

## AMALGAMATION AGREEMENT

**THIS AMALGAMATION AGREEMENT** (the “**Agreement**”) is made and effective as of November 10, 2020

### AMONG:

**FIBONACCI CAPITAL CORP.**, a company incorporated under the laws of British Columbia having an address at 10<sup>th</sup> Floor - 595 Howe St., Vancouver, BC V6C 2T5  
(“**Fibonacci**”)

### AND:

**MONK-E NUTRACEUTICALS INC.**, a company incorporated under the federal laws of Canada having an address at 6<sup>th</sup> Floor – 905 West Pender Street, Vancouver, BC V6C 1LC  
(“**Monk-E**”)

### AND:

**1273586 B.C. LTD.**, a company incorporated under the laws of British Columbia having an address at 10<sup>th</sup> Floor - 595 Howe St., Vancouver, BC V6C 2T5  
(“**SubCo**”)

### WHEREAS:

- A. Monk-E is a privately-held company engaged in the business of developing a suite of premium branded mushroom-infused products;
- B. Fibonacci is a privately-held company and the sole shareholder of Subco;
- C. Fibonacci, Monk-E and Subco propose a business combination and subsequent public listing of shares (collectively, the “**Transaction**”) whereby: (i) Monk-E and Subco will amalgamate under Section 269 of the *Business Corporations Act* (British Columbia) (“**BCBCA**”) on the terms described in this Agreement (the “**Amalgamation**”) and will continue as one corporation (“**Amalco**”) which will be a wholly-owned subsidiary of Fibonacci; (ii) Fibonacci will change its name to “Levitee Labs Inc.” (or such other name as may be mutually agreed upon between the Parties); (iii) Fibonacci will file a final non-offering prospectus (the “**Non-Offering Prospectus**”) with the BCSC and any other applicable Canadian Securities Regulators to become a reporting issuer; and (iv) Fibonacci will file a listing application to list (the “**Listing**”) its common shares on the Canadian Securities Exchange;
- D. Following completion of the Transaction, Fibonacci will carry on through Amalco the business presently carried on by Monk-E; and
- E. Monk-E and Subco will require the approval of their respective shareholders for the Amalgamation pursuant to the requirements of the BCBCA;

**NOW THEREFORE IN CONSIDERATION** of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

## **ARTICLE 1 DEFINITIONS**

1.1 In this Agreement, unless the context otherwise requires:

- (a) **"Affiliate"** means a corporation that is affiliated with another corporation within the meaning of section 2 of the BCBCA;
- (b) **"Agreement"** means this agreement, including the recitals and all Schedules to this agreement, as amended or supplemented from time to time, and "hereby", "hereof", "herein", "hereunder", "herewith" and similar terms refer to this Agreement and not to any particular provision of this Agreement;
- (c) **"Amalco"** has the meaning defined in Recital C;
- (d) **"Amalco Shares"** means the Common shares in the capital of Amalco as constituted as of the Effective Time;
- (e) **"Amalgamation"** has the meaning defined in Recital C;
- (f) **"Amalgamation Application"** means the Form 13 Amalgamation Application, substantially in the form attached as Schedule C to this Agreement, to be filed by Monk-E and Subco with the Registrar in accordance with Section 275(1)(a) of the BCBCA in order to effect the Amalgamation;
- (g) **"Applicable Laws"** means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, including all applicable corporate and securities laws, regulations and rules, all policies thereunder and rules of applicable stock exchanges;
- (h) **"BCBCA"** has the meaning defined in Recital C;
- (i) **"BCSC"** means the British Columbia Securities Commission;
- (j) **"Business Day"** means a day, other than a Saturday, Sunday or a statutory holiday, when banks are generally open in the City of Vancouver for the transaction of banking business;
- (k) **"Canadian Reporting Jurisdictions"** means each of the provinces and territories of Canada;
- (l) **"Canadian Securities Regulators"** means, collectively, the securities regulators or other

securities regulatory authorities in the Canadian Reporting Jurisdictions;

- (m) **“Certificate of Amalgamation”** means the certificate to be issued by the Director pursuant to Section 281 of the BCBCA giving effect to the Amalgamation;
- (n) **“Change in Recommendation”** means the Monk-E board of directors failing to unanimously recommend or withdrawing, amending, modifying or qualifying, publicly proposing or stating its intention to do so, or failing to publicly reaffirm (without qualification) its recommendation of the Amalgamation, taking no position or a neutral position with respect to a Take-Over Proposal for Monk-E for more than two Business Days after first learning of a Take-Over Proposal for Monk-E, or taking any other action that is or becomes disclosed publicly and which can reasonably be interpreted to indicate that the Monk-E board of directors do not support the Amalgamation and this Agreement or do not believe that the Amalgamation and this Agreement are in the best interests of the Monk-E Shareholders;
- (o) **“CSE”** means the Canadian Securities Exchange;
- (p) **“Dissent Rights”** means the rights of dissent in respect of the Monk-E Resolution provided pursuant to Section 272 of the BCBCA;
- (q) **“Dissenting Shareholder”** means a Monk-E Shareholder who, in connection with the Monk-E Resolution at the Monk-E Meeting which approves and adopts this Agreement, has sent to Monk-E a written objection and a demand for payment within the time limits and in the manner prescribed by Division 2 of Part 8 of the BCBCA with respect to such Monk-E Shareholder’s shares;
- (r) **“Effective Date”** means the effective date indicated upon the Certificate of Amalgamation;
- (s) **“Effective Date Deadline”** means December 31, 2020 or such later date as may be agreed to in writing by the Parties;
- (t) **“Effective Time”** means the effective time indicated upon the Certificate of Amalgamation;
- (u) **“Encumbrance”** includes, without limitation, any mortgage, pledge, assignment, charge, lien, security interest, claim, trust, royalty or carried, participation, net profits or other interest and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;
- (v) **“Fibonacci Shareholder”** means a holder of Fibonacci Shares;
- (w) **“Fibonacci Shares”** means the Common shares in the capital of Fibonacci;
- (x) **“Governmental Authority”** includes any federal, provincial, municipal or other political subdivision, government department, commission, board, bureau, agency or instrumentality, domestic or foreign;
- (y) **“IFRS”** means International Financial Reporting Standards as issued by the International

Accounting Standards Board;

- (z) **“Monk-E Circular”** means a management information circular of Monk-E to be provided to the Monk-E Shareholders in connection with the Monk-E Meeting;
- (aa) **“Monk-E Meeting”** means the special meeting of Monk-E Shareholders, and any adjournments thereof, to consider and, if determined advisable, to approve the Monk-E Resolution;
- (bb) **“Monk-E Resolution”** means the special resolution of the Monk-E Shareholders, substantially in the form of the resolution set out in Schedule B hereto, approving the Amalgamation, to be considered by Monk-E Shareholders at the Monk-E Meeting, or alternatively, to be passed as a consent resolution in writing of the Monk-E Shareholders;
- (cc) **“Monk-E Shareholder”** means a holder of Monk-E Shares;
- (dd) **“Monk-E Shares”** means the Common shares in the capital of Monk-E;
- (ee) **“Material Adverse Change”** or **“Material Adverse Effect”** means, with respect to any Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial condition, licenses, permits, concessions, rights, privileges, liabilities or prospects, whether contractual or otherwise, of such Person and its Subsidiaries, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has, prior to the date hereof, been publicly disclosed or disclosed to the other Parties; (ii) conditions affecting the Person’s principal industry as a whole; (iii) general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (iv) any matter consented to, or that results from a matter that is consented to, in writing by the other Parties hereto;
- (ff) **“Meeting Deadline”** means December 24, 2020 unless otherwise agreed by the Parties;
- (gg) **“Misrepresentation”** includes any untrue statement of a material fact, any omission to state a material fact that is required to be stated and any omission to state a material fact that is necessary to be stated in order for a statement not to be misleading;
- (hh) **“Name Change”** means the change of Fibonacci’s name to “Levitee Labs Inc.” or such other name as may be mutually agreed upon between the Parties;
- (ii) **“Parties”** means Fibonacci, Monk-E and Subco and **“Party”** means any one of them;
- (jj) **“Permitted Encumbrances”** has the meaning ascribed to such term in Section 7.1(q);
- (kk) **“Person”** includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;

- (ll) **“Registrar”** means the Registrar of Companies appointed pursuant to section 400 of the BCBCA;
- (mm) **“Shares”** means either Monk-E Shares or Fibonacci Shares as the context requires;
- (nn) **“Subco Resolutions”** means special resolution of Fibonacci as the sole shareholder of Subco approving the Amalgamation, to be passed as consent resolutions in writing by Fibonacci;
- (oo) **“Subco Shares”** means the Common shares in the capital of Subco as constituted on the date hereof;
- (pp) **“Subsidiary”** means, when used to indicate a relationship with another body corporate;
  - (i) a body corporate which is controlled by: (A) that other; or (B) that other and one or more bodies corporate, each of which is controlled by that other; or (C) two or more bodies corporate each of which is controlled by that other; or
  - (ii) a subsidiary of a body corporate that is the other’s subsidiary;
- (qq) **“Superior Proposal”** has the meaning ascribed thereto in Section 9.4 hereof;
- (rr) **“Take-Over Proposal”** means, other than pursuant to the Transaction, any takeover bid or offer for 20% or more of the issued and outstanding Shares of any Party or securities convertible into Shares of any Party, or any proposal, offer or agreement (whether or not subject to conditions) for a merger, consolidation, amalgamation, arrangement, recapitalization, liquidation, dissolution, reorganization or similar transaction or other business combination involving a Party or any Subsidiary of a Party or any proposal, offer or agreement (whether or not subject to conditions) to acquire in any manner, or to require any Party to issue, 20% or more of a Party’s outstanding Shares or securities convertible into a Party’s Shares;
- (ss) **“Tax Act”** means the Income Tax Act (Canada), RSC 1985 c1 (5th supp), as amended, including the regulations promulgated thereunder;
- (tt) **“Transaction”** has the meaning defined in Recital C;
- (uu) **“U.S. person”** has the meaning as set forth in Regulation S under the U.S. Securities Act; and
- (vv) **“U.S. Securities Act”** means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.2 The following Schedules are included and form part of this Agreement:

Schedule A – Articles of Amalco

Schedule B – Monk-E Resolution

## Schedule C – Amalgamation Application

### **ARTICLE 2 INTERPRETATION**

- 2.1 The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and will not affect in any way the meaning or interpretation of this Agreement.
- 2.2 Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph, clause, subclause or schedule by number or letter or both refer to the Article, Section, subsection, paragraph, clause, subclause or schedule, respectively, bearing that designation in this Agreement.
- 2.3 In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender will include all genders.
- 2.4 In the event that the date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where the action is required to be taken, such action will be required to be taken on the next succeeding day which is a Business Day in such place.
- 2.5 References in this Agreement to any statute or sections thereof will include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.
- 2.6 Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.
- 2.7 All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, reorganization and other laws affecting creditors rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief).
- 2.8 All references to the date of this Agreement, “the date hereof” or similar expressions or references will mean the date set forth on the first page of this Agreement except as is expressly provided herein.
- 2.9 This Agreement together with the agreements and documents herein referred to, constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

### **ARTICLE 3 IMPLEMENTATION OF THE AMALGAMATION**

- 3.1 Steps to be taken by Monk-E.

- (a) Monk-E covenants and agrees with Fibonacci:
  - (i) to convene and conduct the Monk-E Meeting in accordance with its articles and Applicable Laws as soon as reasonably practicable, and in any event on or before the Meeting Deadline;
  - (ii) in consultation with Fibonacci, to fix and publish a record date for the purposes of determining the Monk-E Shareholders entitled to receive notice of and vote at the Monk-E Meeting;
  - (iii) that it will not, except as required for quorum purposes, as required by Applicable Laws, or otherwise as permitted under this Agreement, adjourn, postpone or cancel (or propose or permit the adjournment, postponement or cancellation of) the Monk-E Meeting without the prior written consent of Fibonacci;
  - (iv) to advise Fibonacci as it may reasonably request, as to the aggregate tally of the proxies received by it in respect of its Monk-E Resolution; and
  - (v) to provide notice to Fibonacci of the Monk-E Meeting and allow representatives of Fibonacci to attend the Monk-E Meeting.
- (b) Notwithstanding the foregoing or any other provision of this Agreement, Monk-E may obtain Monk-E Shareholder approval for the Monk-E Resolution by a unanimous consent resolution in writing of the Monk-E Shareholders in accordance with Applicable Laws and its articles, in which case Monk-E will not be obligated to hold the Monk-E Meeting and the provisions of Section 3.1(a) will not apply. In such event, Monk-E will provide Fibonacci with a reasonable opportunity to review and comment on the consent resolution and any related materials to be sent to the Monk-E Shareholders to obtain their approval of the Monk-E Resolution.

### 3.2 The Monk-E Circular.

- (a) As promptly as reasonably practicable following execution of this Agreement, Monk-E will:
  - (i) prepare the Monk-E Circular together with any other documents required by Applicable Laws;
  - (ii) file the Monk-E Circular in all jurisdictions where the same is required to be filed;
  - (iii) mail or otherwise deliver the Monk-E Circular as required under Applicable Laws; and
  - (iv) ensure that the Monk-E Circular complies in all material respects with all Applicable Laws and contains sufficient detail to permit the Monk-E Shareholders to form a reasoned judgment concerning the matters to be placed before them at the Monk-E Meeting.
- (b) Monk-E will ensure that the Monk-E Circular complies in all material respects with all Applicable Laws, and, without limiting the generality of the foregoing, will ensure that the Monk-E Circular will not contain any misrepresentation (except that Monk-E will not be responsible for any information relating to Fibonacci and Subco which has been provided by Fibonacci specifically for inclusion in the Monk-E Circular).
- (c) Monk-E will disclose in the Monk-E Circular that its board of directors has unanimously determined that:

- (i) the Transaction is fair from a financial point of view to the Monk-E Shareholders and is in the best interests of Monk-E and the Monk-E Shareholders; and
  - (ii) its board of directors unanimously recommends that the Monk-E Shareholders vote in favour of the Monk-E Resolution, which recommendation may not be withdrawn, modified or changed in any manner except as set forth herein.
- (d) Subject to Section 9.4, Monk-E: (i) will solicit proxies in favour of the Monk-E Resolution, against any resolution submitted by any of the Monk-E Shareholders, and take all other actions that are reasonably necessary or desirable to obtain the approval of the Monk-E Resolution by the Monk-E Shareholders; (ii) will cause its board of directors to recommend to the Monk-E Shareholders that they vote in favour of the Monk-E Resolution; (iii) will not make a Change in Recommendation; and (iv) will include in the Monk-E Circular a statement that each of its directors and executive officers intends to vote all of such Person's Monk-E Shares in favour of the Monk-E Resolution, subject to the other terms of this Agreement.
- (e) Fibonacci will provide Monk-E all information regarding Fibonacci and its Affiliates for inclusion in the Monk-E Circular or in any amendments or supplements to the Monk-E Circular. Fibonacci will also use commercially reasonable efforts to obtain any necessary consents from its advisors to the use of any financial, technical or other expert information required to be included in the Monk-E Circular and to the identification in the Monk-E Circular of each such advisor. Fibonacci will ensure that such information does not include any misrepresentation concerning it.
- (f) Fibonacci and its legal counsel will be given a reasonable opportunity to review and comment on the Monk-E Circular prior to the Monk-E Circular being printed and filed with any Governmental Authority, and reasonable consideration will be given to any comments made by Fibonacci and its legal counsel; provided, however, that all information relating solely to Fibonacci and its Affiliates included in the Monk-E Circular will be in form and content satisfactory to Fibonacci, acting reasonably. Monk-E will provide Fibonacci with a final copy of the Monk-E Circular prior to the mailing to the Monk-E Shareholders.
- (g) Monk-E will promptly notify Fibonacci if at any time before the Effective Date it becomes aware that the Monk-E Circular contains a misrepresentation, or that otherwise requires an amendment or supplement to the Monk-E Circular and the Parties will cooperate in the preparation of any amendment or supplement to the Monk-E Circular as required or appropriate, and Monk-E will promptly mail or otherwise disseminate any amendment or supplement to the Monk-E Circular to the Monk-E Shareholders and, if required by Applicable Laws, file the same with any Governmental Authority and as otherwise required.
- (h) If the board of directors of Monk-E decides to obtain Monk-E Shareholder approval for the Monk-E Resolution by a unanimous consent resolution in writing of the Monk-E Shareholders pursuant to Section 3.1(b), it will not be required to prepare the Monk-E Circular, but (subject to Section 9.4) will take such steps as are reasonably required to obtain the approval of the Monk-E Shareholders for the Monk-E Resolution by the Meeting Deadline in compliance with Applicable Laws.



### 3.3 Preparation of Filings.

- (a) Fibonacci and Monk-E will co-operate and use their reasonable commercial efforts in good faith to take, or cause to be taken, all reasonable actions, including the preparation of any applications for regulatory approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with this Agreement and the Transaction and the preparation of any required documents, in each case as reasonably necessary to discharge their respective obligations under this Agreement and the Transaction, and to complete any of the transactions contemplated by this Agreement, including their obligations under Applicable Laws.
- (b) Subject to obtaining the approval of the Monk-E Shareholders to the Monk-E Resolution and subject to the satisfaction or waiver of the other conditions herein contained in favour of Monk-E, Monk-E agrees that it will, with the co-operation and participation of Fibonacci, use its reasonable commercial efforts to make such arrangements with the Registrar as may be necessary or desirable to permit:
  - (i) the filing with the Registrar of the Amalgamation Application to be made effective at the Effective Time (and in any event, on or before the Effective Date Deadline); and
  - (ii) the obtaining of the Certificate of Amalgamation in that regard.

### 3.4 Steps to be taken by Fibonacci and SubCo.

- (a) Fibonacci covenants in favour of Monk-E to diligently seek the approval of the Fibonacci Shareholders by way of written consent of all matters requiring approval of the Fibonacci Shareholders in connection with the Transaction, including the approval of the Transaction, and the Name Change (as applicable), in accordance with applicable laws, policies and its constating documents.
- (b) Fibonacci agrees that, on the Effective Date and subject to the satisfaction or waiver of the conditions herein contained in favour of Fibonacci, Fibonacci will issue the Fibonacci Shares issuable pursuant to the Transaction to Monk-E Shareholders as contemplated herein.
- (c) Subco will cause the Subco Resolutions to be passed as consent resolutions of Fibonacci as sole shareholder of Subco by the Meeting Deadline, in accordance with Applicable Law and on terms satisfactory to Monk-E acting reasonably.

### 3.5 Implementation of Amalgamation. Monk-E and Subco agree to complete the Amalgamation pursuant to Sections 269 to 282 of the BCBCA and to continue as one corporation as a Subsidiary of Fibonacci upon the following terms and conditions:

- (a) the name of Amalco will be "LL Holdings Inc." or such other name as mutually agreed upon between the Parties;
- (b) the registered office of Amalco will be located at 6<sup>th</sup> Floor, 905 West Pender St, Vancouver,

BC V6C 1L6at the Effective Time;

- (c) the authorized share capital of Amalco will consist of an unlimited number of Common shares without par value and without special rights, privileges, restrictions or conditions attached;
- (d) the fiscal year end of Amalco will be as determined by the directors of Amalco;
- (e) the number of directors of Amalco shall be one (1);
- (f) the first directors of Amalco will be the following:

Name	Address
Pouya Farmand	[redacted]

and such Person will hold office until the first annual or general meeting of the shareholders of Amalco or until his successor is duly appointed or elected. The subsequent directors will be elected each year thereafter as provided for in the Articles of Amalco. The management and operation of the business and affairs of Amalco will be under the control of its board of directors as it is constituted from time to time;

- (g) Pouya Farmand will be the Chief Executive Officer of Amalco and Mason Darabi will be the Chief Financial Officer (CFO) of Amalco; and
- (h) there will be no restrictions on the business that Amalco may carry on.

3.6 Effect of Certificate of Amalgamation. On the Effective Date, subject to the BCBCA:

- (a) the Amalgamation and the continuance of Monk-E and Subco as one corporation under the terms and conditions prescribed in this Agreement will be effective;
- (b) the property of each of Monk-E and Subco will continue to be the property of Amalco;
- (c) Amalco will continue to be liable for the obligations of each of Monk-E and Subco;
- (d) any existing cause of action, claim or liability to prosecution with respect to any of Monk-E or Subco will be unaffected;
- (e) any civil, criminal or administrative action or proceeding pending by or against any of Monk-E or Subco may be continued to be prosecuted by or against Amalco;
- (f) any conviction against, or ruling, order or judgment in favour of or against, any of Monk-E or Subco may be enforced by or against Amalco; and
- (g) the Articles set forth in Schedule A will be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation will be deemed to be the certificate of incorporation of Amalco.

3.7 Effects of the Amalgamation on Share Capital.

- (a) On the Effective Date, sequentially:
  - (i) each issued and outstanding Monk-E Share (other than Monk-E Shares held by Dissenting Shareholders) will be exchanged for one fully-paid and non-assessable Fibonacci Share; and
  - (ii) each issued and outstanding Subco Share will be exchanged for one fully-paid and non-assessable Amalco Share.
- (b) with respect to each of the Monk-E Shares exchanged in accordance with Section 3.7(a):
  - (i) the holders thereof shall cease to be the holders of such Monk-E Shares and the name of each such holder shall be removed from the applicable register of holders of such securities; and
  - (ii) Monk-E Shares shall be deemed to have been cancelled as of the Effective Date;

provided that none of the foregoing shall occur or shall be deemed to occur unless all of the foregoing occur.

3.8 Amalgamation Application and Filing. Subject to the provisions hereof, Monk-E and Subco will jointly file, with the Registrar, the Amalgamation Application and such other documents as may be required by the BCBCA to give effect to the Amalgamation as contemplated herein on or before the Effective Date Deadline or such later date as may be agreed to by the Parties.

3.9 Share Certificates. On the Effective Date:

- (a) the register of transfers of Monk-E Shares will be closed;
- (b) subject to Section 3.11, the Monk-E Shareholders will cease to be holders of Monk-E Shares and will be deemed to be the registered holders of the Fibonacci Shares to which they are entitled, calculated in accordance with the provisions hereof;
- (c) certificates representing Fibonacci Shares issuable to each Monk-E Shareholder pursuant to the Amalgamation will, as soon as practicable, but no later than five Business Days following the Effective Date be issued to each Monk-E Shareholder;
- (d) Fibonacci, as the registered holder of the Subco Shares, will cease to be the holder of such Subco Shares and will be deemed to be the registered holder of the Amalco Shares; and
- (e) all share certificates formerly representing Monk-E Shares will be deemed cancelled and any former non-certificated entry or position on the central securities register of Monk-E will be cancelled.

3.10 Subject to the satisfaction of the conditions in Article 6 and Article 7, Fibonacci covenants that on the Effective Date it will issue the Fibonacci Shares to Monk-E Shareholders as specified in this Article 3.

3.11 Dissenting Shareholders.

(a) Each Monk-E Shareholder may exercise Dissent Rights in connection with the Amalgamation pursuant to and in the manner set forth in Division 2, Part 8 of the BCBCA. Monk-E will give Fibonacci: (i) prompt notice of any written notices of exercise of Dissent Rights, withdrawals of such notices, and any other instruments served pursuant to the BCBCA and received by Monk-E; and (ii) the opportunity to participate in all negotiations and proceedings with respect to such rights. Without the prior written consent of Fibonacci, except as required by Applicable Law, Monk-E will not make any payment with respect to any such rights or offer to settle or settle any such rights.

(b) Monk-E Shares which are held by a Dissenting Shareholder will not be converted as prescribed by Section 3.7. However, if a Dissenting Shareholder fails to perfect or effectively withdraw its claim under Section 238 of the BCBCA or forfeits its right to make a claim under Section 238 of the BCBCA or if its rights as an Monk-E Shareholder are otherwise reinstated, such Monk-E Shareholder's Monk-E Shares will thereupon be deemed to have been exchanged as of the Effective Date as prescribed by Section 3.7.

3.12 Recommendation of the Monk-E Board of Directors. Monk-E represents and warrants to Fibonacci that its board of directors has unanimously determined that:

(a) the Amalgamation is fair from a financial point of view to the Monk-E Shareholders and is in the best interests of Monk-E and the Monk-E Shareholders; and

(b) the board of directors of Monk-E will unanimously recommend that Monk-E Shareholders vote in favour of the Monk-E Resolution, which recommendation may not be withdrawn, modified or changed in any manner except as set forth herein.

**ARTICLE 4**  
**CLOSING CONDITIONS OF MONK-E**

4.1 The obligation of Monk-E to complete the Transaction is subject to the fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

(a) the representations and warranties made by each of Fibonacci and Subco in this Agreement will be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which will be true as of that date);

(b) each of Fibonacci and Subco will have complied in all material respects with their respective covenants in this Agreement;

- (c) before giving effect to the transactions contemplated herein, there will have been no Material Adverse Change in respect of Fibonacci or Subco or their respective assets or businesses since the date hereof;
- (d) immediately prior to the Effective Time the aggregate number of Fibonacci Shares issued and outstanding will not be in excess of 6,000,000;
- (e) immediately prior to the Effective Time, with the exception of the Fibonacci Shares issuable pursuant to this Agreement, there will be no option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of any of the Fibonacci or Subco;
- (f) each of Fibonacci and Subco will have furnished Monk-E with copies of the resolutions duly passed by their respective boards of directors approving this Agreement and the consummation of the transactions contemplated herein, and including, in Fibonacci's case, the conditional allotment of the aggregate number of Fibonacci Shares required to be issued in accordance with the terms of this Agreement upon the Transaction taking effect;
- (g) Fibonacci will have furnished Monk-E with a copy of the Subco Resolutions approving the Amalgamation;
- (h) Fibonacci will have taken all steps required to effect the Name Change at the Effective Time;
- (i) Fibonacci will have delivered to the transfer agent an irrevocable direction authorizing and directing the transfer agent to deliver Fibonacci Shares pursuant to the Amalgamation to the Monk-E Shareholders who are entitled to receive such consideration in accordance with Section 3.9 and upon completion of the Amalgamation;
- (j) Fibonacci will have taken all steps required to issue the Fibonacci Shares to be delivered pursuant to the Amalgamation as fully paid and non-assessable Common shares in the capital of Fibonacci, free and clear of all Encumbrances, liens, charges, demands of whatsoever nature, except those pursuant to applicable securities laws; and
- (k) effective and conditional upon closing of the Amalgamation each director and officer of Fibonacci will have tendered their resignation as a director and officer of Fibonacci and Pouya Farmand, Kelly Abbott, and Mackenzie Osborne will have been appointed in their place.

The foregoing conditions precedent are for the benefit of Monk-E and may be waived, in whole or in part, by Monk-E in writing at any time. If any of the said conditions precedent will not be complied with or waived by Monk-E on or before the date required for the performance thereof, Monk-E may, in addition to the other remedies it may have at law or equity, rescind and terminate this Agreement by written notice from Monk-E to the other Parties pursuant to Article 11.

**ARTICLE 5**  
**CLOSING CONDITIONS OF FIBONACCI**

5.1 The obligation of Fibonacci to complete the Transaction is subject to fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

- (a) the representations and warranties made by Monk-E in this Agreement will be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which will be true as of that date);
- (b) Monk-E will have complied in all material respects with its covenants in this Agreement;
- (c) Monk-E will have completed a private placement of common shares at \$0.25 for proceeds of no less than \$500,000;
- (d) before giving effect to the transactions contemplated by this Agreement, there will have been no Material Adverse Change in respect of Monk-E or its assets or business since the date hereof;
- (e) immediately prior to the Effective Time, there will be no option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Monk-E;
- (f) Monk-E will have furnished Fibonacci with copies of the resolutions duly passed by its board of directors approving this Agreement and the consummation of the transactions contemplated hereby;
- (g) Monk-E will have furnished Fibonacci with a copy of the Monk-E Amalgamation Resolution, duly passed by not less than 66 and 2/3% of the votes cast by a quorum of the Monk-E Shareholders at the Monk-E Meeting, or alternately, a unanimous consent resolution in writing of the Monk-E Shareholders approving the Monk-E Resolution;
- (h) the board of directors of Monk-E will not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 3.12.

The foregoing conditions precedent are for the benefit of Fibonacci and may be waived, in whole or in part, by Fibonacci in writing at any time. If any of the said conditions precedent will not be complied with or waived by Fibonacci on or before the date required for the performance thereof, Fibonacci may, in addition to the other remedies it may have at law or equity, rescind and terminate this Agreement by written notice to Monk-E pursuant to Article 11.

## **ARTICLE 6 MUTUAL CLOSING CONDITIONS**

6.1 The obligations of Fibonacci, Monk-E and Subco to complete the transactions contemplated herein are subject to fulfilment of the following conditions precedent on or before the Effective Date or

such other time as is specified below:

- (a) the Monk-E Resolution will have been passed by Monk-E Shareholders on or before the Effective Date Deadline in form and substance satisfactory to each of Fibonacci and Monk-E, acting reasonably;
- (b) the Subco Resolutions will have been passed by Fibonacci on or before the Effective Date Deadline in form and substance satisfactory to Fibonacci and Monk-E, acting reasonably;
- (c) Fibonacci will have obtained approval of the Fibonacci Shareholders of all matters requiring approval of the Fibonacci Shareholders in connection with the Transaction;
- (d) the Amalgamation Application filed with the Registrar will be in form and substance satisfactory to Fibonacci and Monk-E, acting reasonably;
- (e) the Effective Date will have occurred on or prior to the Effective Date Deadline;
- (f) there will be no action taken under any existing Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority or similar agency, domestic or foreign, that:
  - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation, or any other transactions contemplated herein; or
  - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein;
- (g) holders of not greater than 5% of the outstanding Monk-E Shares will have exercised Dissent Rights that have not been withdrawn as at the Effective Date;
- (h) the distribution of Fibonacci Shares pursuant to the Amalgamation will be exempt from the prospectus requirement under applicable Canadian securities laws and exempt from registration under applicable securities laws of the United States (if applicable);

The foregoing conditions are for the mutual benefit of the Parties and may be waived, in whole or in part, by mutual agreement of all of the Parties, at any time. If any of the said conditions precedent will not be complied with or waived as aforesaid on or before the date required for the performance thereof, any Party may, in addition to the other remedies it may have at law or in equity, rescind and terminate this Agreement by written notice to the other Parties, pursuant to Article 11.

## **ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF MONK-E**

7.1 Monk-E represents, warrants and covenants to Fibonacci and Subco that:

- (a) Monk-E is duly organized and validly existing under the laws of the jurisdiction of its incorporation, has the capacity, power and authority to own or lease its property and assets

and to carry on its business as now conducted by it;

- (b) Monk-E is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary, except where the failure to be so qualified is not material;
- (c) Monk-E does not have any Subsidiaries;
- (d) Monk-E has complied with and is in compliance with all laws or regulations applicable to the operation of its business, including all Applicable Laws, except where failure to do so is not material, and Monk-E and each of its Subsidiaries have all licenses, permits, orders or approvals of, and have made all required registrations with, any government or regulatory body that are material to the conduct of its business;
- (e) Monk-E has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;
- (f) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
  - (i) result in the breach of or violate any term or provision of the notice of articles, articles or governing documents of Monk-E;
  - (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which Monk-E is a party or by which Monk-E is bound or to which any of their property is subject;
  - (iii) result in the creation of any Encumbrance upon any of the assets of Monk-E;
  - (iv) give to any Person any material interest or right, including the right of purchase, termination, cancellation or acceleration under any such agreement, instrument, license, permit or authority; or
  - (v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to any of Monk-E, the Monk-E Shares or the assets of Monk-E,

except to the extent such results or occurrences as set forth in this Section 7.1(f) collectively are not material;

- (g) this Agreement has been duly authorized, executed and delivered by Monk-E and all documents to be executed and delivered by Monk-E pursuant hereto to any other Party will be duly executed and delivered and this Agreement constitutes, legal, valid and binding obligations of Monk-E enforceable against it in accordance with its terms except as the



enforcement thereof may be limited by bankruptcy, insolvency and other Applicable Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;

- (h) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Monk-E contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Monk-E or any of its assets, which is material and, to the best of the knowledge, information and belief of Monk-E, there are no grounds upon which any such actions, suits or proceedings may be commenced with a reasonable likelihood of success;
- (i) as of the date hereof the authorized capital of Monk-E consists of an unlimited number of Monk-E Shares. As of the date of this Agreement, 19,305,000 Monk-E Shares are validly issued and outstanding as fully paid and non-assessable;
- (j) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Monk-E;
- (k) no securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of Monk-E and Monk-E is not in default of any requirement of Applicable Laws which is material;
- (l) except as has been disclosed to Fibonacci, since August 1, 2020, Monk-E has:
  - (i) not amended its articles or other governing documents;
  - (ii) not disposed of any property or assets out of the ordinary course of business;
  - (iii) conducted its business in all material respects in the usual, ordinary and regular course and consistent with past practices;
  - (iv) not suffered any Material Adverse Change, financial or otherwise, in its business, assets, rights, properties, condition (financial or otherwise), liabilities, capitalization, operations, prospects or results of operation or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;
  - (v) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;
  - (vi) neither paid any bonuses or other payments nor entered into any agreements, whether in writing or verbal, providing for payments to be made to any of its

employees, consultants, officers or directors in respect of loss of office or loss of employment in connection with the transactions contemplated hereby;

- (vii) not entered into any agreement or transactions with any director, officer, employee, consultant or any party not at arm's length with it;
  - (viii) not issued any guarantees or made any commitments outside the normal course of business; and
  - (ix) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by IFRS to be reflected on the balance sheet of Monk-E;
- (m) except for employment and consultant contracts which have been provided to Fibonacci, there are no contracts or arrangements to which Monk-E is a party with any director, officer, employee or consultant of Monk-E, or any associate or Affiliate of any such director, officer, employee or consultant, nor is there any indebtedness owing by Monk-E to any such parties or by any such parties to Monk-E;
- (n) Monk-E is not aware of any defects, failures or impairments in the title of Monk-E to its assets, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any Person, which in aggregate could have a Material Adverse Effect, financial or otherwise, on the business, assets, or anticipated cash-flow of Monk-E;
- (o) Monk-E has duly and timely filed, in proper form, returns in respect of taxes under the Tax Act, the *Income Tax Act* (British Columbia), the income tax legislation of any other province of Canada, or any foreign country in which it carries on business or to the jurisdiction of which it is otherwise subject, and the *Excise Tax Act* (Canada) for all prior periods in respect of which such filings have heretofore been required;
- (p) Monk-E is not a "reporting issuer" and does not have equivalent status in any province or territory of Canada;
- (q) the assets of Monk-E are free and clear of all mortgages, pledges, liens, charges, burdens and Encumbrances (other than those in favour of its lenders, those Encumbrances incurred in the ordinary course of business and those burdens and Encumbrances which do not and will not have a Material Adverse Effect on the ownership or operation of its assets and properties ("**Permitted Encumbrances**") and other than Permitted Encumbrances, none of them has done any act or suffered or permitted any action to be done whereby any Person has acquired or may acquire an interest in or to its material properties or assets, nor has any of them done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets;
- (r) Monk-E is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation;

- (s) all of the data and information in respect of Monk-E provided or disclosed to the other Parties or any of their respective officers, employees, agents or other representatives by or on behalf of Monk-E was and is accurate and correct in all material respects as of the date on which such information was provided;
- (t) Monk-E does not have any obligations or liabilities to pay any amount to its employees, consultants, officers and directors other than consulting fees to certain consultants and salary to employees in the ordinary course, to the Effective Date, in each case in amounts consistent with its historic practices;
- (u) Monk-E has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by it under any leases, or any other agreement pertaining to the assets of Monk-E which would be material;
- (v) Monk-E has complied with and is not in violation of, and have not received any notices of violation with respect to, any federal, state, provincial, local or foreign statute, law or regulation with respect to the conduct of its business, or the ownership or operation of its business, except for such violations or failures to comply as would not be reasonably expected to have a Material Adverse Effect;
- (w) Monk-E owns or possesses sufficient legal rights to all Intellectual Property (as defined below) that is necessary to the conduct of Monk-E's business as now conducted and as presently proposed to be conducted without any violation or infringement of the rights of others. No product or service marketed or sold (or proposed to be marketed or sold) by Monk-E violates any license or infringes any rights to any patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, software, trade secrets, licenses, domain names, mask works, information and proprietary rights and processes (collectively, "**Intellectual Property**") of any other Person; and
- (x) Monk-E has made available to Fibonacci true and complete copies of all contracts that are material to Monk-E and to which it is a party, each of which is a valid and binding obligation of Monk-E, and to the knowledge of Monk-E, of the other parties thereto, enforceable in accordance with its terms and Monk-E has not terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation, modification, amendment or waiver is ongoing. Monk-E has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Monk-E has not violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Monk-E any such material contract.

**ARTICLE 8**  
**REPRESENTATIONS AND WARRANTIES OF FIBONACCI AND SUBCO**

8.1 Each of Fibonacci and Subco jointly and severally represents, warrants and covenants to Monk-E that:

- (a) each of Fibonacci and Subco is duly organized and validly existing under the laws of the jurisdiction of its organization, has the capacity, power and authority to own or lease its property and assets and to carry on its business as now conducted by it;
- (b) each of Fibonacci and Subco is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary, except where the failure to be so qualified is not material;
- (c) Fibonacci does not have any Subsidiaries other than Subco, Fibonacci beneficially owns directly all of the issued and outstanding securities of Subco. All of the outstanding shares in the capital of Subco are: (i) validly issued and fully-paid and all such shares are owned free and clear of all Encumbrances of any kind or nature whatsoever; and (ii) are free of any other material restrictions including any restriction on the right to vote, sell or otherwise dispose of shares;
- (d) each of Fibonacci and Subco has complied with and is in compliance with all laws or regulations applicable to the operation of its business, including all Applicable Laws, except where failure to do so is not material, and each of Fibonacci and Subco has all licenses, permits, orders or approvals of, and have made all required registrations with any government or regulatory body that are material to the conduct of its business;
- (e) each of Fibonacci and Subco has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;
- (f) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
  - (i) result in the breach of or violate any term or provision of the articles, by-laws or governing documents of either of Fibonacci and Subco;
  - (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Fibonacci or Subco is a party or by which either of them is bound or to which any of their property is subject;
  - (iii) result in the creation of any Encumbrance upon any of the assets of Fibonacci or Subco;
  - (iv) give to any Person any material interest or right, including the right of purchase, termination, cancellation or acceleration under any such agreement, instrument, license, permit or authority; or

- (v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to either of Fibonacci or Subco or their respective assets,

except to the extent such results or occurrences as set forth in this Section 8.1(f) collectively are not material;

- (g) this Agreement has been duly authorized, executed and delivered by each of Fibonacci and Subco and all documents to be executed and delivered by Fibonacci and Subco hereto to any other Party will be duly executed and delivered and this Agreement constitutes, legal, valid and binding obligations of each of Fibonacci and Subco enforceable against them in accordance with their terms except as the enforcement thereof may be limited by bankruptcy, insolvency and other Applicable Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;
- (h) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Fibonacci contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Fibonacci or the Fibonacci assets which is material and, to the best of the knowledge, information and belief of Fibonacci, there are no grounds upon which any such actions, suits or proceedings may be commenced with a reasonable likelihood of success;
- (i) as of the date hereof, the authorized capital of Fibonacci consists of an unlimited number of common shares of which 6,000,000 Fibonacci Shares are validly issued and outstanding as fully paid and non-assessable;
- (j) Fibonacci will, at the Effective Time, have reserved a sufficient number of Fibonacci Shares for issuance in connection with the Transaction, which Fibonacci Shares will, upon issue, be validly issued as fully paid and non-assessable common shares in the capital of Fibonacci;
- (k) the authorized capital of Subco consists of an unlimited number of class A common shares, of which as at the date hereof, one (1) class A common share is issued and outstanding, which is issued as fully paid and non-assessable and which is legally and beneficially owned by Fibonacci;
- (l) except pursuant to this Agreement, no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Fibonacci;
- (m) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or

privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Subco;

- (n) no securities commission, stock exchange or similar regulatory authority has issued any order preventing or suspending trading of any securities of Fibonacci or Subco and neither of Fibonacci nor Subco is in default of any requirement of Applicable Laws;
- (o) except as has been disclosed to Monk-E, since August 1, 2020, each of Fibonacci and Subco has:
  - (i) not amended its articles, by-laws or other governing documents;
  - (ii) not disposed of any property or assets out of the ordinary course of business;
  - (iii) conducted its business in all material respects in the usual, ordinary and regular course and consistent with past practice;
  - (iv) not suffered any Material Adverse Change, financial or otherwise, in its business, assets, rights, properties, condition (financial or otherwise) liabilities, capitalization, operations, prospects or results of operation (taken as a whole) or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;
  - (v) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;
  - (vi) maintained in effect salary and other compensation levels in accordance with its then existing salary administration program;
  - (vii) neither paid any bonuses or other payments nor entered into any agreements, whether in writing or verbal, providing for payments to be made to any employees, consultants, officers or directors of Fibonacci in respect of loss of office or loss of employment in connection with the transactions contemplated hereby;
  - (viii) not entered into any agreement or transactions with any director, officer, employee, consultant or any party not at arm's length with Fibonacci;
  - (ix) not issued any guarantees or made any commitments outside the normal course of business other than as disclosed elsewhere in this Agreement or in writing to Monk-E prior to the date hereof; and
  - (x) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by IFRS to be reflected on the balance sheet of Fibonacci;

- (p) except for employment and consultant contracts which have been provided to Monk-E, there are no contracts or arrangements to which either Fibonacci or Subco is a party with any director, officer, employee or consultant of Fibonacci or Subco or any associate or Affiliate of any such director, officer, employee or consultant, nor is there any indebtedness owing by Fibonacci or Subco to any such parties or by any such parties to Fibonacci or Subco;
- (q) Fibonacci has duly and timely filed, in proper form, returns in respect of taxes under the Tax Act, the income tax legislation of any other province of Canada or any foreign country in which it carries on business or to the jurisdiction of which it is otherwise subject for all prior periods in respect of which such filings have heretofore been required;
- (r) Fibonacci is not a party to any written contract of employment or collective bargaining agreement and there are no currently existing employment benefit plans, arrangements or agreements to which Fibonacci is a party or by which it is bound;
- (s) neither Fibonacci nor Subco is a “reporting issuer” or has equivalent status in any province or territory of Canada;
- (t) the Fibonacci assets are free and clear of all mortgages, pledges, liens, charges, burdens and Encumbrances (other than Permitted Encumbrances), and other than Permitted Encumbrances it has done no act or suffered or permitted no action to be done whereby any Person has acquired or may acquire an interest in or to its material properties or assets, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets;
- (u) neither Fibonacci nor Subco is a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation, or in respect of any assets currently held by them, or formerly held by them and transferred, sold or otherwise disposed of or abandoned by them;
- (v) all of the data and information in respect of Fibonacci provided or disclosed to the other Parties or any of their respective officers, employees, agents or other representatives by or on behalf of Fibonacci was and is accurate and correct in all material respects as of the date on which such information was provided;
- (w) Fibonacci does not have any obligations or liabilities to pay any amount to its employees, consultants, officers and directors other than consulting fees to certain consultants and salary to employees in the ordinary course, to the Effective Date, in each case in amounts consistent with its historic practices;
- (x) Fibonacci has made available to the other Parties true and complete copies of all contracts that are material to Fibonacci and to which it is a party, each of which is a valid and binding obligation of Fibonacci, and to the knowledge of Fibonacci, of the other parties thereto, enforceable in accordance with its terms and Fibonacci has not terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation,

modification, amendment or waiver is ongoing. Such agreements do not contain any “change of control” provision, which would be triggered or affected by the transactions contemplated hereby. Fibonacci has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Fibonacci has not violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Fibonacci under any such material contract;

- (y) Subco has no assets, or liabilities, has not carried on any business since its incorporation, and this Agreement is the only agreement to which Subco is or at any time has been a party.

## **ARTICLE 9 MUTUAL COVENANTS**

9.1 Each of Fibonacci and Monk-E covenant and agree that, until the earlier of the Effective Date or the date on which this Agreement is terminated and unless otherwise contemplated herein:

- (a) other than as contemplated herein or as otherwise approved by the other Parties in writing, none of them will, directly or indirectly, do or permit to occur, any of the following:
  - (i) except for: (A) payables existing at the date hereof of which the other Parties have been made aware prior to the date hereof; and (B) legal, audit and printing costs in connection with the transactions contemplated by this Agreement, or with the consent of the other Parties, acting reasonably, make, commit, or allow commitments to make, any expenditures exceeding, in the aggregate, \$15,000 other than in the ordinary course of business;
  - (ii) other than securities issuable as contemplated by this Agreement or securities issuable on conversion of convertible securities outstanding as of the date of this Agreement, issue, sell, pledge, lease, dispose of, encumber or agree to issue, sell, pledge, lease, dispose of or encumber any additional shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares or other securities of, any capital stock or other securities;
  - (iii) split, combine or reclassify any outstanding Shares or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any of their respective Shares;
  - (iv) redeem, purchase or offer to purchase any of their respective Shares or other securities;
  - (v) reorganize, amalgamate, arrange or merge with any other Person;
  - (vi) reduce its stated capital;
  - (vii) acquire or agree to acquire (by merger, amalgamation, arrangement, acquisition of



securities or assets or otherwise) any Person or division or any assets or properties other than in the ordinary course of business consistent with past practices;

- (viii) other than securities issuable as contemplated by this Agreement, incur or commit to incur any indebtedness for borrowed money or issue any debt securities;
- (ix) enter into or modify any employment, severance, collective bargaining or similar agreements or arrangements with, or grant any bonuses, salary increases, benefit increases, severance or termination pay to, any officers, directors, employees or consultants other than pursuant to agreements and arrangements previously entered into or in accordance with this Agreement;
- (x) adopt or amend any bonus, profit sharing, incentive, compensation, stock option, pension, retirement, deferred compensation, employment or other employee benefit plan, agreement, trust, fund or arrangement for the benefit or welfare of any employee;
- (xi) enter into any transaction not in the ordinary course of business or pay any dividends or make any distributions to their respective shareholders;
- (xii) conduct any activity or operations that would be otherwise detrimental to the completion of the Transaction;
- (xiii) other than pursuant to commitments entered into prior to the date of the Agreement and disclosed to the other Parties in writing prior to the date hereof, pay, discharge or satisfy any material claims, liabilities or obligations other than in the ordinary course of business consistent with past practices;
- (xiv) enter into or close any hedge, swap or other like transaction;
- (xv) make any payment to any director, officer or employee outside of their ordinary and usual compensation for services provided;
- (xvi) grant any officer, director or employee an increase in compensation in any form or take any action with respect to the amendment or grant of any severance or termination pay policies or arrangements;
- (xvii) disclose to any Person other than its officers, directors, key employees and professional advisors, any confidential information relating to the other Parties, except for confidential information required to be disclosed by law or otherwise known to it or the public;
- (xviii) take any action that would render, or that reasonably may be expected to render, any material representation or warranty made by it in this Agreement untrue at any time prior to the Transaction becoming effective unless as otherwise contemplated herein; and

- (xix) except as may be required by law or to secure any approvals, consents or authorizations necessary to carry out the transactions contemplated by this Agreement, and subject always to Section 13.1, issue any public statements with respect to the transactions contemplated by this Agreement without the prior consent and approval of the other Parties.
- (b) Each of Fibonacci and Monk-E will:
- (i) use its reasonable commercial efforts to fulfill or cause the fulfillment of the conditions set forth in Article 5, Article 6 and Article 7, as applicable, as soon as reasonably possible to the extent the fulfillment of the same is within its control;
  - (ii) conduct its business only in and not take any action except in, the usual, ordinary and regular course of business and consistent with past practice and not take any action which may reasonably be expected to result in a Material Adverse Change, including, without limiting the generality of the foregoing, the entering into of employment, consultancy or severance agreements or other arrangements with any of its directors or officers without the other Parties' written consent or as contemplated herein;
  - (iii) maintain insurance on and in respect of all its assets in like kind to, and in an amount not less than the amount of, insurance with respect to its assets in effect on the date hereof;
  - (iv) use its reasonable commercial efforts to preserve intact its business organization and goodwill, to keep available the services of its officers and employees and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with it;
  - (v) provide to the other Parties reports on its operations and affairs as may be reasonably requested from time to time by the other Parties;
  - (vi) cooperate with the other Parties to enable an orderly integration of its business with those of the other Parties after the Effective Date;
  - (vii) promptly notify the other Parties orally and in writing of any Material Adverse Change, and of any material governmental or third-party complaints, investigations or hearings (or communications indicating that the same may be contemplated) which is material to it;
  - (viii) make available and cause to be made available to the other Parties, their respective agents and advisors, as the other Parties may reasonably request, all documents and agreements (including without limitation, any correspondence between it and its advisors, or any governmental body and all minute books) and access to its premises, records, computer systems and employees in any way relating to or affecting its financial status and such other documents or agreements as may be necessary to enable the other Parties to verify the truth of its representations and warranties herein and compliance by it with the terms and conditions hereof, except where it is

contractually precluded from making such document or agreement available, and cooperate with the other Parties in securing access for the other Parties to any such documentation not in its possession or under its control;

- (ix) indemnify and save harmless the other Parties and the respective directors, officers and agents of the other Parties from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which the other Parties, or any director, officer or agent thereof, may be subject or which the other Parties, or any director, officer or agent thereof, may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of any Misrepresentation or alleged Misrepresentation in the notice of meeting for the Monk-E Meeting or other materials delivered to the Monk-E Shareholders to obtain their approval of the Monk-E Resolution, other than Misrepresentations respecting the other Parties, their respective business and assets contained in information provided to it by the other Parties for inclusion in such materials;
- (x) make other necessary filings and applications under applicable Canadian federal and provincial laws and regulations required on its part in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such laws and regulations;
- (xi) use its reasonable commercial efforts to conduct its affairs so that all of its representations and warranties contained herein will be true and correct on and as of the Effective Date as if made thereon except as otherwise contemplated herein.

9.2 Subject to the provisions of Sections 9.3 and 9.4, neither Fibonacci nor Monk-E will, directly or indirectly, through officers, directors, employees, Affiliates, representatives, advisors, agents, investment bankers, consultants or otherwise, take any action to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, provide any non-public information to any Person or otherwise assist or cause or facilitate anyone else to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, or provide any nonpublic information to any Person or otherwise assist with respect to: (A) any transaction that may constitute a Take-over Proposal; or (B) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the transactions contemplated by this Agreement or which would or could reasonably be expected to reduce the benefits to the other Parties under this Agreement and will not waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any of its rights or other benefits under any confidentiality agreements existing as of the date hereof, including, without limitation, any standstill provisions thereunder; provided, however, that subject to Sections 9.3 and 9.4 hereof, the board of directors of any Party may consider, negotiate, accept, approve or recommend to its shareholders, or enter into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal (as defined herein).

9.3 Prior to considering, negotiating, accepting, approving or recommending to its shareholders or entering into an agreement, understanding or arrangement in respect of, an unsolicited Superior

Proposal, each Party will:

- (a) advise the other Parties in writing of the existence and terms of any such offer or proposal and provide copies thereof to the other Parties as soon as reasonably possible following its receipt thereof;
- (b) provide copies of any information provided to the Person making the Superior Proposal, which has not already been made available to the other Parties; and
- (c) if requested by any of the other Parties, prior to accepting, recommending, approving or entering into any agreement to implement the Superior Proposal, to negotiate in good faith with the other Parties and their respective legal and financial advisors for a period of up to three Business Days to permit the other Parties, if practicable, to propose such adjustments in the terms and conditions of this Agreement as may be necessary or advisable such that, in the bona fide opinion of such Party's board of directors, the Take-Over Proposal is no longer a Superior Proposal. In the event that the other Parties propose to so amend this Agreement to provide substantially equivalent or superior value to that provided under the Superior Proposal, no Party will accept, recommend, approve or enter into any agreement to implement the Superior Proposal.

9.4 Subject to compliance with Section 9.3 hereof, if prior to the completion of the Transaction, a bona fide Take-Over Proposal is proposed, offered or made to a Party or to a Party's shareholders which, in the bona fide opinion of a Party's board of directors would result in a financially superior transaction, directly or indirectly, for its shareholders than that contemplated by the Transaction (any such Take-Over Proposal being referred to herein as a "**Superior Proposal**"), a Party's board of directors may withdraw, modify or change its approval of the transactions contemplated by this Agreement if, in the opinion of such board of directors acting reasonably and upon the written advice of its legal counsel, such withdrawal, modification or change is required or would be consistent with the fiduciary duties of its board of directors under Applicable Laws.

## **ARTICLE 10 TERMINATION**

10.1 This Agreement may, prior to the filing of the Amalgamation Application, be terminated by mutual written agreement of the Parties.

10.2 Notwithstanding any other rights contained herein, either Fibonacci or Monk-E may terminate this Agreement provided that it is not materially in default of any of its representations, warranties or covenants under this Agreement, upon notice to the other:

- (a) if the Monk-E Resolution does not receive the requisite Monk-E Shareholder approval in accordance with Applicable Laws on or before the Meeting Deadline;
- (b) in the event the Transaction has not become effective on or before the Effective Date Deadline, unless otherwise agreed to by the Parties;
- (c) if a Material Adverse Change in respect of any other Party will have occurred after the date

of this Agreement;

- (d) if any other Party will be in breach of any of its covenants, agreements or representations and warranties contained herein and such breaching Party fails to cure such breach within 14 Business Days after receipt of written notice thereof from any other Party (except that no cure period will be provided for a breach which by its nature cannot be cured);
  - (e) upon Monk-E or Fibonacci accepting a Superior Proposal pursuant to Section 9.4 hereof; or
  - (f) if any condition of Closing that is for its benefit has not been satisfied or waived on or before the Effective Date Deadline.
- 10.3 The exercise by any Party of any right of termination hereunder will be without prejudice to any other remedy available to such Party.
- 10.4 If this Agreement is validly terminated pursuant to any provision of this Agreement, each Party will return all materials and copies of all materials delivered to it by the other Parties or their agents, as the case may be, and, except for the obligations set forth in Section 12.1 (which will survive any termination of this Agreement and continue in full force and effect), no Party will have any further obligations to any other Party hereunder with respect to this Agreement; provided, however, that nothing contained in this Section 10.4 will relieve or have the effect of relieving any Party in any way from liability or damages incurred or suffered by any other Party as a result of a breach of this Agreement or as a result of any representation or warranty of any other Party set out in this Agreement being materially untrue or incomplete. The covenants contained in this Section 10.4 will survive any termination of this Agreement and continue in full force and effect.

## **ARTICLE 11 AMENDMENT**

- 11.1 This Agreement may, at any time and from time to time before or after the date of approval of the Monk-E Resolution be amended by written agreement of the Parties without further notice to or authorization on the part of their respective securityholders, and any such amendment may, without limitation:
- (a) change the time for performance of any of the obligations or acts of the Parties;
  - (b) waive any inaccuracies or modify any representation, term or provision contained herein or in any document delivered pursuant hereto; or
  - (c) waive compliance with or modify any of the covenants or conditions herein contained and waive or modify performance of any of the obligations of the Parties;

provided that any such amendment may not reduce or materially adversely affect the consideration to be received by the Monk-E Shareholders.

**ARTICLE 12  
COSTS**

12.1 All fees and expenses incurred in connection with this Agreement and the Transactions shall be paid by the Party incurring such fees or expenses, whether or not the Transactions are consummated.

**ARTICLE 13  
DISCLOSURE**

13.1 No Party will disclose, by press release, any aspect of the transactions contemplated hereby, without prior written consent of the other Parties. Notwithstanding the foregoing, if any Party is required by law, stock exchange rules or policies or administrative regulation to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will inform, to the extent reasonably feasible, the other Parties as to the wording of such disclosure prior to its being made.

**ARTICLE 14  
NOTICES**

14.1 Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any other Party will be in writing and may be given by delivering same or sending same by email transmission or by hand delivery addressed to the Party to whom the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid will, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day and, if not, the next succeeding Business Day) and if sent by email transmission be deemed to have been given and received at the time of receipt unless actually received after 4:00 p.m. at the point of delivery in which case it will be deemed to have been given and received on the next Business Day.

14.2 The address for service of each of the Parties will be as follows:

if to Fibonacci or Subco:

Email: [redacted] [redacted]  
Attention: Mackenzie Osborne, Director

if to Monk-E:

Email: [redacted] [redacted]  
Attention: Sepehr Ansari, Director

**ARTICLE 15  
STANDSTILL**

- 15.1 Prior to termination of this Agreement, neither Fibonacci nor Monk-E will, nor will any of their representatives directly or indirectly, alone or jointly or in concert with any other Person:
- (a) acquire or agree to acquire, or make any proposal or make any offer to acquire, in any manner, either directly or indirectly, any assets or securities of any other Party or any Subsidiary thereof, including, without limitation, commencing any “take-over bid” or “exempt take-over bid” (as such terms are defined in the *Securities Act* (British Columbia)) for any securities of any other Party (provided that the provisions hereof will not be interpreted to prohibit any Party or its Affiliates from continuing to conduct business with any other Party in the ordinary course and consistent with past practice);
  - (b) solicit proxies from, or otherwise attempt to influence the conduct of, holders of securities of any other Party;
  - (c) form, join or in any way participate as a “control person” as such term is defined in the *Securities Act* (British Columbia) with respect to the equity of any other Party; or
  - (d) engage in any discussions or negotiations or enter into any agreement, commitment or understanding, or otherwise act jointly or in concert with any Person to propose or effect any business combination, equity or asset transaction of any nature or kind with respect to any other Party or its Affiliates, or to influence the conduct of any other Party, its Affiliates or its directors.

**ARTICLE 16  
PRIVACY ISSUES**

- 16.1 For the purposes of this Article 17, the following definitions will apply:
- (a) “**applicable law**” means, in relation to any Person, transaction or event, all applicable provisions of laws, statutes, rules, regulations, official directives and orders of and the terms of all judgments, orders and decrees issued by any authorized authority by which such Person is bound or having application to the transaction or event in question, including applicable privacy laws;
  - (b) “**applicable privacy laws**” means any and all applicable laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (British Columbia);
  - (c) “**authorized authority**” means, in relation to any Person, transaction or event, any (i) federal provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (ii) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive,

legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (iii) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (iv) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and

(d) **“Personal Information”** means information about an individual.

- 16.2 The Parties hereto acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of Personal Information acquired by or disclosed to either Party pursuant to or in connection with this Agreement (the **“Disclosed Personal Information”**).
- 16.3 No Party will use the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Transaction.
- 16.4 Each Party acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining if the Parties will proceed with the Transaction, and that the disclosure of the Disclosed Personal Information relates solely to the carrying on of the business and the completion of the Transaction.
- 16.5 Each Party acknowledges and confirms that it has and will continue to employ appropriate technology and procedures in accordance with Applicable Law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.
- 16.6 Each Party will at all times keep strictly confidential all Disclosed Personal Information provided to it, and will instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties’ obligations hereunder. Each Party will ensure that access to the Disclosed Personal Information will be restricted to those employees or advisors of the respective Party who have a bona fide need to access such information in order to complete the Transaction.
- 16.7 Each Party will promptly notify the other Parties to this Agreement of all inquiries, complaints, requests for access, and claims of which the Party is made aware in connection with the Disclosed Personal Information. The Parties will fully co-operate with one another, with the Persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.
- 16.8 Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of any Party, the other Parties will forthwith cease all use of the Personal Information acquired by any of them in connection with this Agreement and will return to the other Parties or, at another Party’s request, destroy in a secure manner, the Disclosed Personal Information (and any copies).



**ARTICLE 17**  
**TIME**

17.1 Time will be of the essence in this Agreement.

**ARTICLE 18**  
**ENTIRE AGREEMENT**

18.1 This Agreement, from the date hereof constitutes the entire agreement and supersedes all other prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof, and is not intended to confer upon any other Person any rights or remedies hereunder.

**ARTICLE 19**  
**SEVERABILITY**

19.1 If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein will be and will be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof will not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction will not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

**ARTICLE 20**  
**FURTHER ASSURANCES**

20.1 Each Party will, from time to time, and at all times hereafter, at the request of any other Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as will be reasonably required in order to fully perform and carry out the terms and intent hereof.

**ARTICLE 21**  
**GOVERNING LAW**

21.1 This Agreement will be governed by, and be construed in accordance with the laws of the Province of British Columbia and applicable laws of Canada but the reference to such laws will not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of British Columbia.

21.2 Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under or in relation to this Agreement.

**ARTICLE 22**  
**EXECUTION IN COUNTERPARTS**

22.1 This Agreement may be executed in identical counterparts and by electronic means, each of which is and is hereby conclusively deemed to be an original and counterparts collectively are to be conclusively deemed one instrument.

**ARTICLE 23**  
**WAIVER**

23.1 No waiver by any Party will be effective unless in writing and any waiver will affect only the matter, and the occurrence thereof, specifically identified and will not extend to any other matter or occurrence.

**ARTICLE 24**  
**ENUREMENT AND ASSIGNMENT**

24.1 This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and assigns. This Agreement may not be assigned by any Party without the prior consent of the other Parties.

(Signature page follows)

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**FIBONACCI CAPITAL CORP.**

*By its authorized signatory:*

/s/ Mackenzie Osborne

---

Name: Mackenzie Osborne  
Title: Director

**MONK-E NUTRACEUTICALS INC.**

*By its authorized signatory:*

/s/ Sepehr Ansari

---

Name: Sepehr Ansari  
Title: Director

**1273586 B.C. LTD.**

*By its authorized signatory:*

/s/ Mackenzie Osborne

---

Name: Mackenzie Osborne  
Title: Director

**SCHEDULE A  
BY-LAWS OF AMALCO**

(attached)

**ARTICLES  
OF  
LL Holdings Inc.  
(the "Company")**

**TABLE OF CONTENTS**

<b>1.</b>	<b>Interpretation</b>
<b>2.</b>	<b>Shares and Share Certificates</b>
<b>3.</b>	<b>Issue of Shares</b>
<b>4.</b>	<b>Share Registers</b>
<b>5.</b>	<b>Share Transfers</b>
<b>6.</b>	<b>Transmission of Shares</b>
<b>7.</b>	<b>Purchase, Redeem or Otherwise Acquire Shares</b>
<b>8.</b>	<b>Borrowing Powers</b>
<b>9.</b>	<b>Alterations</b>
<b>10.</b>	<b>Meetings of Shareholders</b>
<b>11.</b>	<b>Proceedings at Meetings of Shareholders</b>
<b>12.</b>	<b>Votes of Shareholders</b>
<b>13.</b>	<b>Directors</b>
<b>14.</b>	<b>Election and Removal of Directors</b>
<b>15.</b>	<b>Alternate Directors</b>
<b>16.</b>	<b>Power and Duties of Directors</b>
<b>17.</b>	<b>Disclosure of Interest of Directors and Officers</b>
<b>18.</b>	<b>Proceedings of Directors</b>
<b>19.</b>	<b>Committees</b>
<b>20.</b>	<b>Officers</b>
<b>21.</b>	<b>Indemnification</b>
<b>22.</b>	<b>Dividends</b>
<b>23.</b>	<b>Accounting, Records and Reports</b>
<b>24.</b>	<b>Notices</b>
<b>25.</b>	<b>Seal</b>
<b>26.</b>	<b>Prohibitions</b>

## 1. INTERPRETATION

### 1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) "**board of directors**", "**directors**" and "**board**" mean the directors or sole director of the Company for the time being;
- (2) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "**legal personal representative**" means the personal or other legal representative of the shareholder;
- (5) "**Public Company**" means a company that:
  - (a) is a reporting issuer;
  - (b) is a reporting issuer equivalent;
  - (c) has registered its securities under the United States *Securities Exchange Act* of 1934;
  - (d) has any of its securities, within the meaning of the *Securities Act*, traded on or through the facilities of a securities exchange; or
  - (e) has any of its securities, within the meaning of the *Securities Act*, reported through the facilities of a quotation and trade reporting system
- (6) "**reporting issuer**" has the same meaning as in the *Securities Act*;
- (7) "**reporting issuer equivalent**" means a corporation that, under the laws of any Canadian jurisdiction other than British Columbia, is a reporting issuer or an equivalent of a reporting issuer;
- (8) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register of the Company;
- (9) "**seal**" means the seal of the Company, if any;
- (10) "**Securities Act**" means the *Securities Act* (British Columbia); and
- (11) "**Securities Transfer Act**" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

## ***Business Corporations Act and Interpretation Act Definitions Applicable***

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## **2. SHARES AND SHARE CERTIFICATES**

### **2.1 Authorized Share Structure**

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### **2.2 Form of Share Certificate**

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

### **2.3 Shareholder Entitled to Certificate or Acknowledgment or Written Notice**

Unless the shares of which a shareholder is the registered owner are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all. Within a reasonable time after the issue or transfer of a share that is an uncertificated share, the Company must send to the shareholder a written notice containing the information required by the *Business Corporations Act*.

### **2.4 Delivery by Mail**

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

### **2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement**

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

- (1) order the share certificate or acknowledgement, as the case may be, to be cancelled; and

- (2) issue a replacement share certificate or acknowledgement, as the case may be.

## **2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement**

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

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

## **2.7 Splitting Share Certificates**

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

## **2.8 Certificate Fee**

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

## **2.9 Recognition of Trusts**

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

# **3. ISSUE OF SHARES**

## **3.1 Directors Authorized**

Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

## **3.2 Commissions and Discounts**



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

### **3.3 Brokerage**

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

### **3.4 Conditions of Issue**

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

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

### **3.5 Share Purchase Warrants, Options and Rights**

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

## **4. SHARE REGISTERS**

### **4.1 Central Securities Register**

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

### **4.2 Closing Register**

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

## **5. SHARE TRANSFERS**

### **5.1 Registering Transfers**

(1) The Company must register a transfer of a share of the Company if either:

(a) the Company or the transfer agent or registrar for the class or series of share to be transferred has received;

(b) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;

(c) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and

(d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or

(2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

### **5.2 Form of Instrument of Transfer**

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

### **5.3 Transferor Remains Shareholder**

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

### **5.4 Signing of Instrument of Transfer**

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no

number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

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

#### **5.5 Enquiry as to Title Not Required**

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

#### **5.6 Transfer Fee**

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

### **6. TRANSMISSION OF SHARES**

#### **6.1 Legal Personal Representative Recognized on Death**

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

#### **6.2 Rights of Legal Personal Representative**

The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to the shares registered in the shareholder's name and the name of another person in joint tenancy.

### **7. PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES**

#### **7.1 Company Authorized to Purchase, Redeem or Otherwise Acquire Shares**

Subject to Article 7.2, the special rights or restrictions attached to the shares of any class or series, the *Business Corporations Act*, and securities laws and regulations of general application, the Company

may, if authorized by the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

## **7.2 Purchase When Insolvent**

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

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

## **7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares**

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

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

## **8. BORROWING POWERS**

The Company, if authorized by the directors, may:

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

## **9. ALTERATIONS**

### **9.1 Alteration of Authorized Share Structure**

Subject to the *Business Corporations Act*, the Company may, by directors' resolution, subdivide or consolidate all or any of its unissued, or fully paid issued, shares and if applicable, alter its Notice of Articles and, if applicable, Articles, accordingly; and subject to Article 9.2 and the *Business Corporations Act*, the Company may, by ordinary resolution:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of

shares are allotted or issued, eliminate that class or series of shares;

- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) if the Company is authorized to issue shares of a class of share with par value:
  - (a) decrease the par value of those shares; or
  - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (4) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (5) alter the identifying name of any of its shares; or
- (6) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act* where it does not specify by a special resolution;

and, if applicable, alter its Notice of Articles, and if applicable, its Articles, accordingly.

## **9.2 Special Rights or Restrictions**

Subject to the *Business Corporations Act* and in particular those provisions of the Act relating to the rights of holders of outstanding shares to vote if their rights are prejudiced or interfered with, the Company may, by ordinary resolution:

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

## **9.3 Change of Name**

The Company may, by directors' resolution, authorize an alteration of its Notice of Articles in order to change its name.

## **9.4 Other Alterations**

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may, by ordinary resolution alter these Articles.

# **10. MEETINGS OF SHAREHOLDERS**

## **10.1 Annual General Meetings**

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

## **10.2 Resolution Instead of Annual General Meeting**

If all the shareholders who are entitled to vote at an annual general meeting consent in writing by unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

## **10.3 Calling of Meetings of Shareholders**

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

## **10.4 Notice for Meetings of Shareholders**

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a Public Company, 21 days;
- (2) otherwise, 10 days.

## **10.5 Notice of Resolution to Which Shareholders May Dissent**

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

- (1) if and for so long as the Company is a Public Company, 21 days;
- (2) otherwise, 10 days.

## **10.6 Record Date for Notice**

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

- (1) if and for so long as the Company is a Public Company, 21 days;
- (2) otherwise, 10 days.

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

#### **10.7 Record Date for Voting**

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

#### **10.8 Failure to Give Notice and Waiver of Notice**

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

#### **10.9 Notice of Special Business at Meetings of Shareholders**

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

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

### **11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

### **11.1 Special Business**

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

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
  - (a) business relating to the conduct of or voting at the meeting;
  - (b) consideration of any financial statements of the Company presented to the meeting;
  - (c) consideration of any reports of the directors or auditor;
  - (d) the setting or changing of the number of directors;
  - (e) the election or appointment of directors;
  - (f) the appointment of an auditor;
  - (g) the setting of the remuneration of an auditor;
  - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
  - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

### **11.2 Special Majority**

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

### **11.3 Quorum**

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

### **11.4 One Shareholder May Constitute Quorum**

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

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

### **11.5 Other Persons May Attend**



In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

#### **11.6 Requirement of Quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

#### **11.7 Lack of Quorum**

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

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

#### **11.8 Lack of Quorum at Succeeding Meeting**

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

#### **11.9 Chair**

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

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

#### **11.10 Election of Alternate Chair**

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number or the lawyer for the Company to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director or lawyer for

the Company is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

#### **11.11 Adjournments**

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

#### **11.12 Notice of Adjourned Meeting**

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

#### **11.13 Decisions by Show of Hands or Poll**

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

#### **11.14 Declaration of Result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### **11.15 Motion Need Not be Seconded**

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

#### **11.16 Casting Vote**

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

#### **11.17 Manner of Taking Poll**

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

- (1) the poll must be taken:
  - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and

- (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

#### **11.18 Demand for Poll on Adjournment**

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

#### **11.19 Chair Must Resolve Dispute**

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

#### **11.20 Casting of Votes**

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

#### **11.21 Demand for Poll**

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

#### **11.22 Demand for Poll Not to Prevent Continuance of Meeting**

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

#### **11.23 Retention of Ballots and Proxies**

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

### **12. VOTES OF SHAREHOLDERS**

#### **12.1 Number of Votes by Shareholder or by Shares**

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

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

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

## **12.2 Votes of Persons in Representative Capacity**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

## **12.3 Votes by Joint Holders**

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

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

## **12.4 Legal Personal Representatives as Joint Shareholders**

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

## **12.5 Representative of a Corporate Shareholder**

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

- (1) for that purpose, the instrument appointing a representative must:
  - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
  - (b) be provided, at the meeting or any adjourned meeting, to the chair of the meeting or any adjourned meeting to a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
  - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation as that corporation could exercise if it were a

shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and

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

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

## **12.6 Proxy Provisions Do Not Apply to All Companies**

Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a Public Company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

## **12.7 Appointment of Proxy Holders**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

## **12.8 Alternate Proxy Holders**

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

## **12.9 When Proxy Holder Need Not Be Shareholder**

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

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (3) or the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (4) the Company is a Public Company.

## **12.10 Deposit of Proxy**

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in

the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

- (2) unless the notice provides otherwise, be provided, at the meeting or any adjourned meeting, to the chair of the meeting or adjourned meeting or to a person designated by the chair of the meeting or the adjourned meeting.

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

#### **12.11 Validity of Proxy Vote**

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

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given, has been taken.

#### **12.12 Form of Proxy**

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

*[name of company]*

(the "Company")

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

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

---

Signed *[month, day, year]*

---

*[Signature of shareholder]*

---

*[Name of shareholder printed]*

### **12.13 Revocation of Proxy**

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

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given, has been taken.

### **12.14 Revocation of Proxy Must Be Signed**

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

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

### **12.15 Production of Evidence of Authority to Vote**

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

## **13. DIRECTORS**

### **13.1 First Directors, Number of Directors**

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a Public Company, the greater of three and the most recently set of:
  - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
  - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a Public Company, the most recently set of:
  - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and

(b) the number of directors set under Article 14.4.

### **13.2 Change in Number of Directors**

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may, by ordinary resolution, elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint directors to fill those vacancies.

### **13.3 Directors' Acts Valid Despite Vacancy**

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

### **13.4 Qualifications of Directors**

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

### **13.5 Remuneration of Directors**

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

### **13.6 Reimbursement of Expenses of Directors**

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

### **13.7 Special Remuneration for Directors**

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

### **13.8 Gratuity, Pension or Allowance on Retirement of Director**

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.



## **14. ELECTION AND REMOVAL OF DIRECTORS**

### **14.1 Election at Annual General Meeting**

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

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

### **14.2 Consent to be a Director**

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

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

### **14.3 Failure to Elect or Appoint Directors**

If:

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

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

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

### **14.4 Places of Retiring Directors Not Filled**

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until

further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

#### **14.5 Directors May Fill Casual Vacancies**

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

#### **14.6 Remaining Directors Power to Act**

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

#### **14.7 Shareholders May Fill Vacancies**

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

#### **14.8 Additional Directors**

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

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

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

#### **14.9 Ceasing to be a Director**

A director ceases to be a director when:

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

#### 14.10 Removal of Director by Shareholders

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

#### 14.11 Removal of Director by Directors

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

#### 14.12 Nomination of Directors

- (1) Subject to the *Business Corporations Act*, if and for so long as the Company is a Public Company, only persons who are nominated in accordance with the procedures set out in this Article 14.12 shall be eligible for election as directors to the board of directors. Nominations of persons for election to the board at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, may be made:
  - (a) by or at the direction of the board, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with Division 7 of the *Business Corporations Act* or a requisition of shareholders made in accordance with the provisions of the *Business Corporations Act*; or
  - (c) by any person entitled to vote at such a meeting (a “**Nominating Shareholder**”) (A) who is, at the close of business on the date of giving notice provided for below in this Article 14.12, and on the record date for notice of the meeting, either entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at the meeting or who beneficially owns shares that are entitled to be voted at the meeting; and (B) who complies with the notice procedures set forth below in this Article 14.12.
- (2) In addition to any other applicable requirement, for a nomination to be validly made by a Nominating Shareholder, the Nominating Shareholder must deliver notice (“**Notice**”) thereof that is both timely (in accordance with subparagraph (3) below) and in proper written form (in accordance with subparagraph (4) below) to the corporate secretary of the Company at the principal executive offices of the Company in accordance with subparagraph (6) below.
- (3) To be timely under this Article 14.12, the Nominating Shareholder’s Notice to the corporate secretary of the Company must be made:
  - (a) in the case of an annual meeting of shareholders (including an annual and special meeting), not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of

shareholders is called for a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and

- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting is made by the Company.
- (4) To be in proper written form, the Notice must set forth:
- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: the name, age, business, and residential address of the person; the principal occupation, business or employment for the preceding five years of the person; the class or series and number of shares of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of the Notice; (v) confirmation that the person meets the qualifications of directors set out in the *Business Corporations Act*; and (vi) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and
  - (b) as to the Nominating Shareholder giving the Notice, (i) the class or series and number of shares of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the meeting of shareholders (if such date has been made publicly available and shall have occurred) and as of the date of such Notice; (ii) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company; and (iii) any other information relating to the Nominating Shareholder that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).
- (5) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder’s understanding of the independence, or lack thereof, of the proposed nominee.
- (6) Notwithstanding any other provision of these Articles, any notice, or other document or information required to be given to the corporate secretary pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the corporate secretary for purposes of this Article 14.12), and shall be deemed to have been received and made only at the time it is served by personal delivery to the corporate secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of the transmission has been received); provided that if such delivery or

electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

- (7) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12: provided, however, that nothing herein shall be deemed to preclude discussions by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (8) For purposes of this Article 14.12:
- (a) “**public announcement**” means disclosure in a press release disseminated by the Company through a national news service in Canada, or in a document filed by the Company for public access under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and
  - (b) “**Applicable Securities Laws**” means the Securities Act and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the provinces and territories of Canada.

## **15. ALTERNATE DIRECTORS**

### **15.1 Appointment of Alternate Director**

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

### **15.2 Notice of Meetings**

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

### **15.3 Alternate for More than One Director Attending Meetings**

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

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

#### **15.4 Consent Resolutions**

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

#### **15.5 Alternate Director an Agent**

Every alternate director is deemed to be the agent of his or her appointor.

#### **15.6 Revocation or Amendment of Appointment of Alternate Director**

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

#### **15.7 Ceasing to be an Alternate Director**

The appointment of an alternate director ceases when:

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

#### **15.8 Remuneration and Expenses of Alternate Director**

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

## **16. POWERS AND DUTIES OF DIRECTORS**

### **16.1 Powers of Management**

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

### **16.2 Appointment of Attorney of Company**

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

### **16.3 Setting Remuneration of Auditor**

The directors may set the remuneration of the Company's auditor from time to time without shareholder approval.

## **17. DISCLOSURE OF INTEREST OF DIRECTORS AND OFFICERS**

### **17.1 Obligation to Account for Profits**

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

### **17.2 Restrictions on Voting by Reason of Interest**

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

### **17.3 Interested Director Counted in Quorum**

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

### **17.4 Disclosure of Conflict of Interest or Property**

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

### **17.5 Director Holding Other Office in the Company**

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

### **17.6 No Disqualification**

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

### **17.7 Professional Services by Director or Officer**

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

### **17.8 Director or Officer in Other Corporations**

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

## **18. PROCEEDINGS OF DIRECTORS**

### **18.1 Meetings of Directors**

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



## **18.2 Voting at Meetings**

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting has a second or casting vote.

## **18.3 Chair of Meetings**

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

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
  - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
  - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

## **18.4 Meetings by Telephone or Other Communications Medium**

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

## **18.5 Calling of Meetings**

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

## **18.6 Notice of Meetings**

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

## **18.7 When Notice Not Required**

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

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

#### **18.8 Meeting Valid Despite Failure to Give Notice**

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

#### **18.9 Waiver of Notice of Meetings**

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

#### **18.10 Quorum**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at the two directors in office or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

#### **18.11 Validity of Acts Where Appointment Defective**

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

#### **18.12 Consent Resolutions in Writing**

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any

committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## **19. COMMITTEES**

### **19.1 Appointment and Powers of Executive Committee**

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

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

### **19.2 Appointment and Powers of Other Committee**

The directors may, by resolution:

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

### **19.3 Obligations of Committees**

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

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

#### **19.4 Powers of Board**

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

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

#### **19.5 Committee Meetings**

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

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

### **20. OFFICERS**

#### **20.1 Directors May Appoint Officers**

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

#### **20.2 Functions, Duties and Powers of Officers**

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

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

### **20.3 Qualifications**

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

### **20.4 Remuneration and Terms of Appointment**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

## **21. INDEMNIFICATION**

### **21.1 Definitions**

In this Article 21:

- (1) “eligible party”, in relation to a company, means an individual who:
  - (a) is or was a director, alternate director or officer of the Company;
  - (b) is or was a director, alternate director or officer of another corporation
    - (i) at a time when the corporation is or was an affiliate of the Company, or
    - (ii) at the request of the Company; or
  - (c) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

and includes, except in the definition of “eligible proceeding”, and s. 163(1)(c) and (d) and s. 165 of the *Business Corporations Act*, the heirs and personal or other legal representatives of that individual;

- (2) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (3) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which an eligible party or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director or officer of, or holding or having held a position equivalent to that of a director, alternative director or officer of, the Company or an affiliate of the Company:
  - (a) is or may be joined as a party; or

(b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(4) “expenses” has the meaning set out in the *Business Corporations Act*.

### **21.2 Mandatory Indemnification of Eligible Parties**

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

### **21.3 Indemnification of Other Persons**

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

### **21.4 Non-Compliance with *Business Corporations Act***

The failure of an eligible party to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

### **21.5 Company May Purchase Insurance**

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

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

against any liability incurred by him or her as an eligible party.

## **22. DIVIDENDS**

### **22.1 Payment of Dividends Subject to Special Rights**

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

## **22.2 Declaration of Dividends**

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

## **22.3 No Notice Required**

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

## **22.4 Record Date**

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

## **22.5 Manner of Paying Dividend**

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

## **22.6 Settlement of Difficulties**

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

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

## **22.7 When Dividend Payable**

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

## **22.8 Dividends to be Paid in Accordance with Number of Shares**

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

## **22.9 Receipt by Joint Shareholders**

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

## **22.10 Dividend Bears No Interest**

No dividend bears interest against the Company.

## **22.11 Fractional Dividends**

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

## **22.12 Payment of Dividends**

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

## **22.13 Capitalization of Retained Earnings or Surplus**

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

## **23. ACCOUNTING, RECORDS AND REPORTS**

### **23.1 Recording of Financial Affairs**

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

### **23.2 Inspection of Accounting Records**

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

## **24. NOTICES**

### **24.1 Method of Giving Notice**

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

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



- (a) for a record mailed to a shareholder, the shareholder's registered address;
  - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
  - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
- (a) for a record delivered to a shareholder, the shareholder's registered address;
  - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
  - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) making the record available for public electronic access in accordance with the procedures referred to as "notice-and-access" under National Instrument 54-101 and National Instrument 51-102, as applicable, of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation from time to time; or
- (6) physical delivery to the intended recipient.

## **24.2 Deemed Receipt of Mailing**

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (2) faxed to a person to the fax number provided by that person, referred to in Article 24.1, is deemed to be received by the person to whom it was faxed on the day it was faxed;
- (3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed; and
- (4) made available for public electronic access in accordance with the "notice-and-access" or similar delivery procedures referred to in Article 24.1(5) is deemed to be received by a person on the date it was made available for public electronic access.

### **24.3 Certificate of Sending**

A certificate signed by the secretary, if any, or other officer of the Company or of any other person acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

### **24.4 Notice to Joint Shareholders**

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

### **24.5 Notice to Legal Representative and Trustees**

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

- (1) mailing the record, addressed to them:
  - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
  - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

### **24.6 Undelivered Notice**

If on two consecutive occasions a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions the record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

## **25. SEAL**

### **25.1 Who May Attest Seal**

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

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

## 25.2 Sealing Copies

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

## 25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

## 25.4 Execution of Documents Generally

The Directors may from time to time by resolution appoint any one or more persons, officers or directors for the purpose of executing any instrument, document or agreement in the name of and on behalf of the Company for which the seal need not be affixed, and if no such person, officer or director is appointed, then any one officer or director of the Company may execute such instrument, document or agreement.

## 26. PROHIBITIONS

### 26.1 Definitions

In this Article 26:

- (1) "**designated security**" means:
  - (a) a voting security of the Company;
  - (b) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
  - (c) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (2) "**security**" has the meaning assigned in the *Securities Act* (British Columbia);

- (3) **"voting security"** means a security of the Company that:
- (a) is not a debt security; and
  - (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

## **26.2 Application**

Article 26.3 does not apply to the Company if and for so long as it is a Public Company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or a company to which the Statutory Reporting Company Provisions apply.

## **26.3 Consent Required for Transfer of Shares or Designated Securities**

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

Dated effective as of Date.

**FULL NAME AND SIGNATURE OF INCORPORATOR**

---

Pouya Farmand

**SCHEDULE B  
MONK-E RESOLUTION**

“**BE IT RESOLVED**, as a special resolution that:

1. the amalgamation (the “**Monk-E Amalgamation**”) pursuant to the provisions of the *Business Corporations Act* (British Columbia) substantially in the form as provided for in the amalgamation agreement dated November 10, 2020 among Monk-E Nutraceuticals Inc. (“**Monk-E**”), Fibonacci Capital Corp., and **1273586 B.C. Ltd.** (the “**Amalgamation Agreement**”) is hereby adopted, approved and authorized;
2. the Amalgamation Agreement with such amendments or variations thereto as may be approved by any director or officer of Monk-E, such approval to be evidenced conclusively by their execution and delivery of such Amalgamation Agreement be and is hereby confirmed, ratified and approved;
3. notwithstanding that this resolution has been duly passed by the shareholders of Monk-E, the board of directors of Monk-E may agree to amend the Amalgamation Agreement (to the extent permitted in the Amalgamation Agreement) or decide not to proceed with the Monk-E Amalgamation or revoke this resolution at any time prior to the issuance of the certificate giving effect to the Monk-E Amalgamation without further approval of the shareholders of Monk-E; and
4. any one director or officer of Monk-E, for and on behalf of Monk-E be and is hereby authorized to execute and deliver Amalgamation Application and all other documents and instruments and take all such other actions as may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents and instruments and the taking of any such documents and instruments and the taking of any such actions.”

**SCHEDULE C**  
**AMALGAMATION APPLICATION**

(attached)

## AMALGAMATION APPLICATION

BUSINESS CORPORATIONS ACT, section 275

Telephone: 1 877 526-1526  
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street  
Victoria BC V8W 3E6

**DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the *Business Corporations Act* requires the electronic version of this form to be filed on the Internet at [www.corporateonline.gov.bc.ca](http://www.corporateonline.gov.bc.ca)**

**Freedom of Information and Protection of Privacy Act (FOIPPA):** Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

**A INITIAL INFORMATION** – *When the amalgamation is complete, your company will be a BC limited company.*

What kind of company(ies) will be involved in this amalgamation?

(Check all applicable boxes.)

- BC company
- BC unlimited liability company

**B NAME OF COMPANY** – *Choose one of the following:*

- The name LL Holdings Inc. is the name reserved for the amalgamated company. The name reservation number is: \_\_\_\_\_,

**OR**

- The company is to be amalgamated with a name created by adding “B.C. Ltd.” after the incorporation number,

**OR**

- The amalgamated company is to adopt, as its name, the name of one of the amalgamating companies.

The name of the amalgamating company being adopted is:

\_\_\_\_\_

The incorporation number of that company is: \_\_\_\_\_

*Please note: If you want the name of an amalgamating corporation that is a foreign corporation, you must obtain a name approval before completing this amalgamation application.*

**C AMALGAMATION STATEMENT** – *Please indicate the statement applicable to this amalgamation.*

- With Court Approval:**  
This amalgamation has been approved by the court and a copy of the entered court order approving the amalgamation has been obtained and has been deposited in the records office of each of the amalgamating companies.

**OR**

- Without Court Approval:**  
This amalgamation has been effected without court approval. A copy of all of the required affidavits under section 277(1) have been obtained and the affidavit obtained from each amalgamating company has been deposited in that company's records office.

**D AMALGAMATION EFFECTIVE DATE** – Choose **one** of the following:

The amalgamation is to take effect at the time that this application is filed with the registrar.

YYYY / MM / DD

The amalgamation is to take effect at 12:01a.m. Pacific Time on \_\_\_\_\_  
being a date that is not more than ten days after the date of the filing of this application.

YYYY / MM / DD

The amalgamation is to take effect at \_\_\_\_\_  a.m. or  p.m. Pacific Time on \_\_\_\_\_  
being a date and time that is not more than ten days after the date of the filing of this application.

**E AMALGAMATING CORPORATIONS**

Enter the name of each amalgamating corporation below. For each company, enter the incorporation number.  
If the amalgamating corporation is a foreign corporation, enter the foreign corporation's jurisdiction and if registered in BC as an extraprovincial company, enter the extraprovincial company's registration number. Attach an additional sheet if more space is required.

NAME OF AMALGAMATING CORPORATION	BC INCORPORATION NUMBER, OR EXTRAPROVINCIAL REGISTRATION NUMBER IN BC	FOREIGN CORPORATION'S JURISDICTION
1. <b>MONK-E NUTRACEUTICALS INC.</b>		
2. <b>1273586 B.C. LTD.</b>	<b>BC1273586</b>	
3.		
4.		
5.		

**F FORMALITIES TO AMALGAMATION**

If any amalgamating corporation is a foreign corporation, section 275 (1)(b) requires an authorization for the amalgamation from the foreign corporation's jurisdiction to be filed.

This is to confirm that each authorization for the amalgamation required under section 275(1)(b) is being submitted for filing concurrently with this application.

**G CERTIFIED CORRECT** – I have read this form and found it to be correct.

This form must be signed by an authorized signing authority for each of the amalgamating companies as set out in Item E.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
1. <b>Sepehr Ansari</b>	<b>X</b>	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
2. <b>MACKENZIE OSBORNE</b>	<b>X</b>	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
3.	<b>X</b>	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
4.	<b>X</b>	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
5.	<b>X</b>	



## NOTICE OF ARTICLES

**A NAME OF COMPANY**

Set out the name of the company as set out in Item B of the Amalgamation Application.

**B TRANSLATION OF COMPANY NAME**

Set out every translation of the company name that the company intends to use outside of Canada.

**C DIRECTOR NAME(S) AND ADDRESS(ES)**

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME	FIRST NAME	MIDDLE NAME	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
Farmand	Pouya		BC	Canada	
DELIVERY ADDRESS					
[redacted]					
MAILING ADDRESS					
DELIVERY ADDRESS					
MAILING ADDRESS					
DELIVERY ADDRESS					
MAILING ADDRESS					
DELIVERY ADDRESS					
MAILING ADDRESS					

**D REGISTERED OFFICE ADDRESSES**

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE <b>6th Floor, 905 West Pender Street, Vancouver</b>	PROVINCE <b>BC</b>	POSTAL CODE <b>V6C 1L6</b>
MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE <b>6th Floor, 905 West Pender Street, Vancouver</b>	PROVINCE <b>BC</b>	POSTAL CODE <b>V6C 1L6</b>

**E RECORDS OFFICE ADDRESSES**

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE <b>6th Floor, 905 West Pender Street, Vancouver</b>	PROVINCE <b>BC</b>	POSTAL CODE <b>V6C 1L6</b>
MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE <b>6th Floor, 905 West Pender Street, Vancouver</b>	PROVINCE <b>BC</b>	POSTAL CODE <b>V6C 1L6</b>

**F AUTHORIZED SHARE STRUCTURE**

Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number.		Kind of shares of this class or series of shares.			Are there special rights or restrictions attached to the shares of this class or series of shares?	
	THERE IS NO MAXIMUM (✓)	MAXIMUM NUMBER OF SHARES AUTHORIZED	WITHOUT PAR VALUE (✓)	WITH A PAR VALUE OF (\$)	Type of currency	YES (✓)	NO (✓)
<b>Common</b>	✓		✓				✓