

SYD FINANCIAL INC.

#303 - 570 Granville Street
Vancouver, British Columbia V6C 3P1

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 14, 2018**

AND

INFORMATION CIRCULAR

October 15, 2018

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisors.

SYD FINANCIAL INC.
#303 - 570 Granville Street
Vancouver, BC V6C 3P1
Telephone: (604) 786-7774

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of Syd Financial Inc. (the “**Company**”) will be held at Suite 900, 885 West Georgia Street, Vancouver, BC, on Wednesday, November 14, 2018, at the hour of 10:00 AM (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended March 31, 2018, and the accompanying report of the auditors;
2. to set the number of directors of the Company for the ensuing year at three persons;
3. to elect Keith Anderson, Blair Naughty and Spencer Smyl as directors of the Company to hold office until the next annual general meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company’s constating documents;
4. to appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending March 31, 2019 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2019; and
5. to approve the Company’s incentive stock option plan; and
6. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company’s board of directors has fixed **October 9, 2018** as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524 not later than 10:00 a.m. (local time) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Alberta) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company 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 at Vancouver, British Columbia, this 15th day of October, 2018.

By Order of the Board of Directors of

SYD FINANCIAL INC.

“Keith Anderson”

Keith Anderson
President, Chief Executive Officer,
Secretary and Director

SYD FINANCIAL INC.
#303 - 570 Granville Street
Vancouver, BC V6C 3P1
Telephone: (604) 786-7774

INFORMATION CIRCULAR
October 15, 2018

INTRODUCTION

This information circular ("**Information Circular**") accompanies the notice of annual general and special meeting (the "**Notice**") and is furnished to shareholders (the "**Shareholders**" and each a "**Shareholder**") holding common shares (the "**Shares**" and each a "**Share**") in the capital of Syd Financial Inc. (the "**Company**") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the "**Meeting**") of the Shareholders to be held at 10:00 AM (Vancouver time) on Wednesday, November 14, 2018 at Suite 900, 885 West Georgia Street, Vancouver, BC, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is October 15, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of October 9, 2018 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”) at their offices located at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by mail or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524 not later than 10:00 a.m. (local time) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Alberta) before the time and date of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the

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

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service

companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given 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 (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

These Meeting Materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares and preferred shares ("Preferred Shares") without par value. As of the Record Date, a total of 17,358,366 Shares were issued and outstanding and Nil Preferred Shares issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at three. The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at three.

Management recommends the approval of the resolution to set the number of directors of the Company for the ensuing year at three.

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "**Board**").

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Keith Anderson ⁽²⁾ BC, Canada President, Chief Executive Officer, Secretary and Director	Businessman. Former Investment Advisor at Canaccord Genuity Corp. Director of Liberty Leaf Holdings Ltd. since June 16, 2012, a CSE listed company.	February 18, 2015	277,740
Blair Naughty ⁽²⁾ BC, Canada Director	Businessman with over 30 years of experience in the securities industry. Privately developed and launched numerous e-commerce websites through Naughty Capital Ltd. Founded a CSE listed technology company, Fandom Sports Media Corp.	July 15, 2015	270,450 ⁽³⁾
Spencer Smyl ⁽²⁾ Proposed Director	Investment Analyst. Director of YDreams Global Interactive Technologies Inc., since April 25, 2017, a technology company listed on the TSX-V. Director of Jinhua Capital Corp. since June 20, 2017, a mineral exploration company listed on the NEX. Director of Makena Resources Inc. since December 22, 2016, a mineral exploration company listed on the TSX-V.	October 11, 2017	200,000

⁽¹⁾ Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 15, 2018, based upon information furnished to the Company by the individual directors and on SEDI.

⁽²⁾ Member of the Audit Committee.

⁽³⁾ Includes 15,000 common shares held indirectly through Canal Front Investments Inc.

Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.

Cease Trade Orders

No proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed

director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director of the Company is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

No proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

“compensation securities” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“external management company” includes a subsidiary, affiliate or associate of the external management company;

“named executive officer” or **“NEO”** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries (if any), the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and NEO Compensation

Table of Compensation Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and director in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Keith Anderson ⁽¹⁾ BC, Canada President, Chief Executive Officer, Secretary and Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Blair Naughty ⁽²⁾ BC, Canada Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Spencer Smyl ⁽³⁾ BC, Canada Director	2018	6,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	6,000
Charn Deol ⁽⁵⁾ BC, Canada CFO	2018	Nil	Nil	Nil	Nil	Nil	Nil
Joseph Meagher ⁽⁶⁾ BC, Canada Former Director and CFO	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Keith Anderson was appointed as Chief Executive Officer, President, Secretary and a director of the Company on February 18, 2015. Mr. Anderson was Chief Financial Officer ("CFO") of the Company from October 11, 2017 to February 28, 2018.

⁽²⁾ Blair Naughty was appointed as a director of the Company on July 15, 2015.

⁽³⁾ Spencer Smyl was appointed as a director of the Company on October 11, 2017.

⁽⁴⁾ Management Fees

⁽⁵⁾ Charn Deol was appointed as CFO of the Company on February 28, 2018.

⁽⁶⁾ Joseph Meagher was appointed as a director and CFO of the Company on July 14, 2015. He did not stand for re-election at the 2017 Annual General and Special Meeting, therefore he ceased to be a director and CFO of the Company on October 11, 2017.

Other than as set forth in the foregoing, no NEO of the Company has received, during the most recently completed financial year, compensation pursuant to:

- a. any standard arrangement for the compensation of NEOs for their services in their capacity as NEOs, including any additional amounts payable for committee participation or special assignments;

- b. any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or
- c. any arrangement for the compensation of NEOs for services as consultants or expert.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or any subsidiary thereof in the year ended March 31, 2018 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Keith Anderson ⁽¹⁾ BC, Canada President, Chief Executive Officer, Secretary and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Blair Naughty ⁽²⁾ BC, Canada Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Spencer Smyl ⁽³⁾ BC, Canada Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Charn Deol ⁽⁴⁾ BC, Canada CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Joseph Meagher ⁽³⁾ Chief Financial Officer and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Keith Anderson was appointed as Chief Executive Officer, President, Secretary and a director of the Company on February 18, 2015. Mr. Anderson was CFO of the Company from October 11, 2017 to February 28, 2018.

⁽²⁾ Blair Naughty was appointed as a director of the Company on July 15, 2015 .

⁽³⁾ Spencer Smyl was appointed as a director of the Company on October 11, 2017.

⁽⁴⁾ Charn Deol was appointed as CFO of the Company on February 28, 2018.

⁽⁵⁾ Joseph Meagher was appointed as a director and CFO of the Company on July 14, 2015. He did not stand for re-election at the 2017 Annual General and Special Meeting, therefore he ceased to be a director and CFO of the Company on October 11, 2017.

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised any compensation securities during the years ended March 31, 2018 and March 31, 2017.

Stock Option Plans and Other Incentive Plans

The Company does not have an incentive stock option plan (the “Plan”) in place and is proposing to implement one.

Executive officers of the Company, as well as directors, employees and consultants, will be eligible to participate in the Company’s Plan. Individual stock options will be granted by the Board as a whole and the amounts of the option grants are dependent on, among other things, each officer’s level of responsibility, authority and importance to the Company and the degree to which such officer’s long term contribution to the Company will be crucial to its long-term success.

Stock options may be granted by the Board when an executive officer or employee first joins the Company, based on their level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular individual is commensurate with their level of ongoing responsibility within the Company. The Board will also evaluate the number of options an individual has been granted, the exercise price of the options and the term remaining on those options when considering further grants. The Board will specify the exercise price to be paid for Shares upon the exercise of stock options granted under the Plan. Subject to a minimum price of \$0.05 per Share and the price per Share paid by investors in a public distribution by prospectus within 90 days of a stock option grant, the exercise price of a stock option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the Canadian Securities Exchange (the “CSE”).

Pursuant to the policies of the CSE, stock options may be granted outside of the Plan.

A copy of the Plan is attached to this Information Circular as **Error! Reference source not found..** Although Shareholder approval of the Plan is not required pursuant to the policies of the CSE, the Board is seeking disinterested Shareholder approval of the Plan to obtain maximum flexibility with respect to the granting of stock options under the Plan. The Plan has not been previously approved by the Shareholders. See “Particulars of Matters To Be Acted Upon – *Approval of Stock Option Plan*” beginning on page 18.

Employment, Consulting and Management Agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company’s current NEOs or directors.

Oversight and Description of Director and NEO Compensation

The objectives of the Company's compensation policies and procedures are to align the interests of the Company's directors and NEOs with the interests of the Shareholders. The Company intends to rely on Board discussion without a formal agenda for objectives, criteria and analysis, when determining compensation for the Company's directors and NEOs. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

At present the Board does not have a Compensation Committee or a Nominating Committee. As such, all tasks related to developing and monitoring the Company's approach with respect to the compensation of the directors and officers of the Company and to developing and monitoring the Company's approach to the nomination of directors to the Board are performed by the members of the Board. Compensation for the Company's directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors. The Company may form a Compensation Committee which will oversee compensation matters and may also form a Nomination Committee to oversee the nomination of directors in the future.

Pension Disclosure

The Company does not have any pension arrangements in place for its directors or NEOs.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company did not have an incentive stock option plan or any equity compensation plan in place as of March 31, 2018.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as auditor of the Company and to authorize the directors of the Company to fix the auditor's remuneration. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants were first appointed as the auditor of the Company on June 20, 2017.

Management recommends Shareholders vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as the auditor of the Company and authorizing the directors of the Company to fix the auditor's remuneration.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee Charter

The Company's Audit Committee Charter was adopted by the Board on September 8, 2017. A copy of the Company's Audit Committee Charter is attached to this Information Circular as Appendix A.

Composition of the Audit Committee

The Company's Audit Committee is currently comprised of three directors consisting of Keith Anderson, Blair Naughty and Spencer Smly. As defined in NI 52-110, Keith Anderson, the Company's Chief Executive Officer, President and Secretary is not "independent" as he is an executive officer of the Company. Blair Naughty and Spencer Smly are independent. Management is proposing that the Audit Committee be comprised of Keith Anderson, Blair Naughty and Spencer Smly for the fiscal year ending March 31, 2019.

The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his or her performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Keith Anderson

Mr. Anderson was a Investment Advisor for many years and he has years of experience with numerous public companies which has given him significant exposure to the preparation and review of financial statements.

Blair Naughty

Mr. Naughty is a businessman with over 30 years of experience in the securities industry. He has privately developed and launched numerous e-commerce websites through Naughty Capital Ltd. He founded Fandom Sports Media Corp., a company listed on the CSE. Mr. Naughty's years of experience with public companies has given him significant exposure to the preparation and review of financial statements.

Spencer Smyl

Mr. Smyl graduated from the University of British Columbia in Political Science. He is an investment analyst and he has been actively involved in both the private and public sectors, working for the Senate of Canada, business development in the health and wellness industry, and in venture capital. Mr. Smyl has extensive experience in project research, policy development, strategic communications, and stakeholder relations. Mr. Smyl's business experience has given him significant exposure to the preparation and review of financial statements.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Company's financial year ended March 31, 2018, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter provides that the Audit Committee will pre-approve all non-audit services to be provided by the auditor to the Company or its subsidiaries. The text of the Audit Committee Charter is attached to this Information Circular as Appendix A.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditors in the financial years ended March 31, 2018, 2017 and 2016 with respect to the Company, by category, are as follows:

Financial Year Ended March 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2018	\$19,400	Nil	Nil	Nil
2017	\$7,700	Nil	Nil	Nil
2016	\$1,500	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which 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*) of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No the Company's knowledge, no current director, executive officer, employee, or proposed nominee for election as a director, or associate of such person is, or at any time during the most recently completed financial year has been, indebted to the Company.

No indebtedness of a current director, executive officer, employee, or proposed nominee for election as a director, or associate of such person to another entity is, or at any time during the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

Composition of the Board

Management of the Company proposes to nominate Keith Anderson, Blair Naughty and Spencer Smyl for election by the Shareholders as directors of the Company. NP 58-201 suggests that the board of directors of a public company should be constituted of a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be expected to, interfere with the exercise of the director’s independent judgment.

Blair Naughty and Spencer Smyl are considered by the Board to be “independent” within the meaning of NI 58-101. Keith Anderson is an executive officer of the Company and accordingly is considered to be “non-independent”.

Board Mandate

The Board plans to meet for formal board meetings on an as needed basis to review and discuss the Company’s business activities and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs.

The Board will facilitate the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its Audit Committee.

When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have experience in business affairs and, as a result, these directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of the interest to the other directors and abstain from voting on any matter in which the conflicted director has declared an interest.

Directorships

The following directors are presently directors of other reporting issuers as set out below:

Name of Director	Name of Reporting Issuer	Market
Keith Anderson	Liberty Leaf Holdings Ltd.	CSE
Spencer Smyl	Makena Resources Inc.	TSX Venture Exchange
	YDreams Global Interactive Technologies Inc.	TSX Venture Exchange
	Jinhua Capital Corporation	NEX

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

The Board has not adopted a formal code of ethics. The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to:

- (a) the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures;
- (b) internal controls over financial reporting;
- (c) compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; and
- (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel.

Nomination of Directors

The entire Board is involved in nomination of new candidates for Board positions. Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

Compensation

The Board does not have a Compensation Committee. All tasks related to developing and monitoring the Company's approach with respect to the compensation of directors and officers of the Company are performed by the members of the Board. The compensation of the directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors.

Board Committees

The Board has no committees other than the Audit Committee. See "Audit Committee Disclosure."

Assessments

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as of yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Board is seeking disinterested Shareholder approval of the Plan. Although Shareholder approval of the Plan is not required pursuant to the policies of the CSE, the Board wishes to obtain maximum flexibility with respect to the granting of stock options under the Plan.

National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") provides exemptions from the requirement to prepare and file a prospectus in connection with a distribution of securities. As the Company is listed on the CSE, the Company is classified as an "unlisted reporting issuer" for purposes of the exemption provided in Section 2.24 of NI 45-106 for distributions of securities to employees, executive officers, directors and consultants of the Company (the "**Exemption**"). NI 45-106 restricts the use of the Exemption by "unlisted reporting issuers" such as the Company, unless the Company obtains disinterested shareholder approval. Specifically, NI 45-106 provides that the Exemption does not apply to a distribution to an employee or consultant of the "unlisted reporting issuer" who is an investor relations person of the issuer, an associated consultant of the issuer, an executive officer of the issuer, a director of the issuer, or a permitted assign of those persons if, after the distribution,

- (a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to
 - (i) related persons, exceeds 10% of the outstanding securities of the issuer, or

- (ii) a related person, exceeds 5% of the outstanding securities of the issuer, or
- (b) the number of securities, calculated on a fully diluted basis, issued within 12 months to
 - (i) related persons, exceeds 10% of the outstanding securities of the issuer, or
 - (ii) a related person and the associates of the related person, exceeds 5% of the outstanding securities of the issuer.

The term "related person" is defined in NI 45-106 and generally refers to a director or executive officer of the issuer or of a related entity of the issuer, an associate of a director or executive officer of the issuer or of a related entity of the issuer, or a permitted assign of a director or executive officer of the issuer or of a related entity of the issuer. The term "permitted assign" includes a spouse of the person.

In accordance with the requirements of NI 45-106, the Board wishes to provide the following information with respect to the Plan so that the disinterested Shareholders may form a reasoned judgment concerning the Plan.

The purpose of this Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through stock options granted under this Plan to purchase Shares. The Plan is a 10% "rolling" stock option plan pursuant to which the maximum number of Shares reserved under the Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result in the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the issued and outstanding Shares as at the date of grant of any stock option under the Plan.

The Plan provides that:

1. The Board shall specify the exercise price, term, vesting terms, if any, and the number of options to be granted under the Plan.
2. The Board shall establish the exercise price at the time of each option grant, and the exercise price for the options will not be lower 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.
3. If a director, officer, employee or consultant ceases to be so engaged by the Company for cause, any option outstanding shall terminate and cease to be exercisable immediately upon termination.
4. If a director, officer, employee or consultant ceases to be so engaged by the Company without cause for any reason other than death, such director, officer, employee or consultant shall have the right to exercise any vested stock option granted to him or her under the Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the optionee's written agreement.

5. If an optionee dies prior to the expiry of a stock option, his or her heirs or administrators may within 12 months from the date of the optionee's death exercise that portion of a stock option granted to the optionee under the Plan which remains vested and outstanding.
6. No stock option granted under the Plan or any right thereunder or in respect thereof shall be transferable or assignable (other than upon the death of the optionee).

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

"RESOLVED, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. The Company's stock option plan (the "**Plan**"), as set forth in the Company's Information Circular dated October 15, 2018 (the "**Information Circular**"), including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby approved, in accordance with its terms and conditions and with the policies of the Canadian Securities Exchange (the "**CSE**");
2. The Company's board of directors (the "**Board**") be and is hereby authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the CSE;
3. The Board be and is hereby authorized in its absolute discretion to grant stock options under the Plan in reliance on the prospectus exemption provided in Section 2.24 [*Employee, executive officer, director and consultant*] of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") notwithstanding the limitations imposed by Section 2.25 [*Unlisted reporting issuer exception*] of NI 45-106; and
4. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan."

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

Management recommends that disinterested Shareholders vote in favour of the Plan Resolution at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at its office by mail at Suite 303, 570 Granville Street, Vancouver, BC V6C 3P1, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the Company's audited financial statements and MD&A for the year ended March 31, 2018.

OTHER MATTERS

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to 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.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 15th day of October, 2018.

By Order of the Board of Directors of

SYD FINANCIAL INC.

"Keith Anderson"

Keith Anderson
President, Chief Executive Officer,
Secretary and Director

APPENDIX A
AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the “**Chair**”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company’s auditors (the “**Auditors**”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (h) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (i) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (j) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (k) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (m) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (n) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (o) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (p) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (q) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (r) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;

- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

APPENDIX B

SYD FINANCIAL INC.

INCENTIVE STOCK OPTION PLAN

Part 1

INTERPRETATION

1.1 Definitions. In this Plan, the following words and phrases shall have the following meanings:

- (a) **“Affiliate”** means a company that is a parent or Subsidiary of the Company, or that is controlled by the same person as the Company;
- (b) **“Board”** means the board of directors of the Company or any committee thereof duly empowered and authorized to grant Options under this Plan;
- (c) **“Change of Control”** means the occurrence of any one of the following events:
 - (i) there is a report filed with any securities commission or securities regulatory authority in Canada, disclosing that any offeror (as the term “offeror” is defined in Section 1.1 of Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids) has acquired beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, any shares of capital stock of any class of the Company carrying voting rights under all circumstances (the **“Voting Shares”**), that, together with the offeror’s securities would constitute Voting Shares of the Company representing more than 50% of the total voting power attached to all Voting Shares of the Company then outstanding,
 - (ii) there is consummated any amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company: (1) in which the Company is not the continuing or surviving corporation, or (2) pursuant to which any Voting Shares of the Company would be reclassified, changed or converted into or exchanged for cash, securities or other property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company in which the holders of the Voting Shares of the Company immediately prior to such amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction have, directly or indirectly, more than 50% of the Voting Shares of the continuing or surviving corporation immediately after such transaction,
 - (iii) any person or group of persons shall succeed in having a sufficient number of its nominees elected as directors of the Company such that such nominees, when added to any existing directors of the Company, will constitute a majority of the directors of the Company, or
 - (iv) there is consummated a sale, transfer or disposition by the Company of all or substantially all of the assets of the Company,

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

- (d) **"Company"** means Syd Financial Inc.
- (e) **"Consultant"** means an individual or Consultant Company, other than an Employee, Director or Officer, that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate, other than services provided in relation to a distribution of securities,
 - (ii) provides such services under a written contract between the Company or an Affiliate,
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate, and
 - (iv) has a relationship with the Company or an Affiliate that enables the individual to be knowledgeable about the business and affairs of the Company;
- (f) **"Consultant Company"** means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (g) **"CSE"** means the Canadian Securities Exchange;
- (h) **"Director"** means a director of the Company or a Subsidiary;
- (i) **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent the Optionee from permanently:
 - (i) being employed or engaged by the Company, an Affiliate or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or an Affiliate, or
 - (ii) acting as a director or officer of the Company or an Affiliate,and **"Date of Disability"** means the effective date of the Disability as determined by the Board in its sole and unfettered discretion;
- (j) **"Eligible Person"** means a bona fide Director, Officer, Employee or Consultant, or a corporation wholly owned by such Director, Officer, Employee or Consultant;
- (k) **"Employee"** means:
 - (i) an individual who is considered an employee of the Company or an Affiliate under the Income Tax Act (and for whom income tax, employment insurance and CPP deductions must be made at source);

- (ii) an individual who works full-time for the Company or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or an Affiliate on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (l) **“Exchange”** means the CSE or any other stock exchange on which the Shares are listed for trading;
 - (m) **“Exchange Policies”** means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;
 - (n) **“Exercise Price”** means the amount payable per Share on the exercise of an Option, as determined in accordance with the terms hereof;
 - (o) **“Expiry Date”** means 5:00 p.m. (Vancouver time) on the day on which an Option expires as specified in the Option Agreement therefor or in accordance with the terms of this Plan;
 - (p) **“Grant Date”** for an Option means the date of grant thereof by the Board;
 - (q) **“Income Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time;
 - (r) **“Insider”** has the meaning ascribed thereto in the Securities Act;
 - (s) **“Investor Relations Activities”** means any activities or communications, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
 - (i) the dissemination of information or preparation of records in the ordinary course of business of the Company:
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company,
 that cannot reasonably be considered to promote the purchase or sale of securities of the Company,
 - (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable Securities Laws,

- (B) the Exchange, or
 - (C) the bylaws, rules or other regulatory instruments of any self-regulatory body or exchange having jurisdiction over the Company; or
 - (iii) activities or communications that may be otherwise specified by the Exchange;
 - (t) **“Option”** means the right to purchase Shares granted hereunder to an Eligible Person;
 - (u) **“Option Agreement”** means the stock option agreement between the Company and an Eligible Person whereby the Company provides notice of grant of an Option to such Eligible Person;
 - (v) **“Optioned Shares”** means Shares that may be issued in the future to an Eligible Person upon the exercise of an Option;
 - (w) **“Optionee”** means the recipient of an Option hereunder, their heirs, executors and administrators;
 - (x) **“Officer”** means any senior officer of the Company or an Affiliate;
 - (y) **“Plan”** means this incentive stock option plan, as amended from time to time;
 - (z) **“Securities Act”** means the *Securities Act* (British Columbia), as amended from time to time;
 - (aa) **“Securities Laws”** means the applicable acts, policies, bylaws, rules and regulations of the securities commissions governing the granting of Options by the Company, as amended from time to time;
 - (bb) **“Shares”** means the common shares in the capital of the Company, provided that, in the event of any adjustment pursuant to Section 4.7, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment; and
 - (cc) **“Subsidiary”** has the meaning ascribed thereto in the Securities Act.
- 1.2 **Gender.** Throughout this Plan, whenever the singular or masculine or neuter is used, the same shall be construed as meaning the plural or feminine or body politic or corporate, and vice-versa as the context or reference may require.
- 1.3 **Currency.** Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.
- 1.4 **Interpretation.** This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

Part 2
PURPOSE

- 2.1 Purpose. The purpose of this Plan is to attract and retain Directors, Officers, Employees and Consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through Options granted under this Plan.

Part 3
GRANTING OF OPTIONS

- 3.1 Establishment of Plan. This Plan is hereby established to recognize contributions made by Eligible Persons and to create an incentive for their continuing assistance to the Company and its Affiliates.
- 3.2 Eligibility. Options to purchase Shares may be granted hereunder to Eligible Persons from time to time by the Board.
- 3.3 Options Granted Under the Plan. All Options granted under the Plan will be evidenced by an Option Agreement in such form determined by the Board setting forth the number of Optioned Shares, the term of the Option, the vesting terms, if any, the Exercise Price and such other terms as determined by the Board.
- 3.4 Terms Incorporated. Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Agreement made hereunder. In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.
- 3.5 Limitations on Shares Available for Issuance. Unless authorized by the shareholders of the Company in accordance with applicable Securities Laws, the number of Shares reserved for issuance under this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, is subject to the restrictions imposed under applicable Securities Laws.
- 3.6 Options Not Exercised. In the event an Option granted under the Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be available again for an grant under this Plan.
- 3.7 Acceleration of Unvested Options. If there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full.
- 3.8 Powers of the Board. The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:

- (a) allot Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to appropriate shareholder and regulatory approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all applicable Optionees, alter or impair any Option previously granted under the Plan;
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
- (e) may in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Eligible Persons (before a particular Option is granted) subject to the other terms hereof.

Part 4
TERMS AND CONDITIONS OF OPTIONS

- 4.1 Exercise Price. The Board shall establish the Exercise Price at the time each Option is granted, subject to the following conditions:
- (a) if the Shares are listed on an Exchange, then the Exercise Price for the Options granted will not be less than the minimum prevailing price permitted by the Exchange;
 - (b) if the Shares are not listed, posted and trading on any stock exchange or quoted on any quotation system, then the Exercise Price for the Options granted will be determined by the Board at the time of granting; and
 - (c) in all other cases, the Exercise Price shall be determined in accordance with the applicable Securities Laws and Exchange Policies.
- 4.2 Term of Option. The Board shall establish the Expiry Date for each Option at the time such Option is granted, subject to the following conditions:
- (a) the Option will expire upon the occurrence of any event set out in Section 4.6 and at the time period set out therein; and
 - (b) the Expiry Date cannot be longer than the maximum exercise period as determined by the applicable Securities Laws and Exchange Policies.
- 4.3 Automatic Extension of Term of Option. The Expiry Date will be automatically extended if the Expiry Date falls within a blackout period during which the Company prohibits Optionees from exercising their Options, provided that:

- (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information (as defined in applicable Securities Laws and Exchange Policies);
- (b) the blackout period expires upon the general disclosure of the undisclosed material information and the expiry date of the affected Options is extended to no later than ten (10) business days after the expiry of the blackout period; and
- (c) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

4.4 Vesting of Options.

- (a) No Option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to an Eligible Person, subject to the compliance with applicable Securities Laws and Exchange Policies.
- (b) If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities, the Option shall vest immediately.

4.5 Non Assignable. Subject to Section 4.6, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

4.6 Termination of Option. Unless the Board determines otherwise, the Options will terminate in the following circumstances:

- (a) Termination of Services For Cause. If the engagement of the Optionee as a Director, Officer, 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, Officer, Employee or Consultant by reason of termination for cause;
- (b) Termination of Services Without Cause or Upon by Resignation. If the engagement of the Optionee as a Director, Officer, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Officer, Employee, or Consultant resigns, as the case may be, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Optionee ceasing to be a Director, Officer, Employee or Consultant for such reason or because of such resignation;
- (c) Death. If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee;

- (d) Disability. If the Optionee ceases to be an Eligible Person due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability; and
- (e) Changes in Status of Eligible Person. If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in Sections 4.6(a) to 4.6(d) above where the Optionee ceases to be any type of Eligible Person. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate.

4.7 Adjustment of the Number of Optioned Shares. The number of Optioned Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) Following the date an Option is granted, the exercise price for and the number of Optioned Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Section 4.7, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board, and any such determination will be binding on the Company, the Optionee and all other affected parties.
- (b) If there is a change in the outstanding Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
 - (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable, and if the Company undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

- (c) If the outstanding Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another company or entity, in a manner other than as specified in Section 4.6(b), then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in Section 4.7, and such adjustments shall be effective and binding upon the Company and the Optionee for all purposes.
- (d) No adjustment provided in this Section 4.7 shall require the Company to issue a fractional share and the total adjustment with respect to each Option shall be limited accordingly.
- (e) The grant or existence of an Option shall not in any way limit or restrict the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

Part 5

COMMITMENT AND EXERCISE PROCEDURES

- 5.1 Option Agreement. Upon grant of an Option hereunder, an authorized director, officer or agent of the Company will deliver to the Optionee an Option Agreement detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.
- 5.2 Manner of Exercise. An Optionee who wishes to exercise his Option, in its entirety or any portion thereof, may do so by delivering:
 - (a) a notice of exercise to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
 - (b) cash, a certified cheque or a bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.
- 5.3 Subsequent Exercises. If an Optionee exercises only a portion of the total number of his Options, then the Optionee may, from time to time, subsequently exercise all or part of the remaining Options until the Expiry Date.
- 5.4 Delivery of Certificate and Hold Periods. As soon as practicable after receipt of the Notice of Exercise described in Section 5.2 and payment in full for the Optioned Shares being received by the Company, the Company will or will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued may bear a legend stipulating any resale restrictions required under applicable Securities Laws and Exchange Policies.

- 5.5 Withholding. The Company may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options (the “**Withholding Obligations**”). The Company may also satisfy any liability for the Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by:
- (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy the Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, the Withholding Obligations; or
 - (b) selling on the Optionee’s behalf, or requiring the Optionee to sell, Optioned Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

Part 6 AMENDMENTS

- 6.1 Amendment of the Plan. The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to shareholder approval, if applicable, and any necessary regulatory approvals. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.
- 6.2 Amendment of Outstanding Options. The Board may amend any Option with the consent of the affected Optionee and the Exchange, if required, including any shareholder approval required by the Exchange Policies or applicable Securities Laws.
- 6.3 Amendment Subject to Approval. If the amendment of an Option requires shareholder or regulatory approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

Part 7 GENERAL

- 7.1 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement. If the Optionee retires, resigns or is terminated from employment or engagement with the Company or Affiliate, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Optioned Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.
- 7.2 Employment and Services. Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the

Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

- 7.3 No Rights as Shareholder. Nothing contained in this Plan nor in any Option granted thereunder shall be deemed to give any Optionee any interest or title in or to any Shares or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option in accordance with the provisions of the Plan and the Option Agreement.
- 7.4 No Representation or Warranty. The Company makes no representation or warranty as to the future market value of Optioned Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Optioned Shares issuable thereunder or the tax consequences to a Optionee. Compliance with applicable Securities Laws as to the disclosure and resale obligations of each Optionee is the responsibility of such Optionee and not the Company.
- 7.5 Other Arrangements. Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.
- 7.6 No Fettering of Discretion. The awarding of Options under this Plan is a matter to be determined solely in the discretion of the Board. This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Shares or any other securities in the capital of the Company or any of its Affiliates other than as specifically provided for in this Plan.

Part 8

EFFECTIVE DATE OF PLAN

- 8.1 Effective Date. This Plan shall become effective upon its approval by the Board.