Exchange Rules

This Plan and any option agreements entered into hereunder shall comply with the requirements from time to time of the stock exchange or exchanges on which the Shares are listed.

21. Right to Issue Other Shares

The Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

22. Notice

Any notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid or delivered by courier or by facsimile transmission addressed, if to the Corporation, at its principal address in Burnaby, British Columbia, Attention: The President; or if to a Participant, to such Participant at his address as it appears on the books of the Corporation or in the event of the address of any such Participant not so appearing then to the last known address of such Participant; or if to any other person, to the last known address of such person.

23. Interpretation

This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia.

Exhibit "A"

Without prior written approval of the Canadian Securities Exchange, the TSX Venture Exchange, or such other recognized stock exchange or quotation system as the outstanding common shares are then traded and compliance with all applicable securities legislation, the securities represented by this certificate, and the securities issuable on exercise of these securities, may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Canadian Securities Exchange, the TSX Venture Exchange, or such other recognized stock exchange or quotation system as the outstanding common shares are then traded or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is four months and one day after the date of grant of the option].

OPTION AGREEMENT

This Agreement dated the • day of •, 201•,

B E T W E E N:

CERTIVE SOLUTIONS INC., a corporation
incorporated under the laws of the Province of British
Columbia (hereinafter called the "Corporation"),

- and -

•, of the City of Vancouver, in the Province of British
Columbia (hereinafter called the "Participant")

WHEREAS the Participant is a director, officer, employee of, or consultant retained by, the Corporation or any of its subsidiaries or affiliates and has been designated by the Corporation as eligible to participate in the Certive Solutions Inc. Stock Option Plan (the "Plan");

AND WHEREAS the Corporation desires to grant to the Participant an option to purchase common shares of the Corporation (the "Shares") in accordance with the terms of the Plan;

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto agree as follows:

1. The Corporation hereby grants to the Participant an irrevocable option (the "Option") to purchase all or any part of • Shares at a price of \$• per share, subject to the terms and conditions set forth herein.

2. The Option expires and terminates at 5:00 p.m. (Vancouver time) on the day (the "Expiry Date") that is the earlier of (i) the 5th anniversary of the date hereof and (ii) the dates determined by Sections 6 and 7 below.
3. Subject to the more specific provisions of the Stock Option Plan, the Shares optioned under this Agreement shall vest as to one-third (1/3) on each of the first three anniversaries of the date hereof, such that the Option shall vest for the following number of Shares on the following dates:

[1/3 of # of Shares]	[date that is 1 year from date of grant]
[1/3 of # of Shares]	[date that is 2 years from date of grant]
[1/3 of # of Shares]	[date that is 3 years from date of grant]

(the above vesting is an example and actual vesting terms will be determined by management)

4. Except as provided in Sections 6 and 7 below, the Option may only be exercised while the Participant is a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates. The Participant (or the Participant's legal or personal representative) may exercise the Option by delivering to the Corporation, at its principal office in Burnaby, British Columbia:
 - (a) a written notice expressing the intention to exercise the Option and specifying the number of Shares in respect of which the Option is exercised;
 - (b) a cash payment, cheque or bank draft, representing the full purchase price of the Shares in respect of which the Option is exercised; and
 - (c) in the event that the Option is exercised in accordance with this Agreement by persons other than the Participant, proof satisfactory to the Corporation of the right of such persons to exercise the Option.

Notwithstanding anything else contained herein, at or after the time that any Option could be exercised by a Participant, the Participant may elect to surrender, in whole or in part, his or her rights under any Option by written notice given to the Corporation stating that such Participant wishes to surrender his or her Option in exchange for a payment by the Corporation of a cash amount per Option equal to the difference between the exercise price of the Option and the closing price of the Shares on the stock exchange on which the Shares are then listed. The Board of Directors of the Corporation has the sole discretion to consent to or disapprove of the election of the Participant to receive cash pursuant hereto. If the Board disapproves of the election, the Participant may (i) exercise the Option under Section 4(a), (b) and (c) or (ii) retract the request to exercise such Option

5. Upon the exercise of the Option as aforesaid, the Corporation shall employ its reasonable efforts to forthwith deliver, or cause the registrar and transfer agent of the Shares to deliver, to the Participant (or the Participant's legal, personal representative) or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Shares as the Participant (or the Participant's legal, personal representative) shall have then paid for.
6. If the Participant shall cease to be a director, officer, employee or consultant of the Corporation for any reason other than death or permanent disability, the Option granted herein shall expire and terminate at 5:00 p.m. (Vancouver time) on the day that is the earlier of the (i) 90th day after the

date the Participant ceases to be a director, officer or employee of the Corporation and (ii) the 5th anniversary of the date hereof.

7. In the event of the death or permanent disability of the Participant, the Option shall be exercisable until 5:00 p.m. (Vancouver time) on the day that is the earlier of (i) 12 months after the date of death or permanent disability of the Participant and (ii) the 5th anniversary of the date hereof, and then, only:
 - (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or applicable law; and
 - (b) to the extent that the Participant was entitled to exercise the Option as at the date of the Participant's death or permanent disability.
8. The Participant acknowledges and agrees that neither the selection of the Participant as a Participant under the Plan nor the granting of the Option hereunder shall: (i) confer upon the Participant any right to continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates, as the case may be, or (ii) be construed as a guarantee that the Participant will continue as a director, officer, employee or consultant of the Corporation or any of its subsidiaries or affiliates, as the case may be. The Participant further acknowledges and agrees that this Agreement and the Option granted hereby shall in no way constitute the basis for a claim for damages by the Participant against the Corporation in the event of the termination of the employment of the Participant with the Corporation or any of its subsidiaries or affiliates for any reason whatsoever, including the Participant's wrongful dismissal, and the Participant hereby releases and forever discharges the Corporation from all claims and rights of action for damages whatsoever based upon or arising out of this Agreement and the Option.
9. The Participant shall not have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of the Option until such Shares have been paid for in full and issued to the Participant.
10. The number of Shares deliverable upon the exercise of the Option shall be increased or decreased proportionately in the event of the subdivision or consolidation of the outstanding Shares of the Corporation prior to the Expiry Date, without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Share covered by the Option. In case the Corporation is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Option and to prevent its dilution or enlargement. Adjustments under this Section 10 shall be made by the board of directors of the Corporation (or by such committee or persons as may be delegated such authority pursuant to the Plan), whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Shares shall be issued on any such adjustment.
11. The Option and all benefits and rights accruing to the Participant hereunder shall not be transferrable or assignable unless specifically provided herein. During the lifetime of the Participant the Option granted hereunder may only be exercised by the Participant as herein provided and in the event of the death of the Participant, by the person or persons to whom the Participant's rights under the Option pass by the Participant's will or applicable law.

12. The Participant acknowledges and agrees that the Board may, at any time, suspend or terminate the Plan. The Board may also at any time amend or revise the terms of the Plan, provided that no such amendment or revision shall alter the terms of the Option granted herein.
13. The obligation of the Corporation to issue and deliver Shares on the exercise of the Option in accordance with the terms and conditions of this Agreement is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Shares cannot be issued to the Participant upon the exercise of the Option for any reason whatsoever, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of the Option will be returned to the Participant as soon as practicable.
14. The Participant acknowledges to have read and understood the Plan and the Participant and the Corporation agree that all provisions thereof apply to the parties hereto and to this Agreement with the same effect as if such provisions were set out in this Agreement.
15. Time shall be of the essence of this Agreement.
16. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date and year first above written.

CERTIVE SOLUTIONS INC.

Per: _____

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

•

SCHEDULE “C”

**ARTICLES OF
Certive Solutions Inc.
(the “Company”)**

PART	ARTICLE	SUBJECT
1.	INTERPRETATION	
	1.1	Definitions
	1.2	<i>Business Corporations Act</i> and <i>Interpretation Act</i> Definitions Applicable
2.	SHARES AND SHARE CERTIFICATES	
	2.1	Authorized Share Structure
	2.2	Form of Share Certificate
	2.3	Shareholder Entitled to Certificate or Acknowledgment
	2.4	Delivery by Mail
	2.5	Replacement of Worn Out or Defaced Certificate or Acknowledgment
	2.6	Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment
	2.7	Splitting Share Certificates
	2.8	Certificate Fee
	2.9	Recognition of Trusts
3.	ISSUE OF SHARES	
	3.1	Directors Authorized
	3.2	Commissions and Discounts
	3.3	Brokerage
	3.4	Conditions of Issue
	3.5	Share Purchase Warrants and Rights
4.	SHARE REGISTERS	
	4.1	Central Securities Register
	4.2	Closing Register
5.	SHARE TRANSFERS	
	5.1	Registering Transfers
	5.2	Form of Instrument of Transfer
	5.3	Transferor Remains Shareholder
	5.4	Signing of Instrument of Transfer
	5.5	Enquiry as to Title Not Required
	5.6	Transfer Fee
6.	TRANSMISSION OF SHARES	
	6.1	Legal Personal Representative Recognized on Death

6.2 Rights of Legal Personal Representative

7. PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares
7.2 Purchase When Insolvent
7.3 Sale and Voting of Purchased Shares

8. BORROWING POWERS

8.1 Company Authorized to Borrow

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure
9.2 Special Rights and Restrictions
9.3 Change of Name
9.4 Other Alterations

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings
10.2 Resolution Instead of Annual General Meeting
10.3 Calling of Meetings of Shareholders
10.4 Meetings by Telephone or other Electronic Means
10.5 Notice for Meetings of Shareholders
10.6 Record Date for Notice
10.7 Record Date for Voting
10.8 Failure to Give Notice and Waiver of Notice
10.9 Notice of Special Business at Meetings of Shareholders
10.10 Notice of Special Business

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business
11.2 Special Majority
11.3 Quorum
11.4 One Shareholder May Constitute Quorum
11.5 Other Persons May Attend
11.6 Requirement of Quorum
11.7 Lack of Quorum
11.8 Lack of Quorum at Succeeding Meeting
11.9 Chair
11.10 Selection of Alternate Chair
11.11 Adjournments
11.12 Notice of Adjourned Meeting
11.13 Decisions by Show of Hands or Poll
11.14 Declaration of Result
11.15 Motion Need Not be Seconded
11.16 Casting Vote
11.17 Manner of Taking Poll
11.18 Demand for Poll on Adjournment
11.19 Chair Must Resolve Dispute
11.20 Casting of Votes
11.21 Demand for Poll
11.22 Demand for Poll Not to Prevent Continuance of Meeting

11.23 Retention of Ballots and Proxies

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares
12.2 Votes of Persons in Representative Capacity
12.3 Votes by Joint Holders
12.4 Legal Personal Representatives as Joint Shareholders
12.5 Representative of a Corporate Shareholder
12.6 Proxy Provisions Do Not Apply to All Companies
12.7 Appointment of Proxy Holders
12.8 Alternate Proxy Holders
12.9 Proxy Holder Need Not Be Shareholder
12.10 Deposit of Proxy
12.11 Validity of Proxy Vote
12.12 Form of Proxy
12.13 Revocation of Proxy
12.14 Revocation of Proxy Must Be Signed
12.15 Production of Evidence of Authority to Vote

13. DIRECTORS

13.1 First Directors; Number of Directors
13.2 Change in Number of Directors
13.3 Directors' Acts Valid Despite Vacancy
13.4 Qualifications of Directors
13.5 Remuneration of Directors
13.6 Reimbursement of Expenses of Directors
13.7 Special Remuneration for Directors
13.8 Gratuity, Pension or Allowance on Retirement of Director

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting
14.2 Consent to be a Director
14.3 Failure to Elect or Appoint Directors
14.4 Places of Retiring Directors Not Filled
14.5 Directors May Fill Casual Vacancies
14.6 Remaining Directors Power to Act
14.7 Shareholders May Fill Vacancies
14.8 Additional Directors
14.9 Ceasing to be a Director
14.10 Removal of Director by Shareholders
14.11 Removal of Director by Directors
14.12 Nomination of Directors

15. ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director
15.2 Notice of Meetings
15.3 Alternate for More Than One Director Attending Meetings
15.4 Consent Resolutions
15.5 Alternate Director Not an Agent
15.6 Revocation of Appointment of Alternate Director
15.7 Ceasing to be an Alternate Director
15.8 Remuneration and Expenses of Alternate Director

16. POWERS AND DUTIES OF DIRECTORS

- 16.1 Powers of Management
- 16.2 Appointment of Attorney of Company

17. DISCLOSURE OF INTEREST OF DIRECTORS

- 17.1 Obligation to Account for Profits
- 17.2 Restrictions on Voting by Reason of Interest
- 17.3 Interested Director Counted in Quorum
- 17.4 Disclosure of Conflict of Interest or Property
- 17.5 Director Holding Other Office in the Company
- 17.6 No Disqualification
- 17.7 Professional Services by Director or Officer
- 17.8 Director or Officer in Other Corporations

18. PROCEEDINGS OF DIRECTORS

- 18.1 Meetings of Directors
- 18.2 Voting at Meetings
- 18.3 Chair of Meetings
- 18.4 Meetings by Telephone or Other Communications Medium
- 18.5 Calling of Meetings
- 18.6 Notice of Meetings
- 18.7 When Notice Not Required
- 18.8 Meeting Valid Despite Failure to Give Notice
- 18.9 Waiver of Notice of Meetings
- 18.10 Quorum
- 18.11 Validity of Acts Where Appointment Defective
- 18.12 Consent Resolutions in Writing

19. EXECUTIVE AND OTHER COMMITTEES

- 19.1 Appointment and Powers of Executive Committee
- 19.2 Appointment and Powers of Other Committees
- 19.3 Obligations of Committees
- 19.4 Powers of Board
- 19.5 Committee Meetings

20. OFFICERS

- 20.1 Directors May Appoint Officers
- 20.2 Functions, Duties and Powers of Officers
- 20.3 Qualifications
- 20.4 Remuneration and Terms of Appointment

21. INDEMNIFICATION

- 21.1 Definitions
- 21.2 Mandatory Indemnification of Directors and Former Directors
- 21.3 Indemnification of Other Persons
- 21.4 Non-Compliance with *Business Corporations Act*
- 21.5 Company May Purchase Insurance

22. DIVIDENDS

- 22.1 Payment of Dividends Subject to Special Rights
- 22.2 Declaration of Dividends
- 22.3 No Notice Required
- 22.4 Record Date
- 22.5 Manner of Paying Dividend
- 22.6 Settlement of Difficulties
- 22.7 When Dividend Payable
- 22.8 Dividends to be Paid in Accordance with Number of Shares
- 22.9 Receipt by Joint Shareholders
- 22.10 Dividend Bears No Interest
- 22.11 Fractional Dividends
- 22.12 Payment of Dividends
- 22.13 Capitalization of Surplus

23. DOCUMENTS, RECORDS AND REPORTS

- 23.1 Recording of Financial Affairs
- 23.2 Inspection of Accounting Records

24. NOTICES

- 24.1 Method of Giving Notice
- 24.2 Deemed Receipt of Mailing
- 24.3 Certificate of Sending
- 24.4 Notice to Joint Shareholders
- 24.5 Notice to Trustees

25. SEAL

- 25.1 Who May Attest Seal
- 25.2 Sealing Copies
- 25.3 Mechanical Reproduction of Seal

**ARTICLES OF
CERTIVE SOLUTIONS INC.
(the “Company”)**

PART 1 - INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) “board of directors”, “directors” and “board” mean the directors or sole director of the Company for the time being;
- (2) “*Business Corporations Act*” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) “legal personal representative” means the personal or other legal representative of the shareholder;
- (4) “Notice of Articles” means the notice of articles for the Company contained in the Company’s incorporation or continuation application, as amended from time to time;
- (5) “registered address” of a shareholder means the shareholder’s address as recorded in the central securities register; and
- (6) “seal” means the seal of the Company, if any.

1.2 *Business Corporations Act and Interpretation Act Definitions Applicable*

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act* (British Columbia), with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* (British Columbia) 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. 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 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company as the same may be amended from time to time.

2.2 Form of Share Certificate

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

2.3 Shareholder Entitled to Certificate or Acknowledgment

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 acknowledgment 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.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgment, as the case may be, must be issued to the person entitled to that share certificate or acknowledgment, as the case may be, if the directors receive:

- (1) proof satisfactory to them that the share certificate or acknowledgment is lost, stolen or destroyed; and
- (2) any indemnity the directors consider adequate.

2.7 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 two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request, subject to compliance with applicable laws.

2.8 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount determined by the directors, if any, which must not exceed the amount prescribed under the *Business Corporations Act*.

2.9 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

PART 3 - ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, sell 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 (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share, if any.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and
- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

PART 4 - SHARE REGISTERS

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

PART 5 - SHARE TRANSFERS

5.1 Registering Transfers

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

- (1) a duly signed instrument of transfer in respect of the share has been received by the Company;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate has been surrendered to the Company; and
- (3) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment has been surrendered to the Company.

5.2 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.

5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 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 specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 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.

5.6 Transfer Fee

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

PART 6 - TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative

The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company.

PART 7 - PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase When Insolvent

The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

PART 8 - BORROWING POWERS

8.1 Company Authorized to Borrow

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (2) 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 such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

PART 9 - ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2, the *Business Corporations Act*, and any regulatory or stock exchange requirements applicable to the Company, the Company may by directors' resolution:

- (1) 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;
- (2) 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;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act* and any regulatory or stock exchange requirements applicable to the Company, the Company may by directors' resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued.

9.3 Change of Name

The Company may by directors' resolution authorize an alteration of its Notice of Articles in order to change its name subject to any other regulatory or stock exchange requirements applicable to the Company.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by directors' resolution alter these Articles subject to any other regulatory or stock exchange requirements applicable to the Company.

PART 10 - MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with 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 reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all 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 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

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

10.4 Meetings by Telephone or Other Electronic Means

A meeting of the Company's shareholders may be held entirely or in part by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if approved by directors' resolution prior to the meeting and subject to the *Business Corporations Act*. Any person participating in a meeting by such means is deemed to be present at the meeting.

10.5 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, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

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

- (2) otherwise, 10 days.

10.6 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:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) 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.

10.7 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.

10.8 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.

10.9 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) 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:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

10.10 Notice of Special Business

- (1) In addition to any other requirements under applicable laws, for a shareholder to put forward a motion at a meeting of shareholders for any other business not being put forward for consideration by management (the "**Motioning Shareholder**"), the Motioning Shareholder must have given notice thereof that is both timely (in accordance with paragraph 2 below) and in proper written form (in accordance with paragraph 3 below) to the Secretary of the Company at the principal executive offices of the Company.

- (2) To be timely, a Motioning Shareholder's notice to the Secretary of the Company must be made:
 - a) 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 of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - b) in the case of a special meeting (which is not also an annual meeting) of shareholders, 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.

The time periods for the giving of a Motioning Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and 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 such notice.

- (3) To be in proper written form, a Motioning Shareholder's notice to the Secretary of the Company must set forth particulars of:
 - a) the specific matter and motion intended to be put forward by the Motioning Shareholder and such information relating to the motion that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for holding a shareholders' meeting pursuant to the Act and Applicable Securities Laws (as defined below); and
 - b) the Motioning Shareholder, including full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Motioning Shareholder has a right to vote or direct the voting of any Common Shares of the Company and any other information relating to such Motioning Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).
- (4) The provisions of sections 14.12(5), (6), (7) and (8) apply equally in this Article 10.10.

PART 11 - PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

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

- (1) 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;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;

- (e) the election or appointment of directors;
- (f) the appointment of an auditor;
- (g) the setting of the remuneration of an auditor;
- (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
- (i) 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.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds (2/3) of the votes cast on the resolution.

11.3 Quorum

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 or more shareholders present in person or by proxy who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder; and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

The directors, the chief executive officer (if any), the president (if any), the chief financial officer (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does 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.

11.6 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 is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

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

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved; and
- (2) 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.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

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

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or 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, the directors present must choose one of their number or the Company's solicitor to be chair of the meeting failing which the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 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.

11.12 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.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 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. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 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.

11.16 Casting 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 second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

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

11.19 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 dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

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

11.21 Demand for Poll

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

11.22 Demand for Poll Not to Prevent Continuance 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.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

PART 12 - VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote 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, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

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

- (1) any one of the joint shareholders 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
- (2) if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 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:

- (1) for that purpose, the instrument appointing a representative 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 for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
 - (b) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) 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

- (b) 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.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 Proxy Provisions Do Not Apply to All Companies

Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions (as defined in section 1(1) of the *Business Corporations Act*) as part of its Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Appointment of Proxy Holders

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 one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders

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

12.9 Proxy Holder Need Not Be Shareholder

A person appointed as a proxy holder need not be a shareholder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) 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, two business days before the day set for the holding of the meeting; or
- (2) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding 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:

- (1) 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
- (2) by the chair of the meeting, before the vote is taken.

12.12 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 “Company”)

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

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder): _____

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder—printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is:

- (1) 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
- (2) provided, at the meeting, to the chair of the meeting.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) 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 legal personal representative or trustee in bankruptcy;
- (2) 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 12.5.

12.15 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 13 - DIRECTORS

13.1 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*. There is no requirement for the directors or shareholders to fix or set the number of directors from time to time. If the Company is a public company, the Company shall have at least three directors. If the Company is not a public company, the Company shall have at least one director.

13.2 Change in Number of Directors

If the number of directors is at any time fixed or set hereunder:

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

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 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.

13.5 Remuneration of Directors

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

13.6 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.

13.7 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.

13.8 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 14 - ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director

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

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) 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
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) 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 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

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

- (3) the date on which his or her successor is elected or appointed; and
- (4) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

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

14.6 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 of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 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, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) 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
- (2) 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 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

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

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if:

- (1) such director is convicted of an indictable offence;

- (2) such director ceases to be qualified to act as a director of a company and does not promptly resign; or
- (3) if there are at least three directors on the board, then if all other directors pass a resolution to remove such director; and the remaining directors may in any such event appoint a director to fill the resulting vacancy.

14.12 Nomination of Directors

- (1) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company (the “**Board**”) may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with Division 7 of Part 5 of the *Business Corporations Act* (the “Act”), or a requisition of the shareholders made in accordance with section 167 of the Act; or
 - c) by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Article 14.12 and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more Common Shares carrying the right to vote at such meeting or who beneficially owns Common Shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 14.12.
- (2) In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the Secretary of the Company at the principal executive offices of the Company.
- (3) To be timely, a Nominating Shareholder’s notice to the Secretary of the Company must be made:
 - a) 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 of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - b) 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.

The time periods for the giving of a Nominating Shareholder’s notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and 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 such notice.

- (4) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:
- a) 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 present principal occupation, business or employment of the person within the preceding five years, as well as the name and principal business of any company in which such employment is carried on; (C) the citizenship of such person; (D) the class or series and number of Common 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; and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any Common Shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

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

- (5) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12; provided, however, that nothing in this Article 14.12 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (6) For purposes of this Article 14.12 and Article 10.10:
- a) "**Applicable Securities Laws**" means the applicable securities legislation of each province and territory of Canada in which the Company is a reporting issuer, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada; and
 - b) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (7) Notwithstanding any other provision of this Article 14.12, notice given to the Secretary of the Company pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be 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 at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); 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 next following day that is a business day.

- (8) Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Article 14.12.

PART 15 - ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

Any director (an “appointor”) may by notice in writing received by the Company appoint any person (an “appointee”) who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6 Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

PART 16 - POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 17 - DISCLOSURE OF INTEREST OF DIRECTORS

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

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.

17.6 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, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer 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 person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to 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 person.

PART 18 - PROCEEDINGS OF DIRECTORS

18.1 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 directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 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.

18.3 Chair of Meetings

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

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors or, if the directors wish, the Company's solicitor, if:
 - (a) 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;
 - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (c) 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.

18.4 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 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 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 18.4 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.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

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

- (1) 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; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8 Meeting Valid Despite Failure to Give Notice

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

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

18.10 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 deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors consented to in writing by all of the directors entitled to vote on it, whether by signed document, fax, email or any other method of transmitting legibly recorded messages, is as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors duly called and held. Such resolution may be in two or more counterparts which together are deemed to constitute one resolution in writing. A resolution passed in that manner is effective on the date stated in the resolution or on the latest date stated on any counterpart. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 19 - EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a 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;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the 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 does not have a second or casting vote.

PART 20 - OFFICERS

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) 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
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

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 directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

PART 21 - INDEMNIFICATION

21.1 Definitions

In this Article 21:

- (1) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an “eligible party”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) “expenses” has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Directors and Former Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Indemnification of Other Persons

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

21.4 Non-Compliance with *Business Corporations Act*

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity,

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

PART 22 - DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of cash or of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

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

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 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.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 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.

22.12 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 to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the

person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

PART 23 - DOCUMENTS, RECORDS AND REPORTS

23.1 Recording of Financial Affairs

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

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

PART 24 - NOTICES

24.1 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:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) 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;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) 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;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) 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;

- (4) 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;
- (5) physical delivery to the intended recipient;
- (6) as otherwise permitted by any applicable securities legislation (including policies, notices and other administrative directions).

24.2 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 24.1 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.

24.3 Certificate of Sending

A certificate or other document 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 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

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

24.5 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:

- (1) mailing the record, addressed to them:
 - (a) 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
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) 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 25 - SEAL

25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or

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

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

PART 26 – SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO THE COMMON SHARES

26.1 Voting Rights

The common shares will be entitled to vote at all meetings of members of the Company except meetings at which only holders of a specified class of shares are entitled to vote.

26.2 Dividend Rights on Common Shares

The common shares will be entitled to a dividend from time to time as determined by the directors.

26.3 Dissolution

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its members for the purpose of winding up its affairs, the holders of the common shares will be entitled to receive the remaining property of the Company.

