

J. BOND CAPITAL CORPORATION

STOCK OPTION PLAN

ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 *DEFINITIONS*

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

“**Administrator**” means such director, executive officer or employee of the Company as may be designated as Administrator by the Board from time to time; or in the absence of a designated Administrator, means the Board;

“**Award Date**” means the date on which the Board grants and announces a particular grant of Options;

“**Board**” means the board of directors of the Company;

“**Company**” means **J. BOND CAPITAL CORPORATION** and any Related Entity thereto, as the context may apply;

“**consultant**” means an individual (or a company wholly owned by the individual), other than an employee, director or executive officer, of the Company who (i) is engaged to provide services to the Company (excluding services provided in relation to a distribution of the Company’s securities); (ii) provides the services under a written contract with the Company; (iii) spends a significant amount of time and attention to the business and affairs of the Company;

“**Exchange**” means the Canadian Securities Exchange;

“**Exchange Policies**” means the policies and procedures of the Exchange;

“**executive officer**” means, with respect to the Company, the chairman, vice-chairman, Chief Executive Officer, Chief Financial Officer, president, vice-president in charge of a principal business unit, division or function, and any other individual performing a policy-making function;

“**Exercise Notice**” means the notice respecting the exercise of an Option, forming part of the Option Certificate;

“**Exercise Period**” means the period during which a particular Option may be exercised, being the period from and including the Award Date through to and including the Expiry Date;

“**Exercise Price**” means the price at which an Option may be exercised as determined in accordance with section 3.6;

“**Expiry Date**” means the date determined in accordance with section 3.4 and after which a particular Option cannot be exercised;

“**Investor Relations Activities**” has the meaning ascribed thereto in the Exchange Policies;

“**Option**” means an option to acquire Shares, awarded to an eligible Person pursuant to this Plan;

“**Option Certificate**” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;

“**Option Holder**” means a current or former director, employee, executive officer or consultant who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;

“**Person**” means an individual, corporation, partnership, party, trust, fund, association or any other organized group of person and the personal or other legal representative of a person to whom the context can apply;

“**Personal Representative**” means (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;

“**Plan**” means this stock option plan;

“**Regulatory Authority**” means any Canadian securities commission, the Exchange, or any other regulatory body having jurisdiction;

“**Related Entity**” means, with respect to the Company, any Person that controls or is controlled by the Company, or that is controlled by the same Person that controls the Company;

“**Related Person**” means, (i) each director and executive officer of the Company or any Related Entity, or (ii) an associate or permitted assign of such director or executive officer;

“**Securities Act**” means the *Securities Act* (British Columbia); and

“**Share**” or “**Shares**” means, as the case may be, one or more common shares without par value in the capital of the Company.

1.2 CHOICE OF LAW

The Plan is established under, and the provisions of the Plan shall be interpreted and construed solely in accordance with, the laws of the Province of British Columbia.

1.3 HEADINGS

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE II PURPOSE AND PARTICIPATION

2.1 PURPOSE

The purpose of the Plan is to provide the Company with a Share-related mechanism to attract, retain and motivate directors, employees, executive officers and consultants, to reward or compensate such persons from time to time for their contributions toward the long term goals of the Company, and to enable and encourage such persons to acquire Shares as long-term investments.

2.2 PARTICIPATION

The Board shall, from time to time, in its sole discretion determine those directors, employees, executive officers and consultants, if any, to whom Options are to be awarded. If the Board elects to award

Options, then in determining the number, Exercise Period and Exercise Price of such Options, the Board may take into account such considerations as it deems advisable, which may include the following:

- (a) the person's remuneration as at the Award Date in relation to the total remuneration payable by the Company to all of its directors, employees, executive officers and consultants as at the Award Date;
- (b) the length of time that the person has provided services to the Company; and
- (c) the nature and quality of work performed by the person.

2.3 *NOTIFICATION OF AWARD*

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded, and a copy of this Plan.

2.4 *LIMITATION*

Neither this Plan nor the grant of any Options hereunder gives any Option Holder who is a director the right to serve or continue to serve as a director, nor does it give any Option Holder who is an employee, executive officer or consultant the right to be or to continue to be employed or engaged by the Company.

ARTICLE III TERMS AND CONDITIONS OF OPTIONS

3.1 *BOARD TO ALLOT SHARES*

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 *NUMBER OF SHARES*

Subject to section 3.3, after any particular grant of Options:

- (a) the maximum number of Shares, calculated on a fully diluted basis, reserved for issuance under Options granted to
 - (i) related persons, cannot exceed 10% of the outstanding Shares of the Company, or
 - (ii) any one related person and its associates, cannot exceed 5% of the outstanding Shares of the Company, or
- (b) the maximum number of Shares, calculated on a fully diluted basis, issued within 12 months to
 - (i) related persons, cannot exceed 10% of the outstanding Shares of the Company, or
 - (ii) any one related person and its associates, cannot exceed 5% of the outstanding Shares of the Company.

Options that have been cancelled, or that have expired, or that have been exercised, continue to be issuable under the Plan.

3.3 *NUMBER OF SHARES – SHAREHOLDERS' APPROVAL*

The 10% and 5% limits in section 3.2 do not apply to a grant of Options if the Company:

- (a) obtains security holder approval, and
- (b) before obtaining security holder approval, provides security holders with the following information in sufficient detail to permit security holders to form a reasoned judgment concerning the matter:
 - (i) the eligibility of employees, executive officers, directors, and consultants to be issued or granted Options under this Plan;
 - (ii) the maximum number of securities that may be issued on exercise of the Options, under this Plan;
 - (iii) particulars relating to any financial assistance or support agreement to be provided to Option Holders by the Company to facilitate the exercise of Options under this Plan, including whether the assistance or support is to be provided on a full, part, or nonrecourse basis;
 - (iv) the maximum Exercise Period and the basis for the determination of the Exercise Price;
 - (v) particulars relating to the Options to be granted under this Plan, including transferability; and
 - (vi) the number of votes attaching to securities that, to the Company's knowledge at the time the information is provided, will not be included for the purpose of determining whether security holder approval has been obtained.

3.4 *TERM OF OPTION*

Subject to section 3.5, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the tenth anniversary of the Award Date of the Option.

3.5 *VESTING AND OTHER RESTRICTIONS*

The Board may, at the Award Date, impose vesting or other limitations or restrictions on the exercise of Options as applicable to any particular Option Holder. An Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period subject to such vesting, limits or restrictions.

3.6 *TERMINATION OF OPTION*

Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. (Vancouver time) on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board on the Award Date, and the date established, if applicable, in subsections (a) to (d) below.

(a) *Death*

In the event that the Option Holder should die while he or she is still (i) a director, executive officer or employee (not performing Investor Relations Activities), the Expiry Date shall be 12 months from the date of death of the Option Holder; or (ii) a consultant, or an employee performing Investor Relations Activities, the Expiry Date shall be one month from the date of death of the Option Holder.

(b) *Ceasing to Hold Office*

In the event that the Option Holder holds his or her Option as a director or executive officer and such Option Holder ceases to hold such position other than by reason of death, the Expiry Date of the Option shall be the 90th day following the date the Option Holder ceases to be a director or executive officer of the Company unless the Option Holder continues to be engaged by the Company as an employee or consultant, in which case the Expiry Date shall remain unchanged. However, if the Option Holder ceases to be a director of the Company as a result of:

- (i) ceasing to meet the qualifications set forth in s.124 of the *Business Corporations Act* (British Columbia); or
- (ii) a special resolution having been passed by the members of the Company pursuant to subsection 128(3) of the *Business Corporations Act* (British Columbia),

then the Expiry Date shall be the date the Option Holder ceases to be a director of the Company.

And provided however, if the Option Holder ceases to be an executive officer of the Company as a result of (i) being terminated for cause, or (ii) an order of a Regulatory Authority, then the Expiry Date shall be the date the Option Holder ceases to be an executive officer of the Company.

(c) *Ceasing to be Employed*

In the event that the Option Holder holds his or her Option as an employee or consultant of the Company (other than an employee or consultant performing Investor Relations Activities) and such Option Holder ceases to be an employee or consultant of the Company other than by reason of death, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be an employee or consultant of the Company, unless the Option Holder ceases to be such as a result of (i) termination for cause; or (ii) an order of a Regulatory Authority, in which case the Expiry Date shall be the date the Option Holder ceases to be an employee or consultant of the Company.

(d) *Ceasing to Perform Investor Relations Activities*

Notwithstanding the paragraph (c) immediately above, in the event that the Option Holder holds his or her Option as an employee or consultant of the Company who provides Investor Relations Activities on behalf of the Company, and such Option Holder ceases to be an employee or consultant of the Company other than by reason of death, the Expiry Date shall be the date the Option Holder ceases to be an employee or consultant of the Company.

3.7 *EXERCISE PRICE*

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion, and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the greater of the closing market prices of the Company's Shares on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options.

3.8 *ASSIGNMENT OF OPTIONS*

Options may not be assigned or transferred, and all Option Certificates will be so legended, provided however that the Personal Representatives of an Option Holder may, to the extent permitted by section 4.1, exercise the Options within the Exercise Period.

3.9 *ADJUSTMENTS*

If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted,

exchanged or reclassified or in any way substituted for (collectively the “Event”), the Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event an Option Holder would become entitled to a fractional Share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Shares in an amount less than 500 Shares shall be issued upon the exercise of the Options unless such amount of Shares represents the balance left to be exercised under the Options.

3.10 *EXERCISE RESTRICTIONS*

The Options may be subject to resale restrictions in accordance with applicable securities legislation and Exchange Policies, which will not exceed four months and a day from the Award Date.

The Board may, at the time an Option is awarded or upon renegotiation of the same, attach restrictions relating to the exercise of the Option, including vesting provisions. Any such restrictions shall be recorded on the applicable Option Certificate.

ARTICLE IV EXERCISE OF OPTIONS

4.1 *EXERCISE OF OPTIONS*

An Option may be exercised only by the Option Holder or his Personal Representative. An Option Holder or his Personal Representative may exercise an Option in whole or in part, subject to any applicable exercise restrictions, at any time or from time to time during the Exercise Period up to 5:00 p.m. (Vancouver time) on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 *ISSUE OF SHARE CERTIFICATES*

As soon as practicable following the receipt of the Exercise Notice and other items under section 4.1, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of the Shares available under the Option.

4.3 *CONDITION OF ISSUE*

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all applicable Regulatory Authorities, including the Exchange. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully cooperate with the Company in complying with such laws, rules and regulations.

ARTICLE V ADMINISTRATION

5.1 *ADMINISTRATION*

The Plan shall be administered by the Board, or an Administrator on the instructions of the Board or such

committee of the Board formed in respect of matters relating to the Plan. The Board or such committee may make, amend and repeal at any time and from time to time such regulations not inconsistent with this Plan as it may deem necessary or advisable for the proper administration and operation of this Plan and such regulations shall form part of this Plan. The Board may delegate to the Administrator such administrative duties and powers as it may see fit.

5.2 *INTERPRETATION*

The interpretation by the Board or its authorized committee of any of the provisions of this Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

ARTICLE VI APPROVALS, AMENDMENTS AND TERMINATION

6.1 *EFFECTIVE DATE*

This Stock Option Plan becomes effective upon the Board passing a resolution adopting it.

6.2 *PLAN AMENDMENT*

The Board may from time to time amend this Plan, which amendment may be retroactive provided it does not offend section 6.3.

6.3 *OPTION AMENDMENT*

The terms and conditions of any Option may not be amended once issued, other than for the purpose of meeting any changes in any relevant law, Exchange Policy, rule or regulation applicable to this Plan.

6.4 *TERMINATION*

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination; and notwithstanding such termination the Company, such Options and such Option Holders shall continue to be governed by the provisions of this Plan.

6.5 *AGREEMENT*

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of this Plan.

END OF DOCUMENT

**Schedule A
STOCK OPTION PLAN**

OPTION CERTIFICATE

This certificate is issued pursuant to the provisions of the **J. BOND CAPITAL CORPORATION** (the “Company”) Stock Option Plan (the “Plan”) and evidences that _____
(*Name of Optionee*) is the holder of an option (the “Option”) to purchase up to _____
(*Number of Shares*) common shares (the “Shares”) in the capital stock of the Company at a purchase price of \$_____ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____ (*insert date of grant*); and
(b) the Expiry Date of this Option is _____ (*insert date of expiry*).

Additional Vesting or Other Restrictions: (insert as applicable)

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Vancouver time) on the Expiry Date, by delivering to the Company an Exercise Notice, in the form attached, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This certificate and the Options evidenced hereby are not assignable, transferable or negotiable and are subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

Signed this _____ **day of** _____, **20**_____.

J. BOND CAPITAL CORPORATION

by its authorized signatory:

EXERCISE NOTICE

To: The Administrator, Stock Option Plan
J. BOND CAPITAL CORPORATION (the "Company")

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out non-applicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: _____ Shares
- (ii) multiplied by the Exercise Price per Share: \$_____
- TOTAL EXERCISE PRICE, enclosed herewith: \$_____

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder (please print)