

ENWAVE CORPORATION

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MANAGEMENT INFORMATION CIRCULAR

(all information is as at February 9, 2021, unless otherwise noted)

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of EnWave Corporation (the “Corporation”) for use at the Annual General and Special Meeting of Shareholders (the “Meeting”) of the Corporation to be held on Friday, March 19, 2021 at the time and place and for the purposes set forth in the accompanying Notice of Annual General and Special Meeting of Shareholders (the “Notice”) and at any adjournments thereof. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers, employees or agents of the Corporation. All costs of this solicitation will be borne by the Corporation. The Corporation is not sending proxy-related materials using notice-and-access.

All dollar amounts referenced herein are expressed in Canadian dollars unless otherwise stated.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors or officers of the Corporation. A shareholder of the Corporation (a “Shareholder”) wishing to appoint some other person (who need not be a Shareholder) to attend and act for the Shareholder and on the Shareholder’s behalf at the Meeting has the right to do so, either by inserting such person’s name in the blank space provided in the form of proxy, or by completing another form of proxy. A proxy will not be valid unless the completed, dated and signed form of proxy is delivered to Computershare Investor Services Inc. (“Computershare”), Proxy Dept., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment(s) thereof. In addition, Computershare provides both telephone voting and internet voting services as described on the form of proxy itself which contains complete instructions.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Corporation at 1000 Cathedral Place - 925 West Georgia Street, Vancouver, British Columbia, Canada V6C 3L2 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) thereof or provided at the Meeting to the Chair of the Meeting. **Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders (as defined below) who wish to change their vote must, in sufficient time before the Meeting, arrange for their respective Intermediaries (as defined below) to revoke the proxy on their behalf.**

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

SPECIAL INSTRUCTIONS FOR VOTING BY NON-REGISTERED HOLDERS

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Many Shareholders are “non-registered” Shareholders because the shares of the Corporation they own are not registered in their names but are instead registered in the name of an Intermediary (as defined below) through which they hold the shares. More particularly, a person is not a registered Shareholder in respect of shares which are held on behalf of that person (the “Non-Registered Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust

companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS, which acts as nominee for many Canadian brokerage firms. Shares so held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting shares held for Non-Registered Holders.

There are two categories of Non-Registered Holders: (a) those who object to their name being made known to the issuer of securities which they own (called “**OBOs**” for Objecting Beneficial Owners), and (b) those who do not object to the issuer of the securities they own knowing who they are (called “**NOBOs**” for Non-Objecting Beneficial Owners).

Non-Objecting Beneficial Owners

The Corporation has decided to take advantage of those provisions of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (“**NI 54-101**”) that permit it to directly deliver proxy-related materials to NOBOs who have not waived the right to receive them. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (“**VIF**”) together with the Notice, this Circular and related documents from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting services as described in the VIF. In that regard, Computershare is required to follow the voting instructions properly received from NOBOs. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive. **NOBOs should carefully follow the instructions of Computershare, including those regarding when and where the completed VIFs are to be returned to Computershare.**

Should a NOBO wish to attend and vote at the Meeting, the NOBO must insert the NOBO’s name (or such other person as the NOBO wishes to attend and vote on the NOBO’s behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in line with the instructions provided or the NOBO must submit to the Corporation any other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. In such circumstances, with respect to proxies held by management in respect of securities owned by the NOBO so requesting, the Corporation must arrange, without expense to the NOBO, to appoint the NOBO or a nominee of the NOBO as a proxyholder in respect of those securities. Under NI 54-101, if the Corporation appoints a NOBO or a nominee of the NOBO as a proxyholder as aforesaid, the NOBO or nominee of the NOBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101, if the Corporation appoints a NOBO or its nominee as proxyholder as aforesaid, the Corporation must deposit the proxy within the timeframe specified above for the deposit of proxies if the Corporation obtains the instructions at least one (1) business day before the termination of that time.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the securities on your behalf.

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

NOBOs that wish to change their vote must, in sufficient time in advance of the Meeting, contact Computershare to arrange to change their vote.

Objecting Beneficial Owners

In accordance with the requirements of NI 54-101, we have distributed copies of the Notice, this Circular and related documents (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless the OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs of shares with a “request for voting instruction form” which, when properly completed and signed by such OBO and **returned to the Intermediary or its service company**, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs of shares to direct the voting of the shares that they beneficially own. The Corporation will pay for the distribution of the Meeting Materials by clearing agencies and intermediaries to OBOs.

Should an OBO wish to attend and vote at the Meeting, the OBO must insert the OBO’s name (or such other person as the OBO wishes to attend and vote on the OBO’s behalf) in the blank space provided for that purpose on the request for voting instruction form and return the completed request for voting instruction form to the Intermediary or its service provider or the OBO must submit, to their Intermediary, any other document in writing that requests that the OBO or a nominee of the OBO be appointed as proxyholder. In such circumstances, an Intermediary who is the registered holder of, or holds a proxy in respect of, securities owned by an OBO is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or a nominee of the OBO as a proxyholder in respect of those securities. Under NI 54-101, if an Intermediary appoints an OBO or the nominee of the OBO as a proxyholder as aforesaid, the OBO or nominee of the OBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of the Intermediary, in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101 an Intermediary who appoints an OBO or its nominee as proxyholder as aforesaid is required under NI 54-101 to deposit the proxy within the timeframe specified above for the deposit of proxies if the Intermediary obtains the instructions at least one (1) business day before the termination of that time.

OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered.

OBOs of shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange with their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set out above.

VOTING OF PROXIES AND EXERCISE OF DISCRETION

A Shareholder may indicate the manner in which the persons named in the accompanying form of proxy or VIF are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space. **If the instructions as to voting indicated in the proxy or VIF are certain, the shares represented by the proxy or VIF will be voted or withheld from voting in accordance with the instructions given in the proxy on any ballot that may be called for.** If no choice is specified in the proxy or VIF with respect to a matter to be acted upon, the proxy or VIF confers discretionary authority with respect to that matter upon the proxyholder named in the accompanying form of proxy or VIF. It is intended that the proxyholder named by management in the accompanying form of proxy and VIF will vote the shares represented by the proxy and VIF in favour of each matter identified in the proxy and VIF and for the nominees of the Corporation’s Board of Directors (the “Board of Directors” or “Board”) for directors and the auditor.

The accompanying form of proxy and VIF also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice and with respect to any other matters which may properly come before the Meeting. As of the date of this Circular,

management of the Corporation is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those referred to in the accompanying Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the persons named in the accompanying form of proxy and VIF intend to vote on them in accordance with their best judgment.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share structure of the Corporation consists of an unlimited number of common shares (the “**Common Shares**”) and an unlimited number of preferred shares. As at the date of this Circular, **111,606,755** Common Shares were issued and outstanding, each such Common Share carrying the right to one vote at the Meeting. No preferred shares were issued and outstanding. The Corporation has no other classes of voting securities. The close of business on **February 9, 2021** has been fixed by the directors of the Corporation as the record date for the purpose of determining those Shareholders entitled to receive notice of and to vote at the Meeting.

The Common Shares are listed on the TSX Venture Exchange (the “**TSXV**”).

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected until all such vacancies have been filled. If the number of nominees for election is equal to the number of vacancies to be filled all such nominees will be declared elected.

RECEIPT OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the fiscal year ended September 30, 2020 and accompanying auditor’s report will be presented at the Meeting.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Corporation’s *Independence Committee* (“**Independence Committee**”) is mandated to oversee the administration of the Corporation’s compensation plans, including its stock option plan and its restricted share plan, in light of the corporate goals and objectives. The *Independence Committee* is presently comprised of Mr. Stephen Sanford, Ms. Mary Ritchie, Dr. Stewart Ritchie, Mr. Patrick Turpin and Mr. Pablo Cussatti. The *Independence Committee* meets at least once a year to review compensation policies relating to the Corporation and its subsidiaries and to approve and recommend to the Board specific compensation awards and benefits. The *Independence Committee* monitors levels of executive remuneration to ensure overall compensation reflects the Corporation’s objectives and philosophies and meets the Corporation’s desired relative compensation position. The key components comprising the Corporation’s executive officer compensation may include base salary and bonus (short-term incentives) and participation in the Corporation’s stock option plan and restricted share plan (long-term incentives). The Corporation established these components for its executive compensation package because it believed that a competitive base salary and bonus may be required to retain key executives and participation in the Corporation’s stock option plan and restricted share plan enables the Corporation’s executive officers to participate in the long-term success of the Corporation and aligns their interests with those of the Shareholders. Ms. Ritchie, Dr. Ritchie, and Mr. Sanford are also members of the Corporation’s *Audit Committee* (“**Audit Committee**”) and information concerning their skills and experience relevant to their responsibilities as members of this committee is detailed later in this Circular under “AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR – *Relevant Education and Experience*”.

Base Salary and Bonus

The base salaries (and bonus, if any) of the Corporation's executive officers are set by the Board, based on recommendations from the *Independence Committee*. Executive officers who are also directors of the Corporation abstain from voting on their proposed base salaries and/or bonuses. Base salaries (and bonuses, if any) of the Corporation's executive officers are determined through the annual assessment of each individual's performance (as described in more detail below) and other factors the *Independence Committee* considers to be relevant, including prevailing industry demand for personnel having comparable skills and performing similar duties, the compensation the individual could reasonably expect to receive from a competitor, the Corporation's ability to pay and cost of living factors.

The target amount for the annual performance bonus in each financial year for the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") is a maximum of 50% of their base salary, as recommended by the *Independence Committee*. For the CEO and CFO, the *Independence Committee* assesses the individual's performance in conjunction with the Corporation's performance and makes a bonus recommendation for the year. The actual amount of such bonuses is based on the *Independence Committee's* assessment of the individual's contributions, the economic factors pertaining to the Corporation and the performance of the Corporation as a whole. The bonuses are paid at the end of the calendar year.

Mr. Brent Charleton became the Corporation's President and CEO in August 2018. In the case of Mr. Charleton, the *Independence Committee's* assessment includes consideration for factors and corporate achievements in the Corporation's most recently completed financial year. The factors considered include the successful commissioning of large-scale Radiant Energy Vacuum ("REV") machines, advancement of the commercial-scale design of REV™ equipment, the signing of new commercial royalty bearing licenses, execution of manufacturing orders, and advancing the Corporation's ability to commercially manufacture REV™ machines for sale. Mr. Charleton was awarded a bonus of \$116,000 (80% of the proposed maximum bonus or 40% of his base annual salary in place at the time of the payment of the bonus) for the Corporation's most recently completed financial year.

Mr. John Budreski became the Corporation's Executive Chairman in June 2014. Mr. Budreski is an employee of the Corporation and is paid an annual salary of \$107,500 per year, exclusive of any bonuses, stock-based or other compensation. In the case of Mr. Budreski, the *Independence Committee's* assessment includes consideration for factors and corporate achievements in the Corporation's most recently completed financial year. The factors include development of the Corporation's short-term and long-term strategies, corporate development, evaluation, staffing and management of executive officers, financing and investor relations. The *Independence Committee* has not established a target bonus percentage for Mr. Budreski based on his base salary, but may award Mr. Budreski a discretionary annual bonus. Mr. Budreski was awarded a bonus of \$116,000 for the most recently completed financial year.

Mr. Dan Henriques became the Corporation's CFO in September 2015. Mr. Henriques' bonus was based on the *Independence Committee's* assessment of his contributions with respect to the timely completion of the Corporation's annual financial statements and management discussion and analysis, improvements to accounting and administration, financing activities, the management of the annual audit, the preparation of performance reports, the preparation of the annual budget and financial analysis. Mr. Henriques was awarded a bonus of \$100,000 (80% of the proposed maximum bonus or 40% of his base annual salary in place at the time of the payment of the bonus) for the most recently completed financial year.

Mr. Mike Pytlinski became the CEO of the Corporation's wholly-owned subsidiary, NutraDried Food Company, LLC ("NutraDried"), in September 2018 and he reports directly to the Board of Directors of the Corporation (see "CEO of NutraDried"). In the case of Mr. Pytlinski, the *Independence Committee* establishes annual revenue and EBITDA targets for NutraDried, and if achieved, Mr. Pytlinski is eligible to receive up to 35% of his base salary as a bonus. The determination of Mr. Pytlinski's annual bonus is weighted 50% to achievement of the annual revenue target and 50% to the achievement of the annual EBITDA target for NutraDried, and in special circumstances can be adjusted at the discretion of the

Independence Committee. Mr. Pytlinski was awarded a bonus of \$25,568 (US \$19,000) for the Corporation's most recently completed financial year.

To date, there has been no defined benchmark of companies that the Corporation referred to in setting its base salaries and bonuses.

It should be noted however, that in December 2019, the Corporation retained Lane Caputo Consulting Inc. ("**Caputo**") to provide a report to assist the Corporation in the review of compensation arrangements for its executive team and non-executive directors by benchmarking the Corporation's compensation practices against a group of peer companies reflecting the Corporation's current size and stage of development. The Caputo report highlighted any changes required to align pay elements and/or strategy with both current market practices and the Corporation's business strategy, which includes the rapid growth of NutraDried. Caputo presented the Corporation with market data on executive competitiveness, commented on various incentive design and governance related trends including performance metrics and supported the *Independence Committee* in conducting its compensation program risk assessment. The *Independence Committee* considered the data and advice of Caputo, as well as many other factors. Ultimately, all decisions and recommendations made by the *Independence Committee* to the Board are their own. In fiscal 2020, the Corporation paid \$34,000 to Caputo for services related to this advice on compensation for the directors and executive officers. No fees for services not related to executive and director compensation matters have been billed to the Corporation by Caputo or any of their affiliates.

Stock Options

The Corporation provides long-term incentives to its executive officers by way of stock option grants. Stock options are granted to reward individuals for current performance, expected future performance and to align the long-term interests of the Corporation's executive officers with those of the Shareholders. The Corporation's stock option plan ("**Stock Option Plan**") (summarized under the heading "*Incentive Plan Awards – Stock Option Plan*" below) is administered by the Board based, in part, upon recommendations of the *Independence Committee*. The Stock Option Plan is designed to give to directors, officers, employees and consultants of the Corporation and its affiliates, as additional compensation, the opportunity to participate in the profitability of the Corporation by granting to such individuals options to buy shares of the Corporation. The Stock Option Plan also enables the Corporation to attract and retain individuals with performance and ability, and to reward such individuals for current performance and expected future performance. The Board, based, in part, upon recommendations of the *Independence Committee*, considers the amount and terms of previously granted stock options when reviewing executive officer compensation packages as a whole and determining any new stock option grants. Executive officers who are also directors of the Corporation abstain from voting on their proposed stock option grants. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter.

The Board determines, upon the recommendations of the *Independence Committee*, the key employees and service providers to whom grants are to be made and determines the terms and conditions of the options forming part of such grants. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Corporation.

The number of stock options granted to executive officers for the Corporation's most recently completed financial year was based on the individual's performance and the number and exercise price of options previously issued to the individual.

The Black-Scholes option pricing model has been used to assess the fair value of the stock options.

Please also refer to the section entitled "Annual Approval of Stock Option Plan" under "PARTICULARS OF MATTERS TO BE ACTED UPON" in this Circular for additional details concerning the Stock Option Plan.

Restricted Share Rights

The Corporation also provides long-term incentives to its executive officers by way of the award of Restricted Share Rights (“RSRs” or “**Restricted Share Rights**”) under the Corporation’s restricted share plan (“**Restricted Share Plan**”). The Restricted Share Plan (summarized under the heading “*Incentive Plan Awards – Restricted Share Plan*” below) provides that RSRs may be granted to employees, officers, directors, management company employees and consultants of the Corporation as a discretionary payment in consideration of current performance and expected future performance. The purpose of the Restricted Share Plan is to advance the interests of the Corporation through the motivation, attraction and retention of key persons and to secure for the Corporation and the Shareholders the benefits inherent with the retention of such persons. Each RSR entitles the holder to receive one fully paid Common Share without payment of additional consideration upon vesting of the RSR.

The Board determines, upon the recommendations of the *Independence Committee*, the key employees, officers, directors, management company employees and consultants to whom RSR grants are to be made and determines the terms and conditions of the RSRs granted. Individual grants are determined by an assessment of an individual’s current and expected future performance, level of responsibilities and the importance of the position to the Corporation. Consideration is also given to the individual’s past impact on or contribution to, and/or the individual’s ability in the future to have an impact on or contribute to the long-term performance of the Corporation.

CEO of NutraDried

NutraDried and Mr. Mike Pytlinski entered into an employment agreement dated as of July 20, 2018 (the “**Pytlinski Agreement**”) pursuant to which Mr. Pytlinski assumed the role of CEO of NutraDried. Mr. Pytlinski was paid a reduced base salary aggregating US\$219,167 for the most recently completed fiscal year as Mr. Pytlinski volunteered to take a reduced base salary for a portion of the 2020 fiscal year due to certain financial challenges encountered by NutraDried. Mr. Pytlinski is also eligible for an annual bonus as described above in “- *Base Salary and Bonus*”. Additionally, in order to incentivize Mr. Pytlinski to execute on the Corporation’s aggressive growth strategy for NutraDried, NutraDried has agreed to pay Mr. Pytlinski a one-time special bonus (the “**Special Bonus**”) equal to 5% of the aggregate value of the common stock of NutraDried exceeding a baseline amount that increases annually by a compounding rate of 5%, subject to certain deductions and adjustments, which is payable upon completion of a transaction resulting in a change of control of voting equity interests of NutraDried or a public offering and stock exchange listing of NutraDried (a “**Divestiture**”). The Special Bonus, or a portion thereof, is also payable in the event that Mr. Pytlinski’s employment as CEO of NutraDried is terminated prior to the completion of a Divestiture, subject to the terms and conditions of the Pytlinski Agreement, unless Mr. Pytlinski is terminated for cause or terminates his employment without good reason, in which case the Special Bonus is forfeited.

Compensation Risk Assessment and Governance

The *Independence Committee* has considered the implications of the risks associated with the Corporation’s compensation program and has determined that the compensation program does not encourage the Named Executive Officers or directors of the Corporation to take inappropriate or excessive risks. As discussed above, the committee follows an overall compensation model which ensures that an adequate portion of overall compensation for the Named Executive Officers is “at risk” and only realized through the performance of the Corporation over both the short-term and long-term. Short-term incentive structures (i.e. annual performance based cash incentives) are designed to include multiple elements so as to mitigate the risk of maximizing one component at the expense of another. Long-term components, such as the grant of stock options or RSRs, are subject to vesting periods, thus reducing incentives on the part of executives to engage in any imprudent short-term risks. The realization of value from the long-term incentive component of the executive compensation program is entirely dependent upon long-term appreciation in Shareholder value. There are no risks which have been identified in the Corporation’s compensation policies or practices that would reasonably be likely to have a material adverse effect on the Corporation. The *Independence Committee* will continue to monitor compensation governance and risk assessment practices on an ongoing basis to ensure that the Corporation’s compensation program is appropriately structured.

The Corporation does not permit its executive officers or directors to hedge any of the equity compensation granted to them.

Other Long-term Incentives

The Corporation currently does not provide a pension plan to its executive officers, nor does it have any long-term incentives other than those previously described.

Chief Executive Officer Compensation

For the most recently completed financial year, the compensation of the CEO consisted of an annual base salary and bonus, all determined in the manner described above. The CEO participated in discussions and reviews relating to executive compensation for other executive officers, but did not participate in the discussions and reviews relating to his own compensation.

Summary Compensation Table

The following table sets forth all annual and long-term compensation for services in all capacities to the Corporation for the two most recently completed financial years of the Corporation, being the periods ended September 30, 2020 and September 30, 2019, in respect of each of the following executive officers of the Corporation:

- (a) the CEO;
- (b) the CFO;
- (c) the Corporation’s (including any of its subsidiaries) most highly compensated executive officer, other than the CEO and CFO, who was serving as executive officer or acting in a similar capacity and whose total compensation was in excess of \$150,000 as at the end of the most recently completed financial year; and
- (d) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was neither serving as an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year

(collectively the “**Named Executive Officers**” or “**NEOs**”).

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-term Incentive Plans			
John P.A. Budreski ⁽⁴⁾ <i>Executive Chairman</i>	2020	107,500	45,600	NIL	116,000	NIL	N/A	NIL	269,100
	2019	113,875	80,400	566,800	145,000	NIL	N/A	NIL	906,075
Brent Charleton ⁽⁵⁾ <i>CEO</i>	2020	290,000	45,600	49,418	116,000	NIL	N/A	NIL	501,018
	2019	221,250	NIL	NIL	145,000	NIL	N/A	NIL	366,250
Mike Pytlinski ⁽⁶⁾ <i>NutraDried CEO</i>	2020	294,933	NIL	NIL	25,568	NIL	N/A	10,370	330,871
	2019	316,944	NIL	NIL	104,545	NIL	N/A	NIL	421,489
Dan Henriques <i>CFO</i>	2020	250,000	38,000	49,418	100,000	NIL	N/A	NIL	437,418
	2019	204,167	NIL	NIL	125,000	NIL	N/A	NIL	329,167

Notes:

- (1) The amounts in this column are RSRs. The fair value of the RSRs is calculated on the grant date using the closing price of the Corporation's Common Shares on the date the RSRs are granted.
- (2) The Black-Scholes model is used as the methodology to calculate the grant date fair value for stock options and the Corporation relied on the following key assumptions and estimates for 2020 and 2019: **2020** - dividend yield 0.0%, expected stock price volatility 50%, risk-free interest rate 0.82% and expected life of 3.65 years. **2019** - dividend yield 0.0%, expected stock price volatility 42%, risk-free interest rate 1.82% and expected life of 3.64 years. The Corporation chose this methodology as it is the standard for companies in Canada.
- (3) The amounts in this column were paid by the Corporation as annual cash bonuses in respect of the financial year noted.
- (4) Mr. Budreski became the Corporation's Executive Chairman on June 23, 2014 and is an employee of the Corporation. Mr. Budreski does not receive any additional compensation for his role as a director.
- (5) Mr. Charleton became the Corporation's CEO and President on August 28, 2018 and became a director of the Corporation on August 29, 2018. Mr. Charleton is an employee of the Corporation and does not receive any additional compensation for his role as a director.
- (6) Mr. Pytlinski became NutraDried's CEO on September 4, 2018. The amounts reported for Mr. Pytlinski are in Canadian dollars but were paid to him in U.S. dollars. The amounts reported for 2020 have been converted using an exchange rate of 1.3457 CAD/USD. The amounts reported for 2019 have been converted using an exchange rate of 1.3206 CAD/USD. The USD amounts have been converted using the Bank of Canada indicative rates for the fiscal year, and this method of conversion is consistent with the method used in the Corporation's annual financial statements.

Incentive Plan Awards

Stock Option Plan

The Stock Option Plan dated for reference January 24, 2012, was last approved by Shareholders on March 20, 2020 and, under TSXV policies, must be approved and ratified by the Shareholders on an annual basis (please see "*PARTICULARS OF MATTERS TO BE ACTED UPON – Annual Approval of Stock Option Plan*" in this Circular). The Board has recently made certain minor housekeeping amendments to the Stock Option Plan which do not require Shareholder approval. These housekeeping amendments are in accordance with TSXV guidelines and do not require TSXV approval.

The purpose of the Stock Option Plan is to advance the interests of the Corporation by encouraging equity participation in the Corporation through the acquisition of Common Shares by directors, officers, employees and consultants of the Corporation ("**Service Providers**"). Below is a summary of the Stock Option Plan.

Number of Shares Reserved for Issuance

The maximum aggregate number of Common Shares which may be issuable under the Stock Option Plan, together with all of the Corporation's other previously established or proposed share compensation arrangements, shall not exceed 10% of the Corporation's issued and outstanding Common Shares as at the date of grant. In the event an option granted under the Stock Option Plan expires unexercised or is terminated by reason of dismissal of the optionee for cause or is otherwise lawfully cancelled prior to exercise of the option, the Common Shares that were issuable thereunder will be returned to the Stock Option Plan and will be eligible for re-issuance.

Restrictions

The following restrictions on issuances of options are applicable under the Stock Option Plan:

- (a) no Service Provider can be granted an option if that option would result in the total number of options, together with all other share compensation arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the outstanding number of Common Shares (unless the Corporation has obtained disinterested Shareholder approval to do so);
- (b) no options can be granted under the Plan if the Corporation is on notice from the TSXV to transfer its listed shares to the NEX;
- (c) the aggregate number of options granted to Service Providers conducting investor relations activities in any 12-month period cannot exceed 2% of the outstanding number of Common Shares, calculated at the time of grant, without the prior consent of the TSXV; and

- (d) the aggregate number of options granted to any one consultant in any 12-month period cannot exceed 2% of the outstanding number of Common Shares, calculated at the time of grant, without the prior consent of the TSXV.

Amendments to the Plan

Subject to the requirements of the policies of the TSXV and the prior receipt of any necessary regulatory approval, the Board may in its absolute discretion, amend or modify the Stock Option Plan or any option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an option;
- (c) it may change the termination provision of an option which does not entail an extension beyond the original expiry date of such option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Corporation;
- (e) if the Corporation becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (f) it may amend the Stock Option Plan (except for previously granted and outstanding options) to reduce the benefits that may be granted to Service Providers (before a particular option is granted) subject to the other terms thereof.

Amendments Requiring Disinterested Shareholder Approval

Under the terms of the Stock Option Plan, the Corporation shall obtain disinterested Shareholder approval prior to any of the following actions becoming effective:

- (a) the Stock Option Plan, together with all of the Corporation's other share compensation arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under options granted to insiders exceeding 10% of the outstanding number of Common Shares;
 - (ii) the number of Common Shares issuable upon exercise of options to insiders within a one-year period exceeding 10% of the outstanding number of Common Shares; or
 - (iii) the issuance to any one optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the outstanding number of Common Shares; or
- (b) any reduction in the exercise price of an option previously granted to an insider.

Exercise Price

The exercise price of an option will be set by the Board on the date of grant and such exercise price cannot be less than the "Discounted Market Price" (within the meaning of the policies of the TSXV).

Term

An option can be exercisable for a maximum of 10 years from the date of grant or five years from the date of grant where the Corporation is classified as a NEX Issuer.

Vesting

The vesting period of options shall be at the discretion of the Board, and will generally be subject to: (a) the Service Provider remaining employed by or continuing to provide services to the Corporation or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Corporation or any of its affiliates during the vesting period; or (b) the Service Provider remaining as a director of the Corporation or any of its affiliates during the vesting period.

Notwithstanding the foregoing, options granted to consultants conducting investor relations activities will vest: (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or (b) such longer vesting period as the Board may determine.

In the Event of a Takeover Bid

If a takeover bid is made to the Shareholders generally then the Corporation shall, immediately upon receipt of notice of the takeover bid, notify each optionee currently holding an option of the takeover bid, with full particulars thereof whereupon such option may, subject to receipt of regulatory approval, be immediately exercised in whole or in part by the optionee.

Blackout Periods

Should the expiry date for an option fall within a blackout period, or within nine business days following the expiration of a blackout period, such expiry date shall be automatically extended without any further act or formality to that day which is the tenth business day after the end of the blackout period.

Optionee ceasing to be Director, Employee or Service Provider

No option may be exercised after the earlier of the date the Service Provider has left his employ/office and the date that the Service Provider has been advised by the Corporation that his services are no longer required or his service contract has expired (the "**Termination Date**"), except as follows:

- (a) in the case of the death of an optionee, any vested option held by him at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;
- (b) an option granted to any Service Provider (other than a Service Provider conducting investor relations activities) will expire upon the earlier of the original expiry date and 90 days after the Termination Date, but only to the extent that such option has vested as at the Termination Date;
- (c) options granted to a Service Provider conducting investor relations activities will expire upon the earlier of the original expiry date and 30 days after the Terminate Date, but only to the extent that such option has vested as at the Termination Date; and
- (d) the case of an optionee being dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non Assignable

All options granted under the Stock Option Plan are exercisable only by the optionee to whom they are granted and are not assignable or transferable.

Hold Periods

Share certificates issued in connection with the exercise of options will bear a legend stipulating that the Common Shares are subject to a four-month TSXV hold period commencing the date of grant of the option if: (i) the exercise price is set below the then current market price of the Common Shares on the TSXV; or (ii) the optionee is an insider.

The final version of the recently amended Stock Option Plan containing the housekeeping amendments is available under the Corporation's profile on SEDAR at www.sedar.com

Restricted Share Plan

On February 13, 2015, the Board approved the adoption of the Restricted Share Plan, which received initial Shareholder approval on March 23, 2015. The Restricted Share Plan was subsequently amended by the Board in 2020, which amendments were approved by Shareholders on March 20, 2020. The Board has recently made certain housekeeping amendments to the Restricted Share Plan which do not require Shareholder approval. These housekeeping amendments are in accordance with TSXV guidelines and received the approval of the TSXV on February 8, 2021.

The purpose of the adoption of the Restricted Share Plan was to have a wide range of incentive plans, including a restricted share rights plan available to attract, retain and motivate officers, directors, employees, management company employees and consultants of the Corporation.

The Restricted Share Plan provides that RSRs may be granted by a committee (as defined in the Restricted Share Plan) (the "**Committee**") which administers the Restricted Share Plan to employees, officers, directors, management company employees and consultants of the Corporation as a discretionary payment in consideration of past services to the Corporation.

Pursuant to the terms of the Restricted Share Plan approved in 2020, the aggregate maximum number of Common Shares reserved for issuance under the Restricted Share Plan from treasury:

- (a) shall not exceed **1,895,000** Common Shares; and
- (b) to any one Participant (as defined in the Restricted Share Plan) within a 12-month period shall not exceed **500,000** Common Shares.

Pursuant to TSXV guidelines, any Common Shares subject to a Restricted Share Right which have been awarded under the Restricted Share Plan and which have been cancelled or terminated in accordance with the terms of the Restricted Share Plan without the applicable Restricted Period(s) having expired will again be available for issuance under the Restricted Share Plan.

In addition, the number of Common Shares which may be issuable under the Restricted Share Plan and all of the Corporation's other previously established or proposed share compensation arrangements, within a 12-month period:

- (a) to any one Participant (and companies wholly owned by that Participant) shall not exceed 5% of the total number of issued and outstanding Common Shares on the date of the grant on a non-diluted basis;
- (b) to Insiders (as defined in the Restricted Share Plan) (as a group) shall not exceed 10% of the total number of issued and outstanding Common Shares, calculated on the date of the grant on a non-diluted basis;

- (c) to any one Eligible Contractor (as defined in the Restricted Share Plan) shall not exceed 2% in the aggregate of the total number of issued and outstanding Common Shares, calculated on the date of the grant on a non-diluted basis; and
- (d) to all Eligible Employees or Eligible Contractors (as defined in the Restricted Share Plan) conducting Investor Relations Activities (as defined in the TSXV policies) shall not exceed 2% in the aggregate of the total number of issued and outstanding Common Shares, calculated on the date of the grant on a non-diluted basis (kindly note that the TSXV has advised the Corporation that it does not permit the award of Restricted Share Rights to persons conducting Investor Relations Activities and, accordingly, the Board has approved a housekeeping amendment to the Restricted Share Plan to remove this particular provision from the plan, as discussed in this Circular under the section "*Particulars of Matters to be Acted Upon – Approval of Amendments to Restricted Share Plan*").

Each RSR entitles the holder to receive one fully paid Common Share without payment of additional consideration on the later of: (i) the end of a restricted period of time wherein a RSR cannot be exercised as determined by the Committee ("**Restricted Period**"); and (ii) a date determined by an eligible Participant that is after the Restricted Period and before a Participant's retirement date or termination date (a "**Deferred Payment Date**").

Under the Restricted Share Plan, the Board may from time to time amend or revise the terms of the Restricted Share Plan or may discontinue the Restricted Share Plan at any time. Subject to receipt of requisite Shareholder and regulatory approval, the Board may make amendments to the Restricted Share Plan to (a) materially increase the benefits under the Restricted Share Plan; (b) increase the maximum number of Common Shares issuable under the Restricted Share Plan; and (c) materially modify the requirements as to eligibility for participation in the Restricted Share Plan. All other amendments to the Restricted Share Plan may be made by the Board without obtaining Shareholder approval, such amendments including an amendment to the restricted period of a RSR or an amendment to the termination provisions of a RSR.

Except as otherwise may be expressly provided for under the Restricted Share Plan, or pursuant to a will or by the laws of descent and distribution, no RSR and no other right or interest of a Participant is assignable or transferable.

Canadian Participants seeking to set a Deferred Payment Date (as defined in the Restricted Share Plan) must give the Corporation at least 30 days' written notice prior to the expiration of the applicable Restricted Period in order to effect such a change.

In the event of a Participant's retirement or termination during a Restricted Period, any RSR held by the Participant will automatically immediately terminate, unless otherwise determined by the Committee. In the event of the retirement or termination of a Participant after a Restricted Period and, if applicable, prior to any Deferred Payment Date, the Corporation will forthwith issue the Restricted Shares in accordance with the RSRs held by the Participant and any dividends declared but unpaid to the Participant. In the event of death or total disability of a Participant, the Corporation will forthwith issue the Restricted Shares in accordance with the RSRs held by the Participant. In the event of a Change of Control (as defined in the Restricted Share Plan), all RSRs held by a Participant will be immediately deemed vested notwithstanding any Restricted Period(s) and any applicable Deferred Payment Date(s).

Subject to the absolute discretion of the Committee, the Committee may determine to pay Participants cash equal to any cash dividends declared on Common Shares that would be payable on Restricted Shares issuable in accordance with the Restricted Share Rights for which the Restricted Period has not expired in the manner and at the time such dividends are ordinarily paid to holders of Common Shares. The Corporation shall pay Participants cash equal to any cash dividends declared and paid on Common Shares that would be payable on Restricted Shares after the applicable Restricted Period, if the Deferred Payment Date has not occurred, in the manner and at the time such dividends are ordinarily paid to holders of Common Shares.

The maximum number of Common Shares which may be made subject to (a) RSRs under the Restricted Share Plan, and (b) stock options under the Stock Option Plan, together may not exceed 10% (on a rolling basis) of the Corporation's issued and outstanding Common Shares from time to time (on a non-diluted basis). As discussed above, the aggregate maximum number of Common Shares which may be reserved for issuance from treasury pursuant to the Restricted Share Plan approved in 2020, is **1,895,000**, representing approximately **1.7%** of the Corporation's current issued and outstanding Common Shares. The number of RSRs that are awarded pursuant to the Restricted Share Plan from time to time are deducted from this 1,895,000 ceiling, thus reducing the amount of future RSRs eligible for award. It is important to note that, after a RSR vests and is converted into a Common Share, there is no replenishment of the initial limit of RSRs reserved under the 1,895,000 ceiling.

As of the date of this Circular, **800,000** RSRs are outstanding under the Restricted Share Plan (representing approximately **0.72%** of the Corporation's current issued and outstanding Common Shares). A total of **400,000** Common Shares have been issued upon vesting of RSRs at the end of applicable Restricted Periods and now form part of the issued and outstanding Common Share count of the Corporation. A total of **170,000** RSRs have terminated without having vested (which made such number available for re-grant under the Restricted Share Plan). As a result, the Corporation currently has **695,000** RSRs (representing approximately **0.62%** of the current issued and outstanding Shares) available for the award of new RSRs.

The Corporation uses RSRs as part of its compensation program for the independent directors of the Corporation. Each independent director who chairs a Board committee receives an annual award of 25,000 RSRs as compensation for their services. If an independent director is on the Board but does not chair a Board committee, that director receives an annual award of 20,000 RSRs as compensation for their services. From time to time, the Board may also award additional RSRs to an independent director for leading additional special projects or initiatives.

A copy of the version of the amended Restricted Share Plan approved by the Shareholders in 2020 is available under the Corporation's profile on SEDAR at www.sedar.com. The final version of the recently amended Restricted Share Plan containing the housekeeping amendments as approved by the TSXV is also available under the Corporation's profile on SEDAR at www.sedar.com.

Outstanding Share-Based Awards and Option-Based Awards

Share-based awards and option-based awards for NEOs outstanding at the end of the Corporation's most recently completed financial year (September 30, 2020), including awards granted before the most recently completed financial year, are set out in the following table:

NEO Name	Option-Based Awards				Share-Based Awards		
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$) ^{(2) (3)}	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
John P.A. Budreski <i>Executive Chairman</i>	100,000	0.87	Jan 4, 2021	NIL	155,000	128,650	N/A
	250,000	0.94	May 31, 2021	NIL			
	200,000	1.09	Mar 5, 2022	NIL			
	800,000	2.19	Aug 29, 2024	NIL			
Brent Charleton <i>CEO</i>	100,000	1.09	Mar 5, 2022	NIL	165,000	136,950	N/A
	800,000	1.17	Sep 10, 2023	NIL			
	250,000	1.25	Jun 17, 2025	NIL			
Dan Henriques <i>CFO</i>	62,400	1.09	Mar 5, 2022	NIL	140,000	116,200	N/A
	657,600	1.17	Sep 10, 2023	NIL			
	250,000	1.25	Jun 17, 2025	NIL			
Mike Pytlinski <i>NutraDried CEO</i>	NIL	N/A	N/A	N/A	NIL	N/A	N/A

Notes:

- (1) Calculated using the closing price of the Corporation's Common Shares on the TSXV on September 30, 2020 of \$0.83 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Corporation's Common Shares on the date of exercise.
- (2) The figures in this column are calculated using the closing price of the Common Shares on the TSXV on September 30, 2020 of \$0.83.
- (3) Of the RSRs awarded to Mr. Budreski, 60,000 will vest subject to the Corporation achieving a 20-day share price volume weighted average price ("VWAP") of \$1.50 or greater on the TSXV. Of the RSRs awarded to Mr. Charleton, 60,000 will vest subject to the Corporation achieving a 20-day share price VWAP of \$1.50 or greater on the TSXV. Of the RSRs awarded to Mr. Henriques, 50,000 will vest subject to the Corporation achieving a 20-day share price VWAP of \$1.50 or greater on the TSXV. The remainder of RSRs awarded are not subject to any performance conditions.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year (September 30, 2020) of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards – Value Vested During the Year ⁽¹⁾ (\$)	Share-Based Awards – Value Vested During the Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
John P.A. Budreski <i>Executive Chairman</i>	NIL	40,000	N/A
Brent Charleton <i>CEO</i>	NIL	30,000	N/A
Dan Henriques <i>CFO</i>	NIL	20,000	N/A
Mike Pytlinski <i>NutraDried CEO</i>	N/A	N/A	N/A

Notes:

- (1) This amount is the dollar value that would have been realized if the stock options had been exercised on their respective vesting dates, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the stock options under the option-based award on the vesting date.
- (2) This amount is the deemed dollar value realized by the NEO upon vesting of RSRs during 2020, calculated by multiplying the number of underlying Common Shares received by the NEO by the closing price of the Common Shares on the TSXV on the date of issuance of such Common Shares.

Pension Plan Benefits

The Corporation and its subsidiaries do not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Corporation and its subsidiaries have no defined benefit or actuarial plans.

Termination of Employment, Change in Responsibilities and Employment Contracts

Other than described below, the Corporation has no contracts, agreements, plans or arrangements that provide for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change of control or change in an NEO's responsibilities.

Agreement with John P.A. Budreski (Executive Chairman)

Pursuant to an employment contract dated June 23, 2014, between the Corporation and John P.A. Budreski, the Corporation paid Mr. Budreski a base salary of \$107,500 during the financial year ended September 30, 2020, exclusive of any bonuses, stock-based and other compensation. If Mr. Budreski's employment contract is terminated for cause, disability or death, or by voluntary termination of Mr. Budreski, Mr. Budreski will not be entitled to any severance payment. If the employment contract is terminated by the Board for any other reason, Mr. Budreski will receive a severance payment equivalent to his annual base salary from the year before at the current rate. If such a triggering event had occurred on September 30, 2020, Mr. Budreski would have been entitled to receive \$107,500.

Agreement with Brent Charleton (Chief Executive Officer and President)

Pursuant to an employment contract dated August 31, 2018 between the Corporation and Brent Charleton, the Corporation agreed to pay Mr. Charleton a base salary of \$290,000 per annum, exclusive of any bonuses, stock-based and other compensation during the financial year ended September 30, 2020. Pursuant to the terms of the contract, in the case of a change of control (as defined in the agreement) of the Corporation, the Corporation will pay Mr. Charleton an amount equal to twice the annual base salary and bonus paid to him in the calendar year immediately prior to the calendar year in which a change of control occurred if the market capitalization of the Corporation on the date of the change of control is less than \$100,000,000, or an amount equal to 2% of the Corporation's market capitalization if the market capitalization is greater than \$100,000,000. All equity or equity based compensation received by Mr. Charleton and held by him immediately prior to termination or election upon a change of control shall fully vest, if not already vested, and shall be exercisable by Mr. Charleton following such termination or election, as the case may be, in accordance with their terms. If this triggering event had occurred on September 30, 2020, Mr. Charleton would have been entitled to receive \$725,000.

In addition, if Mr. Charleton employment contract is terminated for cause, disability or death, or by voluntary termination of Mr. Charleton, Mr. Charleton will not be entitled to any severance payment. If the employment contract is terminated by the Corporation for any other reason, Mr. Charleton will receive a severance payment equivalent to his annual base salary prior to termination plus his prorated bonus for the year. If such a triggering event had occurred on September 30, 2020, Mr. Charleton would have been entitled to receive \$406,000.

Agreement with Dan Henriques (Chief Financial Officer)

Pursuant to an employment contract dated July 30, 2015 (as amended) between the Corporation and Dan Henriques, the Corporation agreed to pay Mr. Henriques a base salary of \$250,000 per annum, exclusive of any bonuses, stock-based and other compensation. Pursuant to the terms of the contract, in the case of a change of control (as defined in the agreement) of the Corporation, the Corporation will pay Mr. Henriques an amount equal to twice his annualized base salary paid to him at the time the change of control has occurred. In addition, Mr. Henriques' benefits (as defined in the agreement) will continue for a period of two (2) years from the date of termination, or, if such is not possible, the Corporation shall pay to Mr. Henriques an amount sufficient to enable him to procure comparable benefits on a private basis for such term. All equity or equity based compensation received by Mr. Henriques and held by him immediately prior to termination or election upon a change of control shall fully vest, if not already vested, and shall be exercisable by Mr. Henriques following such termination or election, as the case may be, in accordance with their terms. If this triggering event had occurred on September 30, 2020, Mr. Henriques would have been entitled to receive \$500,000.

In addition, if Mr. Henriques' employment contract is terminated for cause, disability or death, or by voluntary termination of Mr. Henriques, Mr. Henriques will not be entitled to any severance payment. If the employment contract is terminated by the Corporation for any other reason, Mr. Henriques will receive a severance payment equivalent to his annual base salary prior to termination. If such a triggering event had occurred on September 30, 2020, Mr. Henriques would have been entitled to receive \$250,000.

Agreement with Mike Pytlinski (NutraDried Chief Executive Officer)

Pursuant to the Pytlinski Agreement, NutraDried agreed to pay Mr. Pytlinski a base salary of US\$265,000 per annum, exclusive of any bonuses and other compensation, in respect of the recently completed fiscal year.

If Mr. Pytlinski is terminated for cause or by voluntary termination of Mr. Pytlinski, Mr. Pytlinski will not be entitled to any severance payment. If Mr. Pytlinski is terminated due to disability or death, Mr. Pytlinski will be entitled to his prorated annual bonus through to the date of termination, provided that Mr. Pytlinski was on track to receive such bonus in the year. If the employment contract is terminated by the Corporation for any other reason, Mr. Pytlinski will receive a severance payment equivalent to one-half his annual base salary prior to termination, plus one additional month severance for each year of service to a maximum total severance of nine (9) months. If such a triggering event had occurred on September 30, 2020, Mr. Pytlinski would have been entitled to receive US\$176,667. In addition, Mr. Pytlinski would be entitled to receive all or a portion of the Special Bonus in the event of a Divestiture, subject to the terms, conditions and adjustments provided for in the Pytlinski Agreement (see "*Compensation Discussion and Analysis – CEO of NutraDried*").

Director Compensation

In order to align the interests of the non-executive directors with the long-term interests of Shareholders, the Board, in consultation with the *Independence Committee*, determined that the most appropriate form of payment for the services of non-executive directors is through participation in the Stock Option Plan and Restricted Share Plan, as well as an annual cash retainer and fees for meeting attendance. The Board has adopted an internal policy that non-executive directors are granted stock options upon appointment as a director and are eligible for annual grants thereafter.

The following table sets out all amounts of compensation paid to the non-executive directors for their services as directors for the Corporation's most recently completed financial year. Directors who also served as executives of the Corporation received no additional consideration for acting as a director. See the "*Statement of Executive Compensation – Summary Compensation Table*" above for compensation disclosure for executives who are also members of the Board.

Director Name	Fees earned (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Mary C. Ritchie	40,000	19,000	86,010	N/A	N/A	NIL	145,010
Stewart J. Ritchie	40,000	15,200	NIL	N/A	N/A	NIL	55,200
Stephen Sanford	40,000	15,200	NIL	N/A	N/A	NIL	55,200
Patrick Turpin ⁽³⁾	29,043	22,200	55,875	N/A	N/A	NIL	107,118
Hugh McKinnon ⁽⁴⁾	40,000	NIL	NIL	N/A	N/A	NIL	40,000

Notes:

- (1) The amounts in this column are RSRs. The fair value of the RSRs is calculated on the grant date using the closing price of the Corporation's Common Shares on the date the RSRs are granted.
- (2) The Black-Scholes model is used as the methodology to calculate the grant date fair value for stock options and the Corporation relied on the following key assumptions and estimates for 2020: dividend yield 0.0%, expected stock price volatility 50%, risk-free interest rate 0.82% and expected life of 3.65 years.
- (3) Mr. Turpin was appointed as a director of the Corporation on February 11, 2020. The fees earned by Mr. Turpin are reported in Canadian dollars but were paid to him in U.S. dollars. The amounts reported for 2020 have been converted using an exchange rate of 1.3457 CAD/USD. The USD amounts have been converted using the Bank of Canada indicative rates for the fiscal year, and this method of conversion is consistent with the method used in the Corporation's annual financial statements.
- (4) Mr. McKinnon ceased as a director of the Corporation on November 19, 2020.

Outstanding Share-Based Awards and Option-Based Awards

Share-based awards and option-based awards for the non-executive directors of the Corporation outstanding at the end of the Corporation's most recently completed financial year (September 30, 2020) are set out in the following table. For similar information relating to the directors who also serve as executive management of the Corporation, please see "Statement of Executive Compensation – Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards" above.

Director Name	Option-Based Awards				Share-Based Awards		
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$) ⁽²⁾	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Mary C. Ritchie	150,000	1.74	Dec 11, 2024	NIL	75,000	62,250	N/A
Stewart J. Ritchie	150,000	2.12	Apr 26, 2024	NIL	60,000	49,800	N/A
Stephen Sanford	150,000	2.12	Apr 26, 2024	NIL	40,000	33,200	N/A
Patrick Turpin ⁽³⁾	150,000	1.11	Feb 26, 2025	NIL	20,000	16,600	N/A
Hugh McKinnon ⁽⁴⁾	150,000	2.12	Apr 26, 2024	NIL	60,000	49,800	N/A

Notes:

- (1) Calculated using the closing price of the Corporation's Common Shares on the TSXV on September 30, 2020 of \$0.83 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Corporation's Common Shares on the date of exercise.
- (2) The figures in this column are calculated using the closing price of the Common Shares on the TSXV on September 30, 2020 of \$0.83.
- (3) Mr. Turpin was appointed as a director of the Corporation on February 11, 2020.
- (4) Although Mr. McKinnon ceased as a director of the Corporation on November 19, 2020, he has entered into a consulting agreement with the Corporation which preserves his rights under his stock option agreements with the Corporation.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year (September 30, 2020) of incentive plan awards granted to non-executive directors of the Corporation is set forth in the following table. For similar information relating to the directors who also serve as management of the Corporation, please see “*Statement of Executive Compensation – Incentive Plan Awards – Incentive Plan Awards – Value Vested or Earned During the Year*” above.

Director Name	Option-Based Awards – Value Vested During the Year ⁽¹⁾ (\$)	Share-Based Awards – Value Vested During the Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Mary C. Ritchie	NIL	16,000	N/A
Stewart J. Ritchie	NIL	12,800	N/A
Stephen Sanford	NIL	N/A	N/A
Patrick Turpin ⁽³⁾	NIL	N/A	N/A
Hugh McKinnon ⁽⁴⁾	NIL	16,000	N/A

Notes:

- (1) This amount is the dollar value that would have been realized if the stock options had been exercised on their respective vesting dates, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the stock options under the option-based award on the vesting date.
- (2) This amount is the deemed dollar value realized by the director upon vesting of RSRs during 2020, calculated by multiplying the number of underlying Common Shares received by the director by the closing price of the Common Shares on the TSXV on the date of issuance of such Common Shares.
- (3) Mr. Turpin was appointed as a director of the Corporation on February 11, 2020.
- (4) Mr. McKinnon ceased as a director of the Corporation on November 19, 2020.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Corporation’s compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (September 30, 2020).

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights ⁽²⁾ (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽³⁾ (c)
<i>Equity compensation plans approved by security holders</i>	6,975,667 (Stock Options) 790,000 (RSRs)	\$1.46 (Stock Options) \$1.16 (RSRs)	2,270,308 (Stock Options) 765,000 (RSRs)
<i>Equity compensation plans not approved by security holders</i>	N/A	N/A	N/A
Total	6,975,667 (Stock Options) 790,000 (RSRs)	\$1.46 (Stock Options) \$1.16 (RSRs)	4,131,651 (Stock Options) 765,000 (RSRs)

- (1) Represents, as at September 30, 2020, the number of Common Shares available for issuance upon exercise of outstanding stock options and the number of Common Shares subject to issuance upon vesting of outstanding RSRs.
- (2) Represents the weighted-average exercise price in the case of outstanding Stock Options and the weighted-average grant date fair value in the case of outstanding Restricted Share Rights.

- (3) Represents, as at September 30, 2020, the number of Common Shares remaining available for future issuance under stock options available for grant under the Stock Option Plan and the number of Common Shares remaining available for future issuance under RSRs which may be awarded under the Restricted Share Plan. Please note that the aggregate maximum number of Common Shares which may be made subject to (a) RSRs under the Restricted Share Plan, and (b) pursuant to stock options granted under the Stock Option Plan, is 10% of the Corporation's issued and outstanding Common Shares (on a rolling basis) at the time of grant. Please refer to "Stock Option Plan" and "Restricted Share Plan" above for further details concerning the Stock Option Plan and the Restricted Share Plan.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND OTHERS

None of the Corporation's directors, nominees for director, executive officers or employees, or former directors, executive officers or employees, nor any associate of such individuals, is as at the date hereof, or has been, during the year ended September 30, 2020, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of any of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Circular and except for the fact that certain directors and officers are Shareholders of the Corporation, no informed person (as defined in National Instrument 51-102, *Continuous Disclosure*) of the Corporation or proposed director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Other than the election of directors or the appointment of auditors, no (a) person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, (b) proposed nominee for election as a director of the Corporation, or (c) associate or affiliate of a person in (a) or (b), has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except that the directors and executive officers of the Corporation may have an interest in (i) the resolution regarding the annual approval of the Stock Option Plan; and (ii) the resolution regarding the approval of the amendments to the Corporation's Restricted Share Plan, as such persons are eligible to participate in such plans.

MANAGEMENT CONTRACTS

No management functions of the Corporation or any of its subsidiaries are performed to any substantial degree by a person or persons other than the directors or executive officers of the Corporation or its subsidiaries.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

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

The Audit Committee's Charter

A copy of the *Audit Committee* charter (the "Charter") is attached to this Circular as **Schedule "A"**.

Composition of the Audit Committee

The current members of the *Audit Committee* are Mary C. Ritchie (Chair), Dr. Stewart Ritchie and Stephen Sanford. Pursuant to the definitions contained in NI 52-110, Ms. Ritchie, Dr. Ritchie and Mr. Sanford are considered “independent” and all of the members of the *Audit Committee* are “financially literate”.

Relevant Education and Experience

Mary C. Ritchie – Ms. Ritchie is the President and Chief Executive Officer of Richford Holdings Ltd., an accounting and investment advisory services firm based in Edmonton, Alberta. She has over 30 years of experience in both the public, private and not-for-profit sectors and is a member of CPA Canada and a Fellow of CPA Alberta. Ms. Ritchie is a member of the board of directors and audit committees of Alaris Equity Partners Income Trust (TSX:AD.UN) and Morien Resources Corp (TSXV:MOX). Ms. Ritchie is a former member of RBC Global Asset Management’s independent oversight committee and a former member of the board of directors of Industrial Alliance Insurance and Financial Services Inc. Ms. Ritchie holds a B.A. degree from the University of Western Ontario and a Bachelor of Commerce degree from the University of Alberta.

Dr. Stewart Ritchie – Dr. Ritchie has been a shareholder of a group of companies in the agricultural industry and he has extensive experience with managing the internal and external finances of this group including such transactions as foreign exchange, combined statements, and other balance sheet, income statement, and cash flow statements. Dr. Ritchie holds a B.Sc. from the UBC, a M.S. from the University of Arkansas and a Doctor of Veterinary Medicine degree from the University of Saskatchewan.

Stephen Sanford – Mr. Sanford is a seasoned legal executive with over 30 years of experience as an executive for a Fortune 500 company. He is the former Senior Counsel to Managing General Counsel at Fluor Corporation (“Fluor”), a global engineering and construction company. Mr. Sanford has significant experience structuring major commercial transactions in a variety of legal systems around the world. In his role at Fluor, Mr. Sanford managed a team of legal professionals with a global footprint that addressed intellectual property matters, taxation, insurance and risk management matters. During his tenure at Fluor, Mr. Sanford provided legal expertise and leadership during the structuring of billions of dollars in transactions. He obtained both his Bachelor’s Degree and Law Degree from Dalhousie University and holds a MBA from the University of Calgary.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the *Audit Committee* to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on any exemption from NI 52-110 other than the exemption available in Section 6.1 from the requirements of Part 5 (Reporting Obligations) of NI 52-110, as the Corporation is a venture issuer.

Pre-Approval Policies and Procedures

The Charter sets out responsibilities regarding the provision of non-audit services by the Corporation’s external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor’s independence and all non-audit related services require *Audit Committee* pre-approval.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ended September 30	Audit Fees	Audit-Related Fees ⁽¹⁾	Tax Fees ⁽²⁾	All Other Fees ⁽³⁾	Total
2020	\$129,203	nil	nil	\$10,112	\$139,315
2019	\$133,214	nil	nil	\$6,720	\$139,934

Notes:

- (1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements which are not included under the heading "Audit Fees".
- (2) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (3) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

As of the date of this Circular, the Board of Directors of the Corporation consists of seven (7) directors, five (5) of whom are considered to be independent. Mary C. Ritchie, Dr. Stewart Ritchie, Stephen Sanford, Patrick Turpin and Pablo Cussatti are independent. Mr. Charleton is not independent because he is the CEO of the Corporation. Mr. Budreski is not independent as he is the Executive Chairman of the Corporation. The independent status of each individual director is reviewed annually by the Board. The Board considers a director to be independent if he has no direct or indirect material relationship with the Corporation which, in the view of the Board, could reasonably be perceived to materially interfere with the exercise of the director's independent judgment.

The Board examines its size annually to determine whether the number of directors is appropriate. In that regard, the Board appointed new nominee, Mr. Pablo Cussatti, to the Board of Directors on November 19, 2020 in order to continue to provide diversity of views and experience while maintaining efficiency. The Board believes that its composition fairly represents the interests of Shareholders, however, the Board considers potential nominees to the Board of Directors from time to time in order to enhance diversity of views and experience relevant to the industry in which it operates while maintaining efficiency.

The Board has established two (2) committees of its directors, being the *Audit Committee* (comprised of Ms. Mary C. Ritchie (Chair), Dr. Stewart Ritchie and Mr. Stephen Sanford) and the *Independence Committee* (comprised of Mr. Stephen Sanford (Chair), Dr. Stewart Ritchie, Ms. Mary Ritchie, Mr. Patrick Turpin and Mr. Pablo Cussatti).

Role of the Board

The duties and responsibilities of the Board of Directors are to supervise the management of the business and affairs of the Corporation and to act with a view towards the best interests of the Corporation. The Board is responsible for the oversight and review of the development of, among other things, the following matters:

- the strategic planning process of the Corporation;
- an annual strategic plan for the Corporation which takes into consideration, among other things, the risks and opportunities of the Corporation's business;
- identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;

- annual capital and operating budgets which support the Corporation's ability to meet its strategic objectives;
- material acquisitions and divestitures;
- succession planning, including appointing, training and monitoring the development of senior management;
- a communications policy for the Corporation to facilitate communications with investors and other interested parties;
- a reporting system which accurately measures the Corporation's performance against its business plan; and
- the integrity of the Corporation's internal control and management information systems.

The operations of the Corporation do not support a large Board and the Board of Directors has determined that the current constitution of the Board is appropriate for the Corporation's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are able to meet at any time without any members of management including the non-independent directors being present. Further supervision is performed through the *Audit Committee*. The Board of Directors has not adopted a formal mandate.

Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described below under "*Election of Directors – Other Directorships*" in this Circular. The Board of Directors has determined that the simultaneous service of some of its directors on other boards and board committees does not impair the ability of such directors to effectively serve on the Board of Directors and committees, having regard to their qualifications, attendance and contribution as members of the Board of Directors and committees.

Orientation and Continuing Education

The Corporation does not have a formal orientation/training program in place for its new directors. Instead, the Corporation has adopted a tailored approach depending on the particular needs and focus of the director being appointed. When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Corporation's businesses, technology and industry. Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current on industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Corporation's operations. Board meetings may also include presentations by the Corporation's management and employees to provide the directors additional insight into the Corporation's businesses.

Directors are expected to attend all scheduled Board and committee meetings in person, although attendance by telephone is permissible. Directors are also expected to prepare thoroughly in advance of each meeting, and to stay for the entire meeting, in order to actively participate in the Board's deliberations and decisions. If there are unforeseen circumstances and a director is unable to attend a meeting, he/she is expected to contact the Chairman/CEO or the Corporate Secretary of the Corporation as soon as possible after the meeting for a briefing on the substantive elements of the meeting.

Nomination of Directors

The nomination of directors is undertaken by the *Independence Committee* whose members are currently Mr. Sanford, Ms. Mary Ritchie, Dr. Stewart Ritchie, Mr. Turpin and Mr. Cussatti. One of the roles of the *Independence Committee* is to evaluate and recommend persons as nominees for the position as a director of the Corporation and to review on an annual basis the qualifications and willingness of the current directors to devote the necessary time and energy to fulfil the duties and responsibilities of a director. The Board of Directors considers its size each year when it considers the number of directors to recommend to the

Shareholders for election at the annual meeting of Shareholders, taking into account the number of directors required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

Compensation of Directors and Officers

Compensation matters are one of the roles of the *Independence Committee*, the members of whom are detailed above. The *Independence Committee* formulates and makes recommendations to the Board of Directors in respect of compensation relating to the directors, executive officers and other officers of the Corporation. Please refer to the discussions and tables contained within the "*Statement of Executive Compensation*" section of this Circular for detailed information concerning compensation of the Corporation's NEOs and directors.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Corporation and to meet its responsibilities to the Shareholders. On December 15, 2016, the Board adopted a *Code of Business Conduct and Ethics* (the "**Code**") and has instructed its management and employees to abide by the Code. The Board intends that it will review compliance with the Code on an annual basis until the Corporation has grown to a size which warrants more frequent monitoring. A copy of the Code is posted on SEDAR at www.sedar.com.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and employees to assist them in recognizing and dealing with ethical issues, promoting a culture of open communication, honesty and accountability; promoting a safe work environment; and ensuring awareness of disciplinary action for violations of ethical business conduct. In addition, the Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes the Corporation's high caliber management team promotes a culture of ethical business conduct throughout the Corporation's operations and is expected to monitor the activities of the Corporation's employees, consultants and agents in that regard.

It is a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with the Corporation promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect of the same if the interest is material. To date, the Corporation has not been required to file a material change report relating to a departure from the Code by any of its directors or executive officers.

Whistleblower Policy

The Corporation has adopted a *Whistleblower Policy* which permits its employees who feel that a violation of the Code has occurred, or who have concerns regarding accounting, audit, internal controls, financial reporting or ethical matters, to report such violation or concerns on a confidential and anonymous basis. Such reporting may be made by e-mail, in writing or by telephone to the Corporation's 24 hour whistleblower hotline. Once received, complaints are provided to the *Audit Committee* for investigation and, if necessary, appropriate corrective action.

Workplace Bullying and Harassment Policy

The Corporation is committed to creating and maintaining a workplace environment which fosters mutual respect, integrity and professional conduct. In keeping with this commitment, the Corporation has adopted a *Workplace Bullying and Harassment Policy* and a set of related reporting/investigation procedures for all directors, officers and employees relating to this issue. This policy articulates the Corporation's position of non-tolerance with respect to bullying or harassment in the workplace.

Communications and Corporate Disclosure Policy

The Corporation has adopted a *Communications and Corporate Disclosure Policy* which is intended to assist the Corporation in fulfilling its obligations to ensure that all information relevant and material to the Shareholders and the market is disclosed in a timely manner, while protecting the Corporation's commercially sensitive information.

Diversity Policy

The Corporation is committed to creating and maintaining a culture of workplace diversity. In keeping with this commitment, the Corporation has adopted a *Diversity Policy* which sets out the guidelines by which the Corporation will endeavour to establish and maintain diversity throughout the Corporation, including at the Board level, and applies to executive and non-executive directors, full-time, part-time and casual employees, contractors, and consultants of the Corporation. The Corporation will benefit from employee and Board diversity, including a broader pool of high-quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

Management of the Corporation will promote a work environment that values and utilizes the contributions of women and men, equally, with a variety of backgrounds, experiences and perspectives. The Board will consider diversity in the selection criteria of new Board members and senior executive officer appointments. The Board monitors the effectiveness of the *Diversity Policy* through ongoing discussions with management and review of diversity within the Corporation at both the Board and employee level.

Diversity Disclosure Prescribed Pursuant to the *Canada Business Corporations Act* (the "CBCA")

Board of Directors

The Corporation has not adopted a written policy specifically relating to the identification and nomination of directors from the four designated "Diversity Groups" (which include women, Indigenous peoples, persons with disabilities and members of visible minorities) nor does the Board or the *Independence Committee* consider the level of representation of Diversity Groups on the Board when nominating candidates for election to the Board.

The Board and *Independence Committee* evaluate potential nominees to the Board by reviewing the qualifications of the nominee, irrespective of whether the nominee falls under the designated Diversity Groups, and determines their appropriateness by taking into consideration the then current Board composition and the anticipated skills required to round out the capabilities of the Board.

However, the Corporation values diversity, including, without limitation, diversity of experience, perspective, education, race, gender and national origin as part of its overall business strategy.

The Corporation has not adopted a target regarding Diversity Groups on its Board and in its senior management. The Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

Currently, one individual from the designated Diversity Groups serves on the Corporation's Board, representing approximately 14% of the Board.

Senior Management

In nominating candidates to positions as members of the senior management team, the Corporation does not take into account the representation of Diversity Groups in the senior management team. The Corporation's objective is to identify the person who best possesses the skills required for each senior officer position, regardless of whether the nominee falls under the four designated Diversity Groups.

However, the Corporation values diversity, including, without limitation, diversity of experience, perspective, education, race, gender and national origin as part of its overall business strategy.

As of the date of this Circular, no individual from the designated Diversity Groups held any executive officer positions within the Corporation. However, the Corporation has several women in various positions in senior roles throughout the organization.

Term Limits

The Corporation has not adopted term limits for the directors of the Board or other mechanisms of Board renewal because the term limits and other mechanisms reduce continuity and experience on the Board, and force valuable, experienced and knowledgeable directors to leave. The Corporation regularly assesses Board members' effectiveness and annual elections are considered sufficient.

Policy on Stock Trading and Use of Material Information

The Corporation has adopted a *Policy on Stock Trading and Use of Material Information*. Canadian and United States securities laws prohibit "insider trading" and impose restrictions on trading securities while in possession of material undisclosed information. The rules and procedures implemented in the Corporation's *Policy on Stock Trading and Use of Material Information* have been implemented in order to prevent improper trading of the Corporation's securities or of companies with which the Corporation (or one or more of its subsidiaries) has a significant business relationship or with which the Corporation (or one or more of its subsidiaries) is proposing to enter into a business transaction. The *Policy on Stock Trading and Use of Material Information* is intended to ensure that the directors, officers and employees of the Corporation and its subsidiaries act, and are perceived to act, in accordance with applicable laws.

Assessments

The Board of Directors does not consider that formal assessments would be useful at this stage of the Corporation's development. The Board of Directors conducts informal annual assessments of the Board's effectiveness, the individual directors and its two committees. To assist in its review, the Board of Directors conducts informal surveys of its directors and receives a report from the *Audit Committee* respecting its own effectiveness. As part of the assessments, the Board of Directors and its two committees may review their respective roles/charters and conduct reviews of applicable corporate policies.

Advance Notice Requirements

By-Law No. 2 of the Corporation (the "**Advance Notice By-Law**"), which was originally passed by the Board of Directors on February 7, 2014 and confirmed by Shareholders on February 28, 2014, includes advance notice provisions (the "**Advance Notice Provisions**") relating to the nomination of directors. Pursuant to the Advance Notice Provisions, such notice must be delivered prior to the Meeting and in accordance with the timelines and other requirements set forth in the Advance Notice By-Law and in writing and proper form to the Corporation at its chief executive offices, Attention: Secretary. No nominations were received from the Shareholders for consideration at the Meeting. Additional information regarding the Advance Notice By-Law can be found in the Corporation's management information circular dated February 4, 2014, a copy of which is available on SEDAR at www.sedar.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The Board of Directors for the Corporation currently consists of seven (7) directors and management of the Corporation is seeking Shareholder approval of an ordinary resolution determining the number of directors of the Corporation at **seven (7)** for the ensuing year.

The Articles of the Corporation provide that the number of directors for the Corporation will be a minimum of three (3) and a maximum of nine (9). The term of office of each of the current directors of the Corporation

will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the CBCA, each director elected will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected, or if he or she becomes disqualified to act as a director.

By-Law No. 2 of the Corporation includes advance notice provisions, setting out requirements for director nominations and elections. See "*Corporate Governance Disclosure – Advance Notice Requirements*".

At the Meeting, the seven (7) persons named hereunder will be proposed for election as directors of the Corporation (the "**Nominees**"). All of the Nominees currently serve on the Board of Directors and each has expressed his/her willingness to serve on the Board of Directors for the forthcoming term. **Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the election of each of the Nominees whose names are set forth below.** Management does not contemplate that any of the Nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve.

Management of the Corporation proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual Nominees, is as follows:

Name, Jurisdiction of Residence and Position(s)	Principal Occupation or employment and, if not a previously elected Director, occupation during the past five years	Previous Service as a Director	Number of Common Shares Beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾
John P.A. Budreski British Columbia, Canada <i>Executive Chairman and Director</i>	Executive Chairman of the Corporation since June 2014; Executive Chairman of Morien Resources Corp. (TSXV:MOX) since November 2018; President and Chief Executive Officer of Morien Resources Corp. from November 2012 to November 2018.	Since June 23, 2014	1,817,911 ⁽²⁾
Brent Charleton British Columbia, Canada <i>Chief Executive Officer, President and Director</i>	Chief Executive Officer of the Corporation since August 2018; Senior Vice President, Sales and Business Development of the Corporation from January 2015 to August 2018; Vice President, Marketing and Corporate Affairs of the Corporation from May 2013 to January 2015.	Since August 29, 2018	36,500
Mary C. Ritchie ^{(3) (4)} Alberta, Canada <i>Director</i>	President and Chief Executive Officer of Richford Holdings Ltd., an accounting and investment advisory services company.	Since October 6, 2014	162,500
Dr. Stewart Ritchie ^{(3) (4)} British Columbia, Canada <i>Director</i>	President, Canadian Poultry Consultants since 1989 and S.J. Ritchie Research Farms since 1993.	Since November 25, 2013	101,700
Stephen Sanford ^{(3) (4)} Texas, U.S.A. <i>Director</i>	Former Senior Vice President and Managing General Counsel, Fluor Corporation (a global engineering and construction company) from 1994 to 2019.	Since February 27, 2019	10,000

Name, Jurisdiction of Residence and Position(s)	Principal Occupation or employment and, if not a previously elected Director, occupation during the past five years	Previous Service as a Director	Number of Common Shares Beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾
Patrick Turpin ⁽⁴⁾ California, U.S.A. <i>Director</i>	Former Chief Executive officer of Kona Deep Corporation (a beverage company) from 2014 to 2019; President of Popchips, Inc (a snack product company) from 2005 to 2014.	Since February 11, 2020	NIL
Pablo Cussatti ⁽⁴⁾ California, U.S.A. <i>Director</i>	Senior Vice President of Manufacturing at Ventura Foods, LLC (a multinational food manufacturer) since 2018. Former Senior Vice President of Operations and Fulfilment at Blue Apron (a U.S. home meal kit delivery company) from 2016 to 2017. Former Senior Vice President of Manufacturing for Pinnacle Foods from 2012 to 2016.	Since November 19, 2020	NIL

Notes:

- (1) Common Shares beneficially owned by the Nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Of the 1,817,911 Common Shares held by Mr. Budreski, 1,789,911 are held directly and 28,000 are held by his spouse.
- (3) Member of the *Audit Committee*.
- (4) Member of the *Independence Committee*.

Mr. Pablo Cussatti

Management would like to provide the Shareholders with additional important information concerning newly appointed Director to the Board, Mr. Pablo Cussatti, and accordingly refer you to the biography below:

Mr. Pablo Cussatti is an accomplished senior executive in the food manufacturing industry who brings 28 years of food operations and manufacturing experience to the Board. Mr. Cussatti is currently the Senior Vice President of Manufacturing for Ventura Foods and has extensive experience with other national brands such as Blue Apron, Pinnacle Foods, Pepsi Bottling Group, and Dean Foods. Mr. Cussatti has spent his career setting up, managing, and optimizing large food manufacturing operations in the U.S. and his he brings a wealth of experience to the Corporation in a strategically important area of the Corporation's future growth.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
 - (i) was subject to an order (being a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation) that was issued while the proposed director was acting in the capacity of director, chief executive officer or chief financial officer; or

- (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director,

other than John P.A. Budreski, who was a director of EarthFirst Canada Inc. (“**EarthFirst**”) until March 2, 2010. EarthFirst was engaged in the development of wind power and related generation facilities, when it obtained creditor protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) on November 4, 2008. The CCAA process has been completed and EarthFirst amalgamated with another entity and no longer exists as a separate entity. In addition, Mr. Budreski became a director of Colossus Minerals Inc. (“**Colossus**”) in late March of 2014 pursuant to the terms of, and upon the completion of, a Court supervised restructuring. Prior to Mr. Budreski joining the Board of Colossus, Colossus had failed to file its requisite disclosure materials with the applicable regulatory bodies and, on April 29, 2014, the Ontario Securities Commission issued a cease trade order against Colossus. As of the date hereof, the cease trade order remains in effect.

Penalties and Sanctions

No proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding to vote for a proposed director.

Other Directorships

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
John P.A. Budreski	Morien Resources Corp. Sandstorm Gold Ltd. Colossus Minerals Inc. NuLegacy Gold Corp.
Brent Charleton	N/A
Mary C. Ritchie	Alaris Equity Partners Income Trust Morien Resources Corp.
Dr. Stewart Ritchie	N/A
Stephen Sanford	N/A
Patrick Turpin	N/A
Pablo Cussatti	N/A

Appointment of Auditor

At the Meeting, Shareholders will be asked to approve an ordinary resolution to re-appoint PricewaterhouseCoopers LLP as the auditor of the Corporation to hold office until the next annual meeting of the Shareholders at a remuneration to be fixed by the Board of Directors. **Unless otherwise instructed, proxies given pursuant to this solicitation will be voted FOR this resolution.** PricewaterhouseCoopers LLP was first appointed as auditor of the Corporation on September 25, 2007.

Annual Approval of Stock Option Plan

Background Information

The Stock Option Plan was most recently approved by the Shareholders at the meeting of Shareholders of the Corporation held on March 20, 2020 and was accepted for filing by the TSXV. Please see “*Statement of Executive Compensation – Incentive Plan Awards – Stock Option Plan*” in this Circular for a full summary of the Stock Option Plan.

The Corporation currently has **111,606,755** issued and outstanding Common Shares, meaning that the number of stock options currently available for grant under the Stock Option Plan, together with any RSRs which may be awarded under the Restricted Share Plan would be 10% of that number (on a rolling basis) or **11,160,676** Common Shares. As of the date of this Circular, the Corporation had **6,875,000** stock options outstanding under the Stock Option Plan (representing **6.2%** of the Corporation’s current issued and outstanding Common Shares, on a non-diluted basis) and the Corporation reserved a maximum of **1,895,000** Common Shares for RSRs under its Restricted Share Plan, leaving **2,390,076** Common Shares currently available pursuant to the future grant of stock options.

The TSXV Requires Annual Shareholder Approval for the Stock Option Plan

The Stock Option Plan is a rolling stock option plan which sets the number of Stock Options available for grant by the Corporation at an amount equal to 10% of the Corporation’s issued and outstanding Common Shares from time to time. Under TSXV policies, the Stock Option Plan must be approved and ratified by the Shareholders on an annual basis.

Shareholder Approval Being Sought

A copy of the Stock Option Plan is available upon request to any Shareholder at no charge, or may be inspected at the Corporation’s registered office during normal business hours until the date of the Meeting. The Stock Option Plan can also be found under the Corporation’s profile on SEDAR at www.sedar.com.

The Board and management consider the approval of the Stock Option Plan to be appropriate and in the best interests of the Corporation. **Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the approval of the Stock Option Plan.**

The text of the ordinary resolution approving the Stock Option Plan to be submitted to Shareholders at the Meeting is set forth below, subject to such amendments, variations or additions as may be approved at the Meeting:

“RESOLVED, with or without amendment, THAT:

- (a) *subject to receipt of annual acceptance by the TSX Venture Exchange, the Corporation’s Stock Option Plan, pursuant to which the directors of the Corporation may, from time to time, authorize the issuance of stock options (pursuant to and subject to the terms and conditions of the Stock Option Plan) to directors, officers, employees, management company employees and consultants of the Corporation and its subsidiaries to a maximum of 10% of the issued and outstanding Common Shares of the Corporation at the time of the grant, be and is hereby approved;*

- (b) *any committee created pursuant to the Stock Option Plan is authorized to make such amendments to the Stock Option Plan from time to time as the Board of Directors may, in its discretion, consider to be appropriate, provided that such amendments may be subject to the approval of applicable regulatory authorities and in certain cases, in accordance with the terms of the Stock Option Plan, the shareholders of the Corporation; and*
- (c) *any director or officer of the Corporation be and is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolution, including the filing of all necessary documentation with regulatory authorities including the TSX Venture Exchange.”*

Approve, Confirm and Ratify an Amended and Restated By-Law No. 1

Background Information

Shareholders will be asked to consider and, if deemed advisable, confirm and ratify, with or without variation, an ordinary resolution (the “**By-Law Resolution**”) approving the amendment and restatement of By-Law No. 1 of the Corporation relating generally to the affairs of the Corporation. By-Law No. 1 was originally approved by the Board of Directors on January 30, 2006 and confirmed by Shareholders on March 24, 2006, with an Amendment to By-Law No. 1 passed by the Board of Directors on October 30, 2007 and confirmed by Shareholders on March 11, 2008.

Purpose of the Amended and Restated By-Law No. 1

The Corporation has recently undertaken a review of By-Law No. 1, particularly in light of evolving means of communication and corporate governance best practices, and determined that it would be in the best interests of the Corporation to implement the Amended and Restated By-Law No. 1 in order to incorporate such practices, implement other desirable changes and generally update and modernize By-Law No. 1. The Amended and Restated By-Law No. 1 was approved by the Board of Directors on February 9, 2021.

Terms of the Amended and Restated By-Law No. 1

Selected changes to By-Law No. 1 as contained in the Amended and Restated By-Law No. 1 are summarized below. The Amended and Restated By-Law No. 1:

- (a) contains provisions to modernize procedures, including regarding electronic communications, electronic voting, notices and corporate governance matters;
- (b) amends the notice period for any meeting of the Board from not less than 7 days before the time when such meeting is to be held to not less than 48 hours or such lesser time as the directors may agree at such meeting;
- (c) amends the quorum for any meeting of the Board to at least 50% of the number of directors on the Board or such greater number of directors as the Board may from time to time determine;
- (d) clarifies that directors will not transact business at a meeting of the Board, other than filling a vacancy in the Board in accordance with the Amended and Restated By-Law No. 1, unless at least 25% of the number of directors on the Board present at such meeting are resident Canadians;
- (e) contains a provision regarding the appointment by the chairman of a meeting of the Board of some person, who need not be a director, to act as secretary of such meeting in the event that the secretary of the Corporation is absent at such meeting;

- (f) contains a provision regarding the ability of the Board to set regular meetings of the Board;
- (g) contains provisions regarding officers, including their appointment, powers and duties, term of office and terms of employment and remuneration;
- (h) contains provisions regarding joint shareholders and deceased shareholders;
- (i) amends certain provisions regarding the notice and record dates for shareholder meetings to more closely align with requirements under applicable securities laws;
- (j) amends the procedure for appointing a proxyholder or representative and the authority of such proxyholder or representative;
- (k) contains a provision regarding the time for depositing proxies, which time is not to exceed 48 hours, excluding Saturdays and holidays, preceding the time of the meeting of Shareholders at which the proxies are to be used; and
- (l) contains a provision regarding the repeal of previous by-laws of the Corporation.

The full text of the Amended and Restated By-Law No. 1 is set out as **Schedule "B"** to this Circular. A copy of the Corporation's original By-Law No. 1, as amended, used by the Corporation prior to the adoption of Amended and Restated By-Law No. 1 is available on SEDAR at www.sedar.com.

Shareholder Approval Being Sought

The Amended and Restated By-Law No. 1 must be approved, confirmed and ratified at the Meeting by at least a majority of the votes cast by the Shareholders present or represented by proxy at the Meeting.

As the Board has already approved the Amended and Restated By-Law No. 1, it will be effective for the Meeting; however, if the Shareholders do not approve the Amended and Restated By-Law No. 1 at the Meeting, it will cease to be effective immediately following the Meeting and the original By-Law No. 1 will be reinstated.

The Board and management consider the approval of the By-Law Resolution to be appropriate and in the best interests of the Corporation. **Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, property executed, FOR the approval of the By-Law Resolution.**

By-Law Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, confirm and ratify the By-Law Resolution approving and adopting the Amended and Restated By-Law No. 1, in the following form, subject to such amendments variations or additions as may be approved at the Meeting:

"RESOLVED AS AN ORDINARY RESOLUTION THAT:

- (a) *the Amended and Restated By-Law No.1 of EnWave Corporation (the "**Corporation**"), substantially in the form set out in Schedule "B" to the Management Information Circular of the Corporation dated February 9, 2021, is hereby approved, ratified and confirmed to amend, restate and replace By-Law No. 1 of the Corporation that was originally adopted on March 24, 2006, as amended; and*
- (b) *any one director or officer of the Corporation be and is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolution."*

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com under the Corporation's name. Financial information is provided in the audited consolidated financial statements and management's discussion and analysis ("**MD&A**") for its most recently completed financial year ended September 30, 2020, which are filed on SEDAR. Copies of the financial statements and MD&A may also be obtained from the Corporation free of charge by writing to Dan Henriques, Chief Financial Officer of the Corporation, at the above noted address or by telephoning no. (604) 806-6110.

OTHER MATTERS

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the Notice. If any other matter properly comes before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

SHAREHOLDER PROPOSALS

The final date by which the Corporation must receive any proposals for any matter that a person is entitled to vote at an annual meeting of Shareholders of the Corporation proposes to raise at the next annual meeting of Shareholders of the Corporation is 90 days before the date of the accompanying notice of meeting, subject to the requirements of the CBCA.

DIRECTORS' APPROVAL

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Board of Directors of the Corporation.

DATED at Vancouver, British Columbia, as of the 9th day of February, 2021.

APPROVED BY THE BOARD OF DIRECTORS

(signed) Brent Charleton
Chief Executive Officer

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

1. **Mandate**

The audit committee will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. **Composition**

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 *Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation.

2.2 *Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. **Meetings**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. **Roles and Responsibilities**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
 - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 *Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

- (c) understand industry best practices and the Corporation's adoption of them.

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the company's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;
 - (vi) the Corporation's financial and operating controls are functioning effectively;
 - (vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - (viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.

SCHEDULE "B"

ENWAVE CORPORATION

(the "**Corporation**")

AMENDED AND RESTATED BY-LAW NO. 1,

being a by-law relating generally to the transaction of the business and affairs of the Corporation.

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BE IT ENACTED as a by-law of the Corporation as follows:

ARTICLE ONE

INTERPRETATION

1.01 DEFINITIONS - In the by-laws of the Corporation, unless the context otherwise requires:

"Act" means the *Canada Business Corporations Act*, and any statute that may be substituted therefor, as from time to time amended;

"appoint" includes "elect" and vice versa;

"articles" means the articles of the Corporation as from time to time amended or restated;

"board" means the board of directors of the Corporation;

"by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

"cheque" includes a draft;

"entity" means a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization;

"meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders;

"non-business day" means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act (Canada)* as from time to time amended;

"ordinary resolution" means a resolution passed by a majority of the votes cast by the shareholders who voted in respect of that resolution or signed by all of the shareholders entitled to vote on that resolution;

"person" means any individual or entity;

"recorded address" means (i) in the case of a shareholder, his or her address as recorded in the securities register; (ii) in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and (iii) in the case of a director (subject to the provisions of Section 11.01), officer, auditor or member of a committee of the board, his or her latest address as recorded in the records of the Corporation;

"resident Canadian" means an individual who is:

- (a) a Canadian citizen ordinarily resident in Canada;
- (b) a Canadian citizen not ordinarily resident in Canada who is a member of a class of persons prescribed in the regulations to the Act, as amended from time to time; or
- (c) a permanent resident within the meaning of the *Immigration Act* (Canada) and ordinarily resident in Canada, except a permanent resident who has been ordinarily resident in Canada for more than one year after the time at which he first became eligible to apply for Canadian citizenship;

"signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by or pursuant to Section 2.04;

"special meeting of shareholders" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders; and

"special resolution" means a resolution passed by a majority of not less than two-thirds of the votes cast by the shareholders who voted in respect of that resolution or signed by all the shareholders entitled to vote on that resolution.

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein. Words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing a person include an individual, partnership, association, body corporate, unincorporated organization, trustee, executor, administrator and legal representative.

ARTICLE TWO

BUSINESS OF THE CORPORATION

2.01 REGISTERED OFFICE - The registered office of the Corporation shall be in the province or territory in Canada from time to time specified in the articles and, within such province, at the place and address as the board may from time to time determine.

2.02 CORPORATE SEAL – The board may but need not adopt a corporate seal of the Corporation and may change a corporate seal that is adopted.

2.03 FINANCIAL YEAR - Until changed by the board, the financial year of the Corporation shall end on the last day of September in each year.

2.04 EXECUTION OF INSTRUMENTS - Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by two persons, one of whom holds the office of chairman of the board, managing director, president, vice-president or director and the other of whom holds one of the said offices or the office of secretary, treasurer, assistant secretary or assistant treasurer or any other office created by by-law or by resolution of the board. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.05 BANKING ARRANGEMENTS - The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations or persons as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

2.06 VOTING RIGHTS IN OTHER BODIES CORPORATE - The person or persons authorized under Section 2.04 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the said person or persons executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.07 DIVISIONS - The board may cause the business and operations of the Corporation or any part thereof to be divided or segregated into one or more divisions upon such basis, including without limitation, character or type of businesses or operations, geographical territories, product lines or goods or services as the board may consider appropriate in each case. From time to time the board or, if authorized by the board, the chief executive officer may authorize, upon such basis as may be considered appropriate in each case:

- (a) the further division of the business and operations of any such division into sub-units and consolidation of the business and operations of any such divisions and sub-units;
- (b) the designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the name of the Corporation; provided that the Corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Corporation; and

- (c) the appointment of officers for any such division or sub-unit, the determination of their powers and duties, and the removal of any such officer so appointed without prejudice to such officer's rights under any employment contract or in law, provided that any such officers shall not, as such, be officers of the Corporation, unless expressly designated as such.

2.08 **BOOKS AND RECORDS** - Any records maintained by the Corporation in the regular course of its business, including its securities register, books of account and minute books, may be maintained in a bound or loose-leaf book or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device. The Corporation shall make such records available for inspection under applicable law.

ARTICLE THREE

BORROWING AND SECURITIES

3.01 **BORROWING POWER** - Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- (c) to the extent permitted by the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) charge, mortgage, hypothecate, pledge, or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this Section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 **DELEGATION** - The board may from time to time delegate to a committee of the board, one or more directors or officers of the Corporation or any other person as may be designated by the board all or any of the powers conferred on the board by

Section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

ARTICLE FOUR

DIRECTORS

4.01 NUMBER OF DIRECTORS AND QUORUM - Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum number of directors provided for in the articles. Subject to Section 4.08, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors or such greater number of directors as the board may from time to time determine.

4.02 QUALIFICATION - No person shall be qualified for election as a director if he is less than 18 years of age; if he is of unsound mind and has been so found by a court in Canada or elsewhere; if he is not an individual; or if he has the status of bankrupt. A director need not be a shareholder. At least one quarter (25%) of the directors shall be resident Canadians, provided that, if the Corporation has less than four directors, at least one director must be a resident Canadian.

4.03 ELECTION AND TERM - The election of directors shall take place at the first meeting and thereafter at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall, if a minimum and maximum number of directors is authorized, be the number of directors then in office unless the directors or the shareholders otherwise determine or shall, if a fixed number of directors is authorized, be such fixed number. The election shall be by ordinary resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected. An individual who is elected or appointed to hold office as a director is not a director and is deemed not to have been elected or appointed to hold office as a director unless:

- (a) he or she was present at the meeting when the election or appointment took place and he or she did not refuse to hold office as a director;
or
- (b) he or she was not present at the meeting when the election or appointment took place and
 - (i) he or she consented to hold office as a director in writing before the election or appointment or within ten days after it,
or
 - (ii) he or she has acted as a director pursuant to the election or appointment.

4.04 REMOVAL OF DIRECTORS - Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a special meeting of shareholders called for such purpose remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board.

4.05 TERMINATION OF OFFICE - A director ceases to hold office when he dies; he is removed from office by the shareholders; he ceases to be qualified for election as a director; or his written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

4.06 VACANCIES - Subject to the provisions of the Act and despite Section 4.08, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or minimum number of directors specified in the articles or from a failure of the shareholders to elect the number or minimum number of directors specified in the articles. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number or minimum number of directors specified in the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If such directors fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

4.07 ACTION BY THE BOARD - The board shall manage, or supervise the management of, the business and affairs of the Corporation. Subject to Sections 4.08 and 4.09, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office. Where the Corporation has only one director, that director may constitute a meeting.

4.08 RESIDENT CANADIAN DIRECTORS AT MEETINGS - Directors shall not transact business at a meeting, other than filling a vacancy in the board in accordance with Section 4.06, unless at least 25% of the directors present are resident Canadians, or, if the Corporation has less than four directors, at least one of the directors present is a resident Canadian, except where:

- (a) a resident Canadian director who is unable to be present approves in writing or by telephonic, electronic or other communication facility, the business transacted at the meeting; and
- (b) the required number of resident Canadian directors would have been present had that director been present at the meeting.

4.09 PARTICIPATION IN MEETING - If all the directors of the Corporation consent, a director may participate in a meeting of the board or of a committee of the board by means of such telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in such a meeting by such means is deemed to be present at the meeting.

Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board.

4.10 PLACE OF MEETINGS - Meetings of the board may be held at any place in or outside Canada.

4.11 CALLING OF MEETINGS - Meetings of the board shall be held from time to time at such time and at such place as the board, the chairman of the board, the managing director, the president or any two directors may determine.

4.12 NOTICE OF MEETING - Notice of the time and place of each meeting of the board shall be given in the manner provided in Article Eleven to each director not less than 48 hours before the time when the meeting is to be held or such lesser time as the directors may agree at such meeting. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including, if required by the Act, any proposal to:

- (a) submit to the shareholders any question or matter requiring approval of the shareholders;
- (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
- (c) issue securities or issue shares in a series under the Act, except in the manner and on the terms authorized by the directors;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (f) pay a commission for the sale of shares of the Corporation, except as authorized by the directors;
- (g) approve a management proxy circular referred to in the Act;
- (h) approve a take-over bid circular or directors' circular referred to in the Act;
- (i) approve any annual financial statements referred to in the Act; or
- (j) adopt, amend or repeal by-laws.

4.13 FIRST MEETING OF NEW BOARD - Provided a quorum of directors is present, each newly elected board may hold its first meeting, without notice, immediately following the meeting of shareholders at which such board is elected.

4.14 ADJOURNED MEETING - Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.15 REGULAR MEETINGS - The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.16 CHAIRMAN - The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting unless such person declines to so act: chairman of the board, president, chief executive officer or a vice-president. If no such officer is present, the directors present shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a director, to act as secretary of the meeting.

4.17 VOTES TO GOVERN - At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote.

4.18 CONFLICT OF INTEREST - A director or officer of the Corporation who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, or an individual acting in a similar capacity to such directors or officers who is a party to, a material contract or material transaction, whether made or proposed, with the Corporation shall disclose to the Corporation the nature and extent of his interest at the time and in the manner provided by the Act and such material interest shall be entered in the minutes of the meetings of directors or otherwise noted in the records of the Corporation. Any such contract or transaction shall be disclosed to the board in the manner provided by the Act even if such contract or transaction is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders. Such a director shall not vote on any resolution to approve the same except as provided by the Act.

4.19 REMUNERATION AND EXPENSES - The directors shall be paid such remuneration for their services and be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof as the board may from time to time determine. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

ARTICLE FIVE

COMMITTEES

5.01 COMMITTEES OF THE BOARD - The board may appoint one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of the board has no authority to exercise.

5.02 TRANSACTION OF BUSINESS - Subject to the provisions of Section 4.09, the powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of any such committee may be held at any place in or outside of Canada.

5.03 ADVISORY BODIES - The board may from time to time appoint such advisory bodies as it may deem advisable.

5.04 PROCEDURE - Unless otherwise determined by the board, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chairman, and to regulate its procedure.

ARTICLE SIX

OFFICERS

6.01 APPOINTMENT - The board may from time to time appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to Sections 6.02 and 6.03, an officer may but need not be a director and one person may hold more than one office.

6.02 CHAIRMAN OF THE BOARD - The board may from time to time also appoint a chairman of the board who shall be a director. If appointed, the board may assign to him any of the powers and duties that are by any provisions of this by-law assigned to the president, and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chairman of the board, his duties shall be performed and his powers exercised by the president.

6.03 PRESIDENT - If appointed, the president shall have general supervision over the business of the Corporation and other duties incident to the office of president, and any other duties as may be from time to time assigned to the president by the board and subject to the control of the board in each case.

6.04 VICE-PRESIDENT - A vice-president shall have such powers and duties as the board or the president or the chief executive officer may specify.

6.05 SECRETARY - The secretary shall enter or cause to be entered minutes of all proceedings of all meetings of the board, shareholders and committees of the board in records kept for that purpose; shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents, and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and shall have such other powers and duties as the board, the president or the chief executive officer may specify.

6.06 TREASURER - The treasurer shall keep or cause to be kept proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; shall render or cause to be rendered to the board whenever required an account of all his or her transactions as treasurer and of the financial position of the Corporation; and shall have such other powers and duties as the board, the president or the chief executive officer may specify.

6.07 POWERS AND DUTIES OF OTHER OFFICERS - The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board, the president or the chief executive officer may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board, the president or the chief executive officer otherwise directs.

6.08 VARIATION OF POWERS AND DUTIES - The board may from time to time and, subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

6.09 TERM OF OFFICE - The board, in its discretion, may remove any officer of the Corporation, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed, or until his earlier resignation.

6.10 TERMS OF EMPLOYMENT AND REMUNERATION - The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time.

6.11 CONFLICT OF INTEREST - An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with Section 4.18.

6.12 AGENTS AND ATTORNEYS - Subject to the provisions of the Act, the Corporation, by or under the authority of the board, shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers of management, administration or otherwise (including the power to sub-delegate) as may be thought fit.

6.13 FIDELITY BONDS - The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

ARTICLE SEVEN

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 LIMITATION OF LIABILITY - Every director and officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense suffered or incurred by the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.02 INDEMNITY - The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, only if:

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the corporation's request; and

- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that his conduct was lawful.

The Corporation shall advance moneys (the "Advanced Moneys") to a director, officer or other individual for the costs, charges and expenses of such proceedings. The individual shall repay the advanced moneys if the individual does not fulfill the conditions of subsections 7.02 (a) and (b). The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires. Nothing in this by-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.03 INSURANCE - Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 7.02 against such liabilities and in such amounts as the board may from time to time determine and as are permitted by the Act.

ARTICLE EIGHT

SHARES

8.01 ALLOTMENT OF SHARES - Subject to the Act and the articles, the board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

8.02 COMMISSIONS - The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of his purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

8.03 REGISTRATION OF A SHARE TRANSFER - Subject to the provisions of the Act, no transfer of a share in respect of which a certificate has been issued shall be registered in a securities register except upon presentation of the certificate representing such share with an endorsement which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any reasonable fee prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles.

8.04 TRANSFER AGENTS AND REGISTRARS - The board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Corporation issued by it in registered form, a central securities register and one or more branch securities registers. Such a person may be designated as transfer agent or

registrar according to his functions and one person may be designated both registrar and transfer agent. The board may at any time terminate such appointment.

8.05 NON-RECOGNITION OF TRUSTS - Subject to the provisions of the Act, the Corporation may treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

8.06 SHARE CERTIFICATES - Every holder of one or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written certificate of acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Such certificates and certificates of acknowledgement of a shareholder's right to a share certificate, respectively, shall be in such form as the board may from time to time approve. Any share certificate shall be signed in accordance with Section 2.04 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of a certificate which is not valid unless countersigned by or on behalf of a transfer agent and/or registrar, and in the case of a certificate which does not require manual signature under the Act, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile thereon. Every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

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

8.08 JOINT HOLDERS - If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.09 DECEASED SHAREHOLDERS - In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any

entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof; except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

ARTICLE NINE

DIVIDENDS AND RIGHTS

9.01 **DIVIDENDS** - Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

9.02 **DIVIDEND CHEQUES** - A dividend payable in money shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.03 **NON-RECEIPT OF CHEQUES** - In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses, and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.04 **RECORD DATE FOR DIVIDENDS AND RIGHTS** - The board may fix in advance a date, preceding by not more than 60 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities; and notice of any such record date shall be given not less than 7 days before such record date in the manner provided for by the Act. If no record date is so priced, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.05 **UNCLAIMED DIVIDENDS** - Any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

ARTICLE TEN

MEETINGS OF SHAREHOLDERS

10.01 ANNUAL MEETINGS - The annual meeting of shareholders shall be held at such time in each year and, subject to Section 10.03, at such place as the board, the chairman of the board, the president or the chief executive officer may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor, and for the transaction of such other business as may properly be brought before the meeting.

10.02 SPECIAL MEETINGS - The board, the chairman of the board, the president or the chief executive officer shall have power to call a special meeting of shareholders at any time.

10.03 PLACE OF MEETINGS - Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situate or, if the board shall so determine, at some other place in Canada. Despite the foregoing, a meeting of shareholders may be held at a place outside of Canada if such a place is specified in the articles or all shareholders who are entitled to vote at the meeting agree that the meeting is to be held at that place. If the board calls a meeting of shareholders under the Act, the board may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

10.04 NOTICE OF MEETINGS - Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Article 11 not less than 21 and not more than 60 days before the date of the meeting to each director, to the auditor and to each shareholder entitled to vote at the meeting except those of such shareholders who were not registered on the records of the Corporation or its transfer agent on the record date for voting determined under 10.05 as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. Except as otherwise provided herein or permitted by applicable law, notice to shareholders shall be in writing and delivered personally or mailed to the shareholders at their recorded address. Without limiting the manner by which notice otherwise may be given effectively to shareholders, notice of meeting may be given to shareholders by means of electronic transmission in accordance with applicable law. Notice of any meeting need not be given to any shareholder who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the shareholder attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is unlawfully called. Any shareholder so waiving

notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

10.05 RECORD DATE FOR NOTICE OR VOTING - The board may fix in advance a date, which must precede the date of any meeting of shareholders by not more than 60 days and not less than 21 days, as a record date for the determination of the shareholders entitled to vote at (the "record date for voting") or to receive notice of (the "record date for notice") the meeting. If no record date for notice is fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which notice is given or, if no notice is given, the day on which the meeting is held (whichever is applicable, the "Established Record Date"). A determination of shareholders entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting; provided however, that the board may fix a new record date for the determination of shareholders entitled to vote at the adjourned meeting and in such case shall also fix as the record date for shareholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of shareholders entitled to vote therewith at the adjourned meeting

10.06 LIST OF SHAREHOLDERS ENTITLED TO NOTICE - The Corporation shall prepare an alphabetical list of its shareholders entitled to receive notice of a meeting, showing the number of shares held by each shareholder no later than ten days after the fixed record date for notice or if no record date for notice is fixed, no later than the Established Record Date.

10.07 VOTING LIST - The Corporation shall prepare an alphabetical list of shareholders entitled to vote as of the record date that shows the number of shares held by each shareholder, no later than ten days after the fixed record date for voting, or, if no record date for voting is fixed, no later than ten days after the fixed record date for notice or, if no record date for notice is fixed, no later than ten days after the Established Record Date.

10.08 EXAMINATION OF LIST - The list of shareholders prepared pursuant to Section 10.06 or Section 10.07 shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. If the meeting is held solely by means of telephonic, electronic or other communication facility, the list shall also be open for inspection by any shareholder during the whole time of the meeting. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders. Except as provided by applicable law, the securities register of the Corporation shall be the only evidence as to who are the shareholders entitled to inspect the securities register and the list of shareholders or to vote in person or by proxy at any meeting of shareholders

10.09 CHAIRMAN, SECRETARY AND SCRUTINEERS - The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: president, chief executive officer, chairman of the board, or a vice-president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. The board, in advance of any meeting of shareholders, may, and shall if required by law, appoint one or more scrutineers, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and make a written report thereof. The board may designate one or more persons as alternate scrutineers to replace any scrutineer who fails to act. If no scrutineer or alternate is able to act at a meeting, or if the board did not appoint a scrutineer in advance of a meeting, the chair of the meeting may appoint one or more scrutineers to act at the meeting. Each scrutineer shall faithfully execute the duties of a scrutineer with strict impartiality and according to the best of his or her ability. The scrutineers shall (a) ascertain the number of shares outstanding and the voting rights of each, (b) determine the shares represented at the meeting, the existence of a quorum and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the scrutineers and (e) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. The scrutineers may appoint or retain other persons to assist the scrutineers in the performance of their duties. No ballot, proxies, votes or any revocation thereof or change thereto, shall be accepted by the scrutineers after the closing of the polls unless a court upon application by a shareholder shall determine otherwise. In determining the validity and counting of proxies and ballots cast at any meeting of shareholders, the scrutineers may consider such information as is permitted by applicable law. No individual who is a candidate for office at an election may serve as a scrutineer at such election.

10.10 PERSONS ENTITLED TO BE PRESENT - The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

10.11 QUORUM - A quorum for the transaction of business at a meeting of shareholders is at least two persons present at the commencement of the meeting holding, or representing by proxy, the holder or holders of shares carrying, in the aggregate not less than five percent of the votes eligible to be cast at the meeting. If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a meeting requisitioned by shareholders, the meeting is dissolved, and

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

If, at the adjourned meeting, a quorum is not present within one-half hour from the time set for the holding of the adjourned meeting, one or more persons present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the adjourned meeting shall be deemed to constitute a quorum. Once a quorum is established, it does not need to be maintained throughout the meeting. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the original meeting.

10.12 RIGHT TO VOTE - Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Corporation has prepared the list referred to in Section 10.07, every person who is named in such list shall be entitled to vote the shares shown thereon opposite his name at the meeting to which such list relates.

10.13 MANDATORY SOLICITATION – The management of the Corporation shall, concurrently with giving notice of a meeting of shareholders pursuant to Section 10.04, send a form of proxy prescribed form to each shareholder who is entitled to receive notice of the meeting.

Despite the foregoing, the Corporation is not required to send a form of proxy if it

- (a) is not a distributing corporation; and
- (b) has fifty or fewer shareholders entitled to vote at the meeting, two or more joint holders being counted as one shareholder.

10.14 PROXYHOLDERS AND REPRESENTATIVES - Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, other than the person designated in the relevant form of proxy, who need not be shareholders, to attend and act as his representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney and shall conform with the requirements of the Act.

Alternatively, every such shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a meeting of shareholders and such individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of such resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chairman of the meeting. Any such representative need not be a shareholder.

10.15 **TIME FOR DEPOSIT OF PROXIES** - The board may specify in a notice calling a meeting of shareholders a time not exceeding 48 hours, excluding Saturdays and holidays, preceding the time of such meeting or an adjustment thereof, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or if, no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

10.16 **JOINT SHAREHOLDERS** - If two or more persons hold shares jointly, any one of them present in person or duly represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented by proxy and vote, they shall vote as one the shares jointly held by them.

10.17 **VOTES TO GOVERN** - At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands, upon a poll, or the results of electronic voting, the chairman of the meeting shall not be entitled to a second or casting vote.

10.18 **SHOW OF HANDS** - Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

10.19 **BALLOTS** - On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chairman or any person who is present and entitled to vote, whether as shareholder or proxyholder, on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

10.20 **ADJOURNMENT** - The chairman at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide,

adjourn the meeting from time to time and place to place. If the adjournment is for less than 30 days, the Corporation need not give notice of the adjourned meeting if the time, place, if any, thereof and the means of remote communication, if any, are announced at the original meeting which is adjourned. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each shareholder entitled to vote at the meeting. If, after the adjournment, a new record date is fixed for shareholders entitled to vote at the adjourned meeting, the board shall give notice of the new record date and notice of the adjourned meeting to each shareholder entitled to vote at the adjourned meeting in accordance with the Act and this By-law. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

10.21 **RESOLUTION IN WRITING** - A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditor in accordance with the Act.

10.22 **ONLY ONE SHAREHOLDER** - Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented by proxy constitutes a meeting.

ARTICLE ELEVEN

NOTICES

11.01 **METHOD OF GIVING NOTICES** - Any notice or document to be given pursuant to the Act, the regulations thereunder, the articles or the by-laws to a shareholder or director of the Corporation may be sent by prepaid mail addressed to, or may be delivered personally to the shareholder at his latest address as shown in the records of the Corporation or its transfer agent and the director at his latest address as shown on the records of the Corporation or in the last notice of directors or notice of change of directors filed under the Act. A notice or document sent in accordance with the foregoing to a shareholder or director of the Corporation shall be deemed to be received by him at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the shareholder or director did not receive the notice or document at the time or at all. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable. The foregoing shall not be construed so as to limit the manner or effect of giving notice by any other means of communication otherwise permitted by law.

11.02 **NOTICE TO JOINT HOLDERS** - If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

11.03 COMPUTATION OF TIME - In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

11.04 UNDELIVERED NOTICES - If the Corporation sends a notice or document to a shareholder pursuant to Section 11.01 and the notice or document is returned on two consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to send any further notices or documents to such shareholder until such shareholder informs the Corporation in writing of such shareholder's new address.

11.05 OMISSIONS AND ERRORS - The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.06 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW - Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

11.07 WAIVER OF NOTICE - Any shareholder, proxyholder, other person entitled to attend a meeting of shareholders, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board or of a committee of the board which may be given in any manner.

ARTICLE TWELVE

EFFECTIVE DATE

12.01 EFFECTIVE DATE - This by-law shall come into force when made by the board in accordance with the Act. Subject to the Articles, the board may, by resolution, make, amend or repeal any by-law. Any such by-law, amendment or repeal shall be effective from the date of the resolution of the board until the next meeting of shareholders where it may be confirmed, rejected or amended by the shareholders by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the shareholders, it remains effective in the form in which it was confirmed. Such by-law,

amendment or repeal ceases to have effect if it is not submitted to the shareholders at the next meeting of shareholders or if it is rejected by the shareholders at the meeting.

12.02 REPEAL - All previous by-laws of the Corporation which are inconsistent herewith are repealed as of the coming into force of this by-law. For greater certainty, By-Law No. 2 of the Corporation, which was approved by the shareholders on February 28, 2014, shall remain in full force and effect, as may be specifically amended from time to time in accordance with applicable law. Such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles or predecessor charter documents of the Corporation obtained pursuant to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board or a committee of the board with continuing effect passed under any repealed by-law shall continue good and valid except to the extent inconsistent with this by-law and until amended or repealed.

MADE by the board effective the 9th day of February, 2021.

Signed: "*John P.A. Budreski*"

Authorized Signatory

CONFIRMED by the shareholders of the Corporation in accordance with the Act effective the 19th day of March, 2021.

Signed: "*Daniel S. Henriques*"

Secretary