



FERONIA INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

MAY 17, 2016

TABLE OF CONTENTS

	Page
NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS.....	1
SOLICITATION OF PROXIES	3
APPOINTMENT AND REVOCATION OF PROXIES	3
EXERCISE OF DISCRETION BY PROXIES	4
ADVICE TO BENEFICIAL SHAREHOLDERS	4
NOTE TO NON-OBJECTING BENEFICIAL OWNERS.....	5
VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF.....	5
CURRENCY AND EXCHANGE RATE INFORMATION.....	5
EXECUTIVE COMPENSATION.....	6
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	17
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	18
REPORT ON CORPORATE GOVERNANCE	18
AUDIT COMMITTEE	18
INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS.....	20
PARTICULARS OF MATTERS TO BE ACTED UPON.....	20
INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON	36
ADDITIONAL INFORMATION.....	36
APPROVAL OF BOARD OF DIRECTORS	37
SCHEDULE "A" STATEMENT OF GOVERNANCE PRACTICES.....	A-1
SCHEDULE "B" AUDIT COMMITTEE CHARTER	B-1
SCHEDULE "C" DEFERRED SHARE UNIT PLAN	C-1
SCHEDULE "D" SHARE PURCHASE PLAN	D-1
SCHEDULE "E" ARTICLES.....	E-1
SCHEDULE "F" SECTION 185 OF THE <i>BUSINESS CORPORATIONS ACT</i> (ONTARIO).....	F-1

FERONIA INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Feronia Inc. (the “**Corporation**”) will be held at the offices of Aird & Berlis LLP, Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario, M5J 2T9 on Monday, June 20, 2016 at the hour of 11:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2015, together with the report of the auditor thereon;
2. to elect the directors of the Corporation;
3. to appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix its remuneration;
4. to consider and, if thought appropriate, pass, with or without variation, a resolution approving certain amendments to the Corporation’s deferred share unit plan, as more fully described in the accompanying management information circular;
5. to consider and, if thought appropriate, pass, with or without variation, a resolution approving certain amendments to the Corporation’s share purchase plan, as more fully described in the accompanying management information circular;
6. to consider, and if thought appropriate, pass, with or without variation, a special resolution authorizing the Corporation to make an application for the continuation of the Corporation under the *Business Corporations Act* (British Columbia), as more fully described in the accompanying management information circular; and
7. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Take notice that, pursuant to section 185 of the *Business Corporations Act* (Ontario), each Shareholder has the right to dissent with respect to the continuation of the Corporation under the *Business Corporations Act* (British Columbia) and to be paid the fair value of its common shares in the capital of the Corporation, in respect of which such Shareholder dissents, subject to certain conditions. The right of dissent is described in the accompanying management information circular. Failure to strictly comply with the requirements of the *Business Corporations Act* (Ontario) with respect to dissent may result in the loss of any right of dissent.

Accompanying this Notice of Annual and Special Meeting of Shareholders is the management information circular and a copy of the audited financial statements of the Corporation for the financial year ended December 31, 2015, together with the report of the auditor thereon.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Corporation’s transfer agent and registrar, Equity Financial Trust Company, Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1, on or before 11:00 a.m. on Thursday, June 16, 2016 or deliver it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting.

Shareholders who are unable to be present personally at the Meeting are urged to sign, date and return the enclosed form of proxy in the envelope provided for that purpose. If you plan to be present personally at

the Meeting, you are requested to bring the enclosed form of proxy for identification. The record date for the determination of those Shareholders entitled to receive the Notice of Annual and Special Meeting of Shareholders and to vote at the Meeting was the close of business on Monday, May 9, 2016.

DATED at Toronto, Ontario this 17th day of May, 2016.

BY ORDER OF THE BOARD

“Ravi Sood”

Ravi Sood

Executive Chairman

FERONIA INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Feronia Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of common shares in the capital of the Corporation (the “**Common Shares**”) to be held at the time and place and for the purposes set forth in the attached Notice of Annual and Special Meeting of Shareholders (the “**Notice**”). The solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by regular employees of the Corporation. The cost of solicitation will be borne by the Corporation.

Except as noted below, the Corporation has distributed or made available for distribution, copies of the Notice, Circular and form of proxy or voting instruction form (if applicable) (the “**Meeting Materials**”) to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Corporation has elected to pay for the delivery of the Meeting Materials to objecting Beneficial Shareholders by the Intermediaries. The Corporation is sending proxy-related materials directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Equity Financial Trust Company. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Corporation if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Corporation will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials. The Corporation is not relying on the notice-and-access provisions of securities laws for delivery of the Meeting Materials to registered Shareholders or Beneficial Shareholders.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Corporation’s transfer agent and registrar, Equity Financial Trust Company, Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1 not later than 11:00 a.m. on Thursday, June 16, 2016 or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy must be executed by the registered Shareholder or his, her or its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

1. by depositing an instrument in writing executed by the Shareholder or by such Shareholder’s attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - (a) at the registered office, 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9, at any time up to and including Friday, June 17, 2016; or

- (b) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
2. in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares, or non-objecting beneficial owners whose names has been provided to the Corporation's registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Corporation to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend

the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The Meeting Materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation has fixed the close of business on Monday, May 9, 2016 as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 346,938,173 Common Shares carrying the right to one vote per share at the Meeting were issued and outstanding.

In accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation will prepare a list of the holders of Common Shares on the Record Date. Each holder of Common Shares named on the list will be entitled to vote the Common Shares shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, the only persons who beneficially own, or control or direct, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to the Common Shares are as follows:

Name	Number of Shares Owned (Percentage of Class and Type of Ownership)	
	Common Shares	Percentage of Voting Rights
Golden Oil Holdings Limited	90,330,658 ⁽¹⁾⁽²⁾	26.0%
CDC Group Plc	233,724,566 ⁽²⁾	67.4%

Notes:

- (1) Common Shares indirectly controlled by African Agriculture Fund (“**AAF**”). AAF is managed by Phatisa Fund Managers Limited (“**Phatisa**”), an African-based private equity investment management firm.
- (2) Based upon information available on the public record.

CURRENCY AND EXCHANGE RATE INFORMATION

All references to “\$” in this Circular refer to Canadian dollars. References to “US\$” indicate United States dollar values, “£” indicate British pound values and “EUR” indicated Euro values. The audited financial statements of the Corporation are reported in US\$. Unless otherwise indicated herein, values

converted into Canadian dollars are converted using the Bank of Canada noon exchange rate as of December 31, 2015.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The general objectives of the Corporation's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) attract and retain highly qualified executive officers.

Elements of Compensation

Base Salary

Each Named Executive Officer (as such term is defined below under "Summary Compensation Table – Named Executive Officers") receives a base salary, which constitutes a significant portion of the Named Executive Officer's compensation package. Base salary is recognition for discharging day-to-day duties and responsibilities and reflects the Named Executive Officer's performance over time, as well as that individual's particular experience and qualifications. A Named Executive Officer's base salary is reviewed by the board of directors of the Corporation (the "**Board**") or the Compensation Committee of the Corporation (the "**Compensation Committee**") on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

Performance Bonus

In addition to receiving a base salary, the Named Executive Officers may be awarded such monetary bonuses as may be determined from time to time by the Board or the Compensation Committee, acting in their sole discretion. The performance bonus is intended to link pay to annual performance that will increase shareholder value. The primary objective of bonus payments is to motivate and reward the Named Executive Officers for meeting the Corporation's short-term objectives using a performance-based compensation program.

Incentive Plans

The Named Executive Officers and directors of the Corporation are eligible to participate under the Corporation's three incentive compensation plans – the deferred share unit plan (the "**DSU Plan**"), the stock option plan (the "**Stock Option Plan**") and the share purchase plan (the "**Share Purchase Plan**") and together with the DSU Plan and the Stock Option Plan, the "**Incentive Plans**"). The Incentive Plans are intended to reinforce commitment to long-term growth in profitability and shareholder value by encouraging share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Incentive Plans align the interests of the Named Executive Officers and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Common Shares. In 2014, the Board and the Compensation Committee determined that the DSU Plan would become the focus compensation plan for incentivizing its officers, directors and senior employees. For greater details on the Incentive Plans, refer to the section entitled "Incentive Plans" below.

Compensation of Directors

The following table illustrates the compensation structure for the non-executive directors.

Annual Retainer	
Non-executive director	US\$20,000
Chairman – Audit Committee	US\$25,000
Chairman – Environmental, Social and Governance Committee	US\$20,000
Chairman – Compensation Committee	US\$10,000
Chairman – Corporate Governance and Nominating Committee	US\$10,000
Member – Audit Committee	US\$15,000
Member – Environmental, Social and Governance Committee	US\$10,000
Member – Compensation Committee	US\$2,500
Member – Corporate Governance and Nominating Committee	US\$2,500

In addition to the fees set out above, non-executive directors will be paid a fee of US\$1,000 per day for travel to the Democratic Republic of the Congo or other work-related areas in excess of seven days per year. All directors will also be reimbursed for out-of-pocket expenses incurred in carrying out their duties as directors. Officers of the Corporation who also act as directors will not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation in their capacity as officers.

Compensation Risk

The Board and, as applicable, the Compensation Committee, considers and assesses the implications of risks associated with the Corporation’s compensation policies and practices and devotes such time and resources as is believed to be necessary in the circumstances. The Corporation’s practice of compensating its officers primarily through a mix of salary and stock options is designed to mitigate risk by: (i) ensuring that the Corporation retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Corporation and its shareholders. As at the date of this Circular, the Board had not identified risks arising from the Corporation’s compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Financial Instruments

Pursuant to the Corporation’s Insider Trading Policy, the Named Executive Officers and directors are prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation or held, directly or indirectly, by a Named Executive Officer or director.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee’s Charter. The Compensation Committee is composed of David White, Nigel Gourlay and Joel Strickland. Each of the members of the Compensation Committee is independent as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”).

The Compensation Committee meets on compensation matters as and when required with respect to executive compensation. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the Named Executive Officers and the Corporation’s other senior officers is determined with regard to the Corporation’s business strategies and objectives, such that the financial interest of the senior officers is aligned with the financial interest of

shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives. The Compensation Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Corporation's compensation policies and practices. Each of the members of the Compensation Committee has extensive experience as a director and/or officer of other public companies, as described under "Particulars of Matters to be Acted Upon - Election of Directors" in this Circular.

Executive Compensation-Related Fees

In 2014, BDO Conseils Fiscaux Soc. Civ. SCRL ("**BDO**") was engaged to provide tax advice related to the employment of Xavier de Carniere as Chief Executive Officer. The fees paid to BDO during the year ended December 31, 2014 were EUR13,689.99 (\$18,070.79).

The Chair of the Compensation Committee pre-approves any material compensation-related fees.

Management Agreements – Termination and Change of Control Benefits

Set forth below is a summary of the significant terms of the service agreement with each Named Executive Officer. Amounts payable in British Pound Sterling and United States dollars have been converted into Canadian dollars at an exchange rate of £1.00:\$2.04 and US\$1.00:\$1.38, respectively, being the applicable noon exchange rates quoted by the Bank of Canada on December 31, 2015.

Executive Chairman

Mr. Ravi Sood, a corporation controlled by Mr. Sood ("**Sood Holdings**") and the Corporation are party to a services agreement (the "**Executive Chairman Agreement**") whereby the services of Sood Holdings are provided by Mr. Sood, who acts as Executive Chairman of the Corporation. The Executive Chairman Agreement is effective indefinitely until it is terminated in accordance with its terms. Pursuant to the Executive Chairman Agreement, the Corporation has agreed to pay Sood Holdings annual base compensation of US\$180,000 (\$248,400). Sood Holdings may be awarded such monetary bonus payment as may be determined from time to time by the Board or the Compensation Committee, acting in their sole discretion.

The Executive Chairman Agreement may be terminated by the Corporation at any time (subject to certain conditions) in the event of, among other things, gross negligence, wilful or gross misconduct, or material violation of the Corporation's code of conduct by Sood Holdings or Mr. Sood. In the event of termination in such cases, the Corporation shall have no further payment obligations to Sood Holdings or Mr. Sood.

The Executive Chairman Agreement may also be terminated unilaterally by either the Corporation or Sood Holdings for any reason upon the Corporation providing sixty days' written notice to Sood Holdings or by Sood Holdings providing six months' written notice to the Corporation. In the event of such termination of the Executive Chairman Agreement by the Corporation, the Corporation must pay Sood Holdings a lump sum (the "**Lump Sum Payment**") equal to one year's annual compensation. The Executive Chairman Agreement will also be terminated if the shareholders of the Corporation do not elect or re-elect Mr. Sood as a director of the Corporation or if the shareholders remove Mr. Sood as a director of the Corporation, in each case at a duly called meeting and following which he shall be entitled to receive the Lump Sum Payment. In the event of unilateral termination by the Corporation or if the shareholders do not re-elect Mr. Sood, all stock options and other entitlements pursuant to any security compensation arrangements of the Corporation shall immediately and automatically become fully vested and shall be exercisable by, or issuable to, Sood Holdings or Mr. Sood within the time period provided for in the applicable security compensation arrangement.

In the event of a change in control of the Corporation (as defined in the Executive Chairman Agreement), Mr. Sood may, within 30 days after such event, provide notice to terminate the Executive Chairman

Agreement and as a result shall be entitled to: (i) the Lump Sum Payment within 15 days of such notice; and (ii) the immediate vesting of all stock options held by Sood Holdings and Mr. Sood, which shall be exercisable within the time period provided for in the Stock Option Plan.

The following are estimates of the incremental amounts payable by the Corporation in such circumstances:

	Unilateral Termination	Not Elected by Shareholders	Change in Control
Fees/Payment	\$248,400	\$248,400	\$248,400
Matching Shares	Nil	Nil	n/a
Benefits	Nil	Nil	Nil
Total Compensation	\$248,400	\$248,400	\$248,400

Chief Executive Officer

Mr. de Carniere and the Corporation are party to an executive service agreement (the “**CEO Agreement**”) whereby the Corporation has agreed to pay Mr. de Carniere an annual salary of £200,000 (\$408,000). Mr. de Carniere may be awarded such monetary bonus payment as may be determined by the Compensation Committee in its sole discretion.

The Corporation may, in its sole discretion, terminate the CEO Agreement in the event of, among other things, resigning or becoming disqualified to act as a director of the Corporation, the commission of any act of dishonesty or fraud, wilful neglect of duties, or failure to comply in any material respect with the Corporation’s procedures and policies relating to the conduct of employees. In the event of termination in such cases, the Corporation shall have no further payment obligations to Mr. de Carniere. The CEO Agreement may also be terminated unilaterally by either the Corporation or Mr. de Carniere for any reason upon providing twelve months’ written notice to the other party.

Chief Financial Officer

Mr. David Steel and the Corporation are party to an executive service agreement (the “**CFO Agreement**”) whereby the Corporation has agreed to pay to Mr. Steel an annual salary of £150,000 (\$306,000). Mr. Steel may be awarded such monetary bonus payment as may be determined by the Compensation Committee in its sole discretion.

The Corporation may, at its sole discretion, terminate the CFO Agreement in the event of, among other things, the commission of any act of dishonesty or fraud, wilful neglect of duties, or failure to comply in any material respect with the Corporation’s procedures and policies relating to the conduct of employees. In the event of termination in such cases, the Corporation shall have no further payment obligations to Mr. Steel. The CFO Agreement may also be terminated unilaterally by either the Corporation or Mr. Steel for any reason upon providing six months’ written notice to the other party.

Chief Operating Officer

Mr. Raymond Batanga and Feronia RDC Sprl (“**RDC**”), a subsidiary of the Corporation, are party to a service agreement (the “**COO Agreement**”) whereby RDC has agreed to pay to Mr. Batanga an annual salary of US\$160,000 (\$220,800). The COO Agreement expires on November 30, 2016 unless terminated earlier in accordance with its terms.

RDC may terminate the COO Agreement without notice in the event of, among other things, any serious breach of the COO Agreement, serious misconduct or wilful neglect in the discharge of Mr. Batanga’s duties, fraud, or failure to comply in any material respect with the Corporation’s code of conduct. In the event of termination in such cases, RDC shall have no further payment obligations to Mr. Batanga. The

COO Agreement may also be terminated unilaterally by either RDC or Mr. Batanga for any reason upon providing three months' written notice to the other party.

Mr. Batanga has also entered into a letter agreement with RDC, whereby he has waived the right to all pension entitlements arising from his employment in exchange for the aggregate payment of US\$450,000 in two instalments. The first instalment of US\$150,000 was paid to Mr. Batanga in 2013 with the balance of US\$300,000 due on the earlier of November 30, 2016 or the termination of the COO Agreement.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to the following individuals: (i) the Executive Chairman and Former Interim Chief Executive Officer; (ii) the Chief Executive Officer; (iii) the Chief Financial Officer; and (iv) the Chief Operating Officer (collectively, the “**Named Executive Officers**”) for the Corporation’s financial years ended December 31, 2015, December 31, 2014 and December 31, 2013.

Name and principal position	Year	Salary/Fee (\$)	Share-based awards (\$)		Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
			Share Purchase Plan (\$) ⁽¹⁾	DSU Plan (\$)		Annual incentive plans	LTIP			
Ravi Sood, Executive Chairman ⁽³⁾	2015	230,166 ⁽⁴⁾	-	-	-	-	-	-	-	230,166
	2014	198,792 ⁽⁴⁾	-	-	-	-	-	-	-	198,792
	2013	159,034 ⁽⁴⁾	-	-	-	-	-	-	51,495 ⁽⁵⁾	210,529
Xavier de Carniere, Chief Executive Officer ⁽⁶⁾	2015	431,150 ⁽⁷⁾	-	425,194 ⁽⁸⁾	-	-	-	-	10,045	866,389
David Steel, Chief Financial Officer	2015	296,031 ⁽⁷⁾	-	-	-	-	-	-	10,268	299,693
	2014	275,579 ⁽⁷⁾	-	-	-	-	-	-	7,907	283,486
	2013	130,143 ⁽⁷⁾	-	-	34,398	-	-	-	3,486	168,027
Raymond Batanga, Chief Operating Officer	2015	296,031 ⁽⁴⁾	-	-	-	-	-	-	88,465	354,287
	2014	241,366 ⁽⁴⁾	933	-	-	-	-	-	79,748 ⁽⁹⁾	323,458
	2013	164,784 ⁽⁴⁾	5,187	-	-	-	-	-	207,704 ⁽⁹⁾	377,675

Notes:

- (1) Calculated based on the Black-Scholes model for share-based award valuation. The fair value of the share-based awards under the Share Purchase Plan has been calculated based on the following assumptions:
 - (a) As at December 15, 2013, the risk-free interest rate was 1.12% in the first and second years and 1.19% in the third year, the expected life was three years, the weighted expected stock price volatility was 45.94% and the expected dividend yield was zero.
 - (b) As at June 15, 2014, the risk-free interest rate was 1.10% in the first and second years and 1.19% in the third year, the expected life was three years, the weighted expected stock price volatility was 134.82% and the expected dividend yield was zero.

For financial statement purposes, the accounting fair value amount is amortized over the three-year vesting period to obtain an accounting cost.

- (2) Calculated based on the Black-Scholes model for option valuation. The fair value of the stock options has been calculated based on the following assumptions (the grant date fair value equals the accounting fair value for stock options):

Year	Risk-free Interest Rate	Expected Life	Weighted Expected Stock Price Volatility	Expected Dividend Yield
2013	2.32%	10 years	63.88%	Zero

- (3) Mr. Sood was appointed Executive Chairman of the Corporation on April 30, 2012. Prior to that, he held the title of Chairman. Mr. Sood assumed the title of Interim Chief Executive Officer from February 28, 2014 until the appointment of Mr. Xavier de Carniere as Chief Executive Officer on January 12, 2015.
- (4) The amounts denominated in Canadian dollars under “Salary” are paid/payable in US\$ to Messrs. Sood and Batanga. Such amounts are paid on a monthly basis and therefore all such US\$ amounts are translated at an exchange rate of US\$1.00:\$1.2787 for fiscal year 2015, US\$1.00:\$1.1044 for fiscal year 2014 and US \$1.00:\$1.0299 for fiscal 2013, being the applicable “annual average exchange rates” quoted by the Bank of Canada.
- (5) Cash bonus awarded to Mr. Sood upon completion of private placement financing in November 2013.
- (6) Mr. de Carniere was appointed Chief Executive Officer on January 12, 2015.
- (7) The amounts denominated in Canadian dollars under “Salary” are paid/payable in £ to Messrs. de Carniere and Steel. Such amounts are paid on a monthly basis and therefore all such £ amounts are translated at an exchange rate of £1.000:\$1.9540 for fiscal 2015, £1.000:\$1.8190 for fiscal 2014 and £1.000:\$1.6113 for fiscal 2013, being the applicable “annual average exchange rates” quoted by the Bank of Canada.
- (8) Represents the value of DSU awards issuable under the DSU Plan calculated based on the closing price of the Common Shares on the TSX Venture Exchange (the “Exchange”) of \$0.385 on December 30, 2014 (the last trading day prior to the grant date).
- (9) “All other compensation” for Mr. Batanga includes a payment in 2013 of US\$150,000 (\$154,485) in connection with the waiver of certain pension entitlements and a housing allowance of (i) \$72,410 in fiscal 2014 (paid in US\$ and translated at an exchange rate of US\$1.00:\$1.1044); and (ii) \$49,435 in fiscal 2013 (paid in US\$ and translated at an exchange rate of US\$1.00:\$1.0299).

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding for the Named Executive Officers as of December 31, 2015:

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 (\$)
Ravi Sood	50,000 39,472	2.50 6.00	Nov. 30, 2021 Sept. 23, 2020	- -	-	-	-
Xavier de Carniere	-	-	-	-	1,104,400	171,182 ⁽³⁾	-
David Steel	50,000	1.20	June 17, 2023	-	2,588	401 ⁽⁴⁾	-
Raymond Batanga	33,000 33,000 34,000	1.38 ⁽⁴⁾ 3.45 ⁽⁴⁾ 6.90 ⁽⁴⁾	March 10, 2020 March 10, 2020 March 10, 2020	- - -	4,810	746 ⁽⁴⁾	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.155 for the Common Shares on the Exchange on December 31, 2015 and the exercise price of the options, multiplied by the number of unexercised options.
- (2) The “market or payout value of share-based awards that have not vested” is calculated based on the closing price of \$0.155 for the Common Shares on the Exchange on December 31, 2015 multiplied by the number of Common Shares that have not vested.
- (3) Represents the market value of 1,104,400 DSUs calculated in accordance with note (2) above.
- (4) Represents the market value of the Matching Shares issuable under the Share Purchase Plan calculated in accordance with note (2) above. See “Incentive Plans” above for further details.

- (5) Such option exercise prices are in US\$ and have been translated into Canadian dollars at an exchange rate of US\$1.00: \$1.38, being the applicable noon exchange rate quoted by the Bank of Canada as of December 31, 2015.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each Named Executive Officer during the year ended December 31, 2015:

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 (\$)
Ravi Sood	-	137	-
Xavier de Carniere	-	-	-
David Steel	Nil	181	-
Raymond Batanga	-	1,066	-

Notes:

- (1) The “value vested during the year” is calculated based on the difference between the closing price for the Common Shares on the Exchange as of the date of vesting (or the most recent closing price on the Exchange, if applicable) and the exercise price of the options, multiplied by the number of vested options. In 2015, the applicable vesting date closing price for the Common Shares on the Exchange was \$0.14 on June 17, 2015.
- (2) The “value vested during the year” is calculated based on the closing price of: (i) \$0.14 for the Common Shares on the Exchange on June 15, 2015; and (ii) \$0.20 for the Common Shares on the Exchange on December 15, 2015 multiplied by the number of Matching Shares (as defined below under “Share Purchase Plan”) issued pursuant to the Share Purchase Plan.

Incentive Plans

DSU Plan

The purpose of the DSU Plan is to provide directors, officers, employees and consultants of the Corporation and its subsidiaries (“**DSU Participants**”) with an opportunity to benefit from the increase in the value of the Common Shares. The DSU Plan will provide an increased incentive for DSU Participants to contribute to the future success and prosperity of the Corporation, enhancing the value of the Common Shares for the benefit of all Shareholders and increasing the ability of the Corporation and its subsidiaries to attract and retain individuals of exceptional skill.

Pursuant to the DSU Plan, the Board or the Compensation Committee may, in its sole discretion, elect to award a dollar amount (an “**Awarded Amount**”) of compensation to a DSU Participant by crediting such DSU Participant with the number of deferred share units (each, a “**DSU**”) equal to the amount determined by dividing the Awarded Amount by the fair market value of the Common Shares. Unless otherwise determined by the Board at the time of award, all DSUs will vest in four equal instalments on the second, third, fourth and fifth anniversaries of the date of the award. All unvested DSUs will generally vest on the occurrence of a change of control of the Corporation or upon the termination of a DSU Participant without cause.

Unless disinterested Shareholder approval is obtained, in no event may: (i) the number of DSUs and Common Shares issuable upon exercise of options pursuant to the Stock Option Plan granted to any one person, other than a consultant, in any 12 month period exceed 5% of the issued and outstanding Common Shares; (ii) the number of DSUs and Common Shares issuable upon exercise of options granted pursuant to the Stock Option Plan to any consultant in any 12 month period exceed 2% of the issued and outstanding Common Shares; or (iii) the number of DSUs and Common Shares issuable upon exercise of options granted pursuant to the Stock Option Plan to all persons engaged to conduct investor relations activities in any 12 month period exceed 2% of the issued and outstanding Common Shares. The maximum aggregate number of Common Shares that, under all share compensation arrangements of the Corporation: (i) are reserved for issuance to insiders of the Corporation; and (ii) are issued to insiders of

the Corporation within a 12 month period, may not exceed 10% of the issued and outstanding Common Shares.

Subject to the specific terms of the DSU Plan, when a DSU Participant has ceased to be a director, officer, employee or consultant of the Corporation, the DSU Participant may redeem the vested DSUs credited to such DSU Participant as follows: (i) each DSU shall be redeemed for one Common Share or the fair market value thereof in the event that such DSU Participant has retired, has been terminated without cause, has not been re-elected as a director by the Shareholders, or in the event of such DSU Participant's death; and (ii) each DSU shall be redeemed for 0.75 of one Common Share or the equivalent fair market value thereof in all other circumstances not described in clause (i), including but not limited to the resignation of such DSU Participant prior to retirement or the determination of such DSU Participant not to stand for re-election to the Board. Notwithstanding the foregoing, a DSU Participant who is terminated by the Corporation for cause forfeits all of his or her DSUs.

The Board may amend, modify or terminate the DSU Plan without obtaining Shareholder approval, provided that the Board may not amend the DSU Plan without requisite Shareholder and Exchange approvals to: (i) increase the number of Common Shares reserved for issuance under the DSU Plan; (ii) except as provided in the DSU Plan, permit assignments or redemptions other than by a DSU Participant; or (iii) provide for other types of compensation through equity issuance other than as provided in the DSU Plan.

The maximum aggregate number of Common Shares that may be reserved for issuance pursuant to the DSU Plan is 5,522,065 Common Shares. As at the date of this Circular, 1,104,400 Common Shares, being approximately 0.32% of the currently issued and outstanding number of Common Shares, were issuable pursuant to the DSU Plan and a further 4,417,665 Common Shares, being approximately 1.27% of the currently issued Common Shares, remained issuable under the DSU Plan as at such date.

Subject to approval of the Shareholders, the DSU Plan is being amended to, among other things, increase the maximum aggregate number of Common Shares reserved for issuance. For further information regarding the DSU Plan, see "Particulars of Matters to be Acted Upon – Deferred Share Unit Plan" in this Circular.

Stock Option Plan

Options are granted under the Stock Option Plan by either the Board or the Compensation Committee. In monitoring or adjusting the option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the applicable officers, directors and employees. The size of the stock option grants to officers, directors and employees is dependent on each of their level of responsibility, authority and importance to the Corporation and to the degree to which their long term contribution to the Corporation will be key to its long term success. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Stock Option Plan.

The purpose of the Stock Option Plan established by the Corporation is to provide the optionees with an opportunity to purchase Common Shares and benefit from the appreciation thereof. Management of the Corporation believes that this proprietary interest in the Corporation will provide an increased incentive for the optionees to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Common Shares for the benefit of all of the shareholders and increasing the ability of the Corporation to attract and retain individuals of exceptional skill. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any one-year period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant (unless disinterested shareholder approval has been obtained). The maximum number of

Common Shares reserved for issuance in any one-year period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any one-year period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. The term of an option shall be a period of time fixed by the Board, not to exceed ten years from the date of grant. The Stock Option Plan provides that the expiration date of an option will be the later of the date fixed for expiration under the option grant and the date that is ten business days following the expiration of a “blackout period” (i.e. a period during which directors, officer and certain employees may be precluded from trading in the Corporation’s securities) imposed by the Corporation should the option expire during such blackout period.

In the event that the Corporation is listed on the Toronto Stock Exchange, the Stock Option Plan provides that the Board may grant options which allow an optionee to elect to exercise its option on a “cashless basis”, whereby the optionee, instead of making a cash payment for the aggregate exercise price, shall be entitled to be issued such number of Common Shares equal to the number which results when (i) the difference between the aggregate Fair Market Value of the Common Shares underlying the option and the aggregate exercise price of such option is divided by (ii) the Fair Market Value of each Common Share. For the purposes of the preceding sentence, “Fair Market Value” as defined in the Stock Option Plan means the closing price as reported by the Toronto Stock Exchange on the last trading day immediately preceding the exercise date.

The Stock Option Plan contains an amending provision that sets out the circumstances where stock exchange and shareholder approval will be required (e.g. certain amendments to options held by Insiders) and those circumstances where stock exchange and shareholder approval will not be required (e.g. amendments of a housekeeping nature). A copy of the Stock Option Plan is available at www.sedar.com.

The maximum number of Common Shares issuable pursuant to exercises of options granted under the Stock Option Plan is 1,250,000. As at the date of this Circular, 826,760 Common Shares, being approximately 0.24% of the currently issued and outstanding number of Common Shares, were issuable pursuant to unexercised options granted to such date under the Stock Option Plan and options to purchase a further 387,739 Common Shares, being approximately 0.11% of the currently issued Common Shares, remained available for grant under the Stock Option Plan as at such date.

Share Purchase Plan

The purpose of the Share Purchase Plan is to advance the interests of the Corporation by encouraging equity participation in the Corporation by its directors, officers and employees. The Share Purchase Plan allows directors, officers and employees of the Corporation and its subsidiaries to participate in the Share Purchase Plan once they have completed six months of service (the “**Qualifying Participants**”). On June 15 and December 15 of each year, Qualifying Participants are entitled to purchase Common Shares up to a maximum amount of \$5,000. Accordingly, the maximum amount that can be invested by a Qualifying Participant under the Share Purchase Plan in any calendar year is \$10,000. The subscription price of the Common Shares under the Share Purchase Plan is the Market Price (as such term is defined in the Exchange Corporate Finance Manual) prior to the applicable June 15 or December 15 date. The Qualifying Participants will be required to hold the Common Shares purchased under the Share Purchase Plan for a minimum period of three months or, if applicable, for the requisite Exchange hold period.

On each of June 15 and December 15, a Qualifying Participant will be entitled to receive a matching number of Common Shares (the “**Matching Shares**”) as were subscribed for by such Qualifying Participant at no cost to the Qualifying Participant. The Matching Shares will be issued to Qualifying Participant in equal annual installments over a three year period following the date of the subscription of the Common Shares by the Qualifying Participant, as long as the Qualifying Participant is a director, officer or employee of the Corporation at that time.

No Common Shares will be issued under the Share Purchase Plan at any time to any insider of the Corporation if such issuance, together with all of the Corporation's previously established or proposed share compensation arrangements, including the Share Purchase Plan, could result at any time in: (i) the number of Common Shares issued to insiders pursuant to the Share Purchase Plan, together with all of such other share compensation arrangements, within any one year period exceeding 10% of the issued and outstanding Common Shares; or (ii) the number of Common Shares issuable to insiders at any time pursuant to the Share Purchase Plan and all such other share compensation arrangements exceeding 10% of the issued and outstanding Common Shares.

Further, the total number of Common Shares issued under the Share Purchase Plan in any fiscal year of the Corporation cannot exceed 2% of the number of Common Shares issued and outstanding at the commencement of such fiscal year.

Under the Share Purchase Plan, the Corporation may issue Common Shares to Qualifying Participants who meet certain conditions as set out in the Share Purchase Plan. Under the terms of the Share Purchase Plan, the Corporation has the ability, in its discretion, to provide Common Shares to Qualifying Participants under the Share Purchase Plan through open market purchases as well as through issuances from treasury.

If the Common Shares are increased, decreased, changed into or exchanged for a different number or type of shares or securities of the Corporation through a re-organization, plan of arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made by the Board, in its discretion, to: (a) the aggregate number of Common Shares reserved for issuance under the Share Purchase Plan; and (b) the number of Matching Shares issuable to Qualifying Participants. Determinations by the Board as to what adjustments shall be made, and the extent thereof, are subject to any necessary approvals of the Exchange. The Corporation shall not be obligated to issue fractional securities in satisfaction of any of its obligations under the Share Purchase Plan.

In the event that a "take-over bid" (within the meaning of applicable Canadian securities laws) is made for all of the issued and outstanding Common Shares, then all Matching Shares which have not yet been earned by Qualifying Participants as of the date of the bid will be deemed to have been earned and the Corporation will immediately issue and deliver such Matching Shares to each Qualifying Participant. In the event that a take-over bid is made for a portion of the issued and outstanding Common Shares, the Board may, in its discretion, determine that all Matching Shares which have not yet been earned by Qualifying Participants as of the date of the bid will be deemed to have been earned and the Corporation will immediately issue and deliver such Matching Shares to each Qualifying Participant.

Subject to any required Exchange or Shareholder approvals, the Share Purchase Plan may be amended from time to time by the Board.

The aggregate number of Common Shares reserved for issuance under the Share Purchase Plan is 150,000 Common Shares. As at the date of this Circular, an aggregate of 89,632 Common Shares have been purchased pursuant to the Share Purchase Plan and 54,596 Matching Shares have been issued or are issuable subject to the vesting provisions under the Share Purchase Plan.

Subject to approval of the Shareholders, the Share Purchase Plan is being amended to increase the maximum aggregate number of Common Shares reserved for issuance. For further information regarding the Share Purchase Plan, see "Particulars of Matters to be Acted Upon – Share Purchase Plan" in this Circular.

Director Compensation

Director Compensation Table

The following table sets forth all amounts of compensation provided to the directors of the Corporation (other than directors who are also Named Executive Officers) during the financial year ended December 31, 2015:

Name ⁽¹⁾	Fees Earned ⁽²⁾ (\$)	Share-based awards Share Purchase Plan (\$)	Share-based awards DSU Plan (\$)	Option-based awards (\$)	All other compensation (\$)	Total (\$)
Keith Alexander	42,500	-	-	-	-	42,500
Frank Braeken	20,000	-	-	-	-	20,000
Nigel Gourlay	50,000	-	-	-	-	50,000
Vince McAleer ⁽³⁾	23,804	-	-	-	-	23,804
Joel Strickland	55,000	-	-	-	-	55,000
Peter van As ⁽⁴⁾	6,196	-	-	-	-	6,196
David White	47,500	-	-	-	-	47,500

Notes:

- (1) Information regarding compensation paid to Mr. Sood and Mr. de Carniere, who became a director January 12, 2015, is set out above under "Summary Compensation Table – Named Executive Officers".
- (2) All amounts denominated in Canadian dollars under "Fees Earned" were paid in US\$ and translated at an exchange rate of US\$1.00:\$1.2787 for fiscal year 2015, being the applicable "annual average exchange rate" quoted by the Bank of Canada.
- (3) Mr. McAleer resigned as a director effective October 16, 2015.
- (4) Mr. van As became a director effective October 16, 2015.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the directors of the Corporation (other than directors who are also Named Executive Officers) as of December 31, 2015:

Name ⁽¹⁾	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 ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested ⁽³⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Keith Alexander	-	-	-	-	-	-	-
Frank Braeken	-	-	-	-	-	-	-
Nigel Gourlay	20,000	2.50	Nov. 30, 2021	-	-	-	-
	15,789	6.00	Sept. 23, 2020	-	-	-	-
	16,500	1.38 ⁽⁴⁾	March 10, 2020	-	-	-	-
	16,500	3.45 ⁽⁴⁾	March 10, 2020	-	-	-	-
	17,000	6.90 ⁽⁴⁾	March 10, 2020	-	-	-	-
Vince McAleer ⁽⁵⁾	-	-	-	-	-	-	-
Joel Strickland	20,000	2.50	Nov. 30, 2021	-	-	-	-
Peter van As ⁽⁶⁾	-	-	-	-	-	-	-
David White	-	-	-	-	-	-	-

Notes:

- (1) Information regarding the incentive plan awards of Messrs. Sood and de Carniere is set out above under “Incentive Plan Awards – Named Executive Officers”.
- (2) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.155 for the Common Shares on the Exchange on December 31, 2015 and the exercise price of the options, multiplied by the number of unexercised options.
- (3) The “market or payout value of share-based awards that have not vested” is calculated based on the closing price of \$0.155 for the Common Shares on the Exchange on December 31, 2015 multiplied by the number of Common Shares that have not vested.
- (4) Such option exercise prices are in US\$ and have been translated into Canadian dollars at an exchange rate of US\$1.00:\$1.38, being the applicable noon exchange rate quoted by the Bank of Canada as of December 31, 2015.
- (5) Mr. McAleer resigned as a director effective October 16, 2015.
- (6) Mr. van As became a director effective October 16, 2015.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each director of the Corporation (other than directors who are also named Executive Officers) during the year ended December 31, 2015. There were no awards of DSUs to directors of the Corporation (other than directors who are also named Executive Officers) made under the DSU Plan in 2015.

Name⁽¹⁾	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Keith Alexander	-	-	-
Frank Braeken	-	-	-
Nigel Gourlay	-	137	-
Vince McAleer ⁽³⁾	-	-	-
Joel Strickland	-	-	-
Peter van As ⁽⁴⁾	-	-	-
David White	-	-	-

Notes:

- (1) Information regarding the incentive plan awards of Messrs. Sood and Dry is set out above under “Incentive Plan Awards – Named Executive Officers”.
- (2) The “value vested during the year” is calculated based on the closing price of: (i) \$0.14 for the Common Shares on the Exchange on June 15, 2015; and (ii) \$0.20 for the Common Shares on the Exchange on December 15, 2015 multiplied by the number of Matching Shares (as defined below under “Share Purchase Plan”) issued pursuant to the Share Purchase Plan.
- (3) Mr. McAleer resigned as a director effective October 16, 2015.
- (4) Mr. van As became a director effective October 16, 2015.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER
EQUITY COMPENSATION PLANS**

The following table provides information regarding the number of Common Shares to be issued: (i) upon exercise of outstanding options pursuant to the Stock Option Plan; (ii) pursuant to the Share Purchase Plan; and (iii) pursuant to the DSU Plan, as at December 31, 2015:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding grants and awards	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	826,760 ⁽¹⁾	\$2.64	387,739 ⁽¹⁾

	89,632 ⁽²⁾	n/a	54,593 ⁽²⁾
	1,104,400 ⁽³⁾	n/a	4,417,665 ⁽³⁾
Equity compensation plans not approved by security holders	-	-	-
Total	2,020,792		4,859,997

Notes:

- (1) Issuable upon exercise of the outstanding options pursuant to the Stock Option Plan.
- (2) Represents the Matching Shares issuable pursuant to the Share Purchase Plan. See “Incentive Plans” above for further details.
- (3) Represents the DSUs issuable and available for issuance pursuant to the DSU Plan. See “Incentive Plans” above for further details.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended December 31, 2015 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate of any such director, executive officer or proposed nominee, was indebted to the Corporation or any of its subsidiaries during the financial year ended December 31, 2015 or as at the date of this Circular in connection with security purchase programs or other programs.

REPORT ON CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Corporation’s management as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Corporation’s corporate governance practices, which addresses the matters set out in NI 58-101, is set out in Schedule “A” to this Circular.

AUDIT COMMITTEE

The Audit Committee’s primary purpose is to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting and accounting compliance, the audit process and processes for identifying, evaluating and monitoring the management of the Corporation’s principal risks impacting financial reporting. The committee also assists the Board with the oversight of financial strategies and overall risk management.

The Audit Committee is composed of Nigel Gourlay (Chair), Joel Strickland and David White, each of whom is a director of the Corporation. In accordance with Exchange Policy 3.1, the majority of the Audit Committee are not employees, Control Persons (as defined by the rules and policies of the Exchange) or officers of the Corporation. All of the members of the Audit Committee are “independent” as such term is defined in National Instrument 52-110 – Audit Committees (“**NI 52-110**”). The Corporation is of the opinion that all three members of the Audit Committee are “financially literate” as such term is defined in NI 52-110. A copy of the charter of the Audit Committee (the “**Audit Committee Charter**”) is attached as Schedule “B” to this Circular.

Relevant Education and Experience

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting

issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

Nigel Gourlay is a chartered accountant and holds a degree in Agricultural Economics at London University. He has been a partner of Animos LLP since 2002. Prior to that, Mr. Gourlay spent over 20 years with British American Tobacco PLC and was responsible for global acquisitions and joint ventures.

Joel Strickland is a graduate of the Richard Ivey School of Business HBA program. Mr. Strickland has held senior executive roles with a number of companies and was previously a fixed-income trader, holding progressively senior positions at investment banks in Toronto and New York. Mr. Strickland also previously served on the audit committee of Zaiio Corporation.

David White holds a degree in Economics from London University and a Master of Business Administration from Strathclyde University. He is Chair of Emerging Africa Infrastructure Fund, and a member of the Investment Committee of AAF, amongst other non-executive roles. Previously, he was Vice-Chairman of Hines Associates Ltd., a Managing Director at Citigroup in the Financial Institutions Group and a Managing Director at JP Morgan.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "De Minimis Non-audit Services" or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

External Auditor Service Fees (By Category)

The following table sets forth the aggregate fees billed by the Corporation's external auditors during the financial years ended December 31, 2015 and December 31, 2014:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2015	\$213,431	\$64,331	\$8,978	\$81,610
December 31, 2014	\$202,232	\$44,858	\$15,017	\$80,215

Notes:

- (1) The aggregate fees billed by the Corporation's external auditors for professional services rendered for the audit of the consolidated financial statements of the Corporation and its subsidiaries.
- (2) The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors for services related to the audit of the Corporation's financial statements, including travel expenses and other related disbursements.
- (3) The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors for the preparation of corporate tax returns, tax compliance, tax advice and tax planning services.
- (4) The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors for services rendered to the Corporation and its subsidiaries, other than the services described above. These services included work related to

the review of the Corporation's interim financial statements and the restatement of certain of the Corporation's financial statements.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, no "informed person" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or proposed nominee for election as a director of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation.

As disclosed in the material change reports of the Corporation dated January 30, 2015, June 28, 2015, November 13, 2015, December 4, 2015 and January 15, 2016, CDC Group Plc ("CDC"), AAF, through its subsidiary Golden Oil Holdings Limited, and Mr. Sood subscribed for an aggregate of US\$23,275,000, US\$7,983,500 and US\$71,500, respectively, of secured convertible debentures of the Corporation. Mr. Keith Alexander is a nominee of CDC as a director of the Corporation, Messrs. White and van As are nominees of AAF as directors of the Corporation and Mr. Sood is Executive Chairman of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

Management of the Corporation has nominated eight directors for election at the Meeting, namely Ravi Sood, Frank Braeken, Xavier de Carniere, Nigel Gourlay, David Osborne, Joel Strickland, Peter van As and David White. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation. The enclosed form of proxy permits Shareholders to vote for all nominees together or for each nominee on an individual basis.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.


Advance Notice Requirement


The Corporation's By-Law No. 1, as amended pursuant to By-Law No. 1A, contains a requirement providing for advance notice of nominations of directors (the "**Advance Notice Requirement**") in certain circumstances where nominations for election to the Board are made by Shareholders. For an annual meeting of Shareholders, notice to the Corporation must be provided not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th


day following such public announcement. For a special meeting of Shareholders (that is not also an annual meeting), notice to the Corporation must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made. The Corporation's By-Law No. 1, as amended by By-Law No. 1A, is available under the Corporation's profile on SEDAR at www.sedar.com.


Director Nominee Profiles


The following tables set out certain information as at the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Common Shares owned by each director of the Corporation is presented to the best knowledge of management of the Corporation and has been furnished to management of the Corporation by such directors. Information regarding Board and committee meeting attendance is presented for meetings held in 2015.


RAVI SOOD		Principal Occupation and Biography		
 Ontario, Canada Director Since: September 2010 NOT INDEPENDENT		Mr. Sood is the Executive Chairman of the Corporation. Since August 30, 2011 he has been the Chairman of Galane Gold Ltd. (TSXV), a gold producing company with operations in Botswana. Since October 22, 2013 he has been the Executive Chairman of Transeastern Power Trust, a hydroelectric power producer with projects in Romania. He was previously the Chief Executive Officer of Navina Asset Management Inc., a global asset management firm headquartered in Toronto, Canada, where he led the investment activities of Navina and its predecessor company, Lawrence Asset Management Inc., since its founding in 2001. Mr. Sood has been a founder of and the principal investor in several businesses and currently serves as a director of several public and private companies operating in the agriculture, mining, energy and oil & gas sectors. Mr. Sood was educated at the University of Waterloo (B.Math.) where he was a Descartes Fellow and the recipient of numerous national awards.		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	16 of 16	16 of 16	100%	Galane Gold Ltd. (TSXV) Transeastern Power Trust (TSXV) Carlaw Capital V Corp. (TSXV)
Number of Common Shares Beneficially Owned, Controlled or Directed				873,254


FRANK BRAEKEN		Principal Occupation and Biography		
 <p>Dubai, United Arab Emirates Director Since: November 2014 INDEPENDENT</p>		<p>Mr. Braeken spent 26 years with Unilever where he lived and worked in nine countries on four continents. In 2009, Mr. Braeken became head of Unilever's Namca region, with responsibility for markets across North Africa, the Middle East and Central Africa. In 2011, Mr. Braeken became head of Unilever Africa where he had overall responsibility for the \$3 billion operation. After leaving Unilever in 2013, Mr. Braeken became Chief Investment Officer of Amatheon Agri Holding, a company established to invest in African agriculture and food related businesses. He also holds a number of other non-executive directorships.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	13 of 16	13 of 16	81%	None
Number of Common Shares Beneficially Owned, Controlled or Directed				100,000


XAVIER DE CARNIERE		Principal Occupation and Biography		
 <p>Saint Amand, Belgium Director Since: January 2015 NOT INDEPENDENT</p>		<p>Mr. de Carniere is the Chief Executive Officer of the Corporation. Prior to joining the Corporation, Mr. de Carniere was the Chief Financial Officer of Siat Group, a major agro-industrial business with rubber and oil palm, cattle ranches and processing and downstream operations in six countries across Africa and Asia. In this role, Mr. de Carniere gained extensive knowledge of the palm oil industry and demonstrated a track record of delivering results, including the Group's capital restructuring and a number of project financings. Mr. de Carniere also has experience in the African fast moving consumer goods sector, having previously been Sales & Marketing Director for Promasidor, a manufacturer and distributor of quality food products in Ghana and Burkina Faso. Mr. de Carniere is multilingual and has a Masters degree in Business and Finance from the ICHEC Management School in Brussels.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	14 of 16	14 of 16	88%	None
Number of Common Shares Beneficially Owned, Controlled or Directed				-

NIGEL GOURLAY		Principal Occupation and Biography		
 Newick, United Kingdom Director Since: September 2010 INDEPENDENT		Mr. Gourlay is a chartered accountant and holds a degree in Agricultural Economics from London University. He has been a partner of Animos LLP since 2002. Prior to co-founding Animos in 2002 he spent twenty years in the consumer products industry with British American Tobacco PLC where his roles included Finance Director in Zaire (now DRC), Vice President of Marketing in the USA and Head of Business Development in London. He was a director of BATIF, the group's debt funding vehicle and several other group subsidiaries. While with Animos he has served on the boards of NYSE, AIM and LSE listed corporations as well as several private companies.		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board Member of the Audit Committee Member of the Compensation Committee Member of the Corporate Governance and Nominating Committee	16 of 16 4 of 4 5 of 5 0 of 0	25 of 25	100%	Caffyns plc
Number of Common Shares Beneficially Owned, Controlled or Directed				104,463

DAVID OSBORNE⁽¹⁾		Principal Occupation and Biography		
 London, United Kingdom Director Since: N/A NOT INDEPENDENT		Mr. Osborne is a director and head of portfolio management at CDC Group Plc. Prior to joining CDC, he spent 24 years at 3i Group plc in both the London and Singapore offices. He ran the Islamic Infrastructure Fund and was a managing partner at CapAsia, an emerging Asian infrastructure fund manager. Mr. Osborne has an MA from Cambridge University in Genetics.		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
N/A	N/A	N/A	N/A	None
Number of Common Shares Beneficially Owned, Controlled or Directed				-

JOEL STRICKLAND		Principal Occupation and Biography		
 <p>Ontario, Canada Director Since: September 2011 INDEPENDENT</p>		<p>Mr. Strickland is a private investor and entrepreneur who has substantial operational experience in Africa, including as founder and President of Buchanan Renewables Fuel Inc., a company that had operations in Liberia, West Africa.. He currently also serves on the board of Transeastern Power Trust and The Canadian Securities Exchange. Mr. Strickland is currently enrolled in the Institute for Corporate Directors ICD.D program at the Rotman School. Previously a fixed-income trader, holding progressively senior positions at investment banks in Toronto and New York. Mr. Strickland is a graduate of the Richard Ivey School of Business HBA program.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board Member of the Audit Committee Member of the Compensation Committee Member of the ESG Committee	16 of 16 4 of 4 5 of 5 4 of 4	29 of 29	100%	Transeastern Power Trust (TSXV)
Number of Common Shares Beneficially Owned, Controlled or Directed				20,000

PETER VAN AS⁽²⁾		Principal Occupation and Biography		
 <p>Johannesburg, South Africa Director Since: October 2015 NOT INDEPENDENT</p>		<p>Mr. van As is a Senior Partner of Phatisa and has spent much of his 28-year career focused on emerging markets for multi-nationals, including Dutch dairy businesses (DOMO and FRICO), Unilever (Europe, Latin America and Africa), Smollan (sub-Saharan Africa) and DIAGEO (GM - Angola). He has been an active member on a number of boards both in Africa and North America. Soon after completing his Masters in Economics, Mr. van As joined Unilever where he spent close to 20 years including roles in developing markets in east, central and southern Africa including Marketing & Sales Director (Zimbabwe) and Managing Director (Mozambique and Tanzania). His last position being Director Market Development, Unilever Central Africa before joining DIAGEO in 2012.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board Member of the Procurement Committee Member of the ESG Committee	3 of 3 0 of 0 1 of 1	4 of 4	100%	None
Number of Common Shares Beneficially Owned, Controlled or Directed				-

DAVID WHITE ⁽²⁾		Principal Occupation and Biography		
 <p>London, United Kingdom Director Since: January 2013 INDEPENDENT</p>		<p>Mr. White is a graduate in Economics and Business, and has extensive experience in Africa, having lived and worked in Nigeria during the early stages of his banking career. He has traveled widely and regularly throughout the African continent. Mr. White is Chair of Emerging Africa Infrastructure Fund, the Chairman of a palm oil company in Sierra Leone and is a member of the Investment Committee of AAF. Previously, he was Vice-Chairman of Hines Associates Ltd., a Managing Director at Citigroup in the Financial Institutions Group and a Managing Director at JP Morgan.</p>		
Current Board/Committee Membership	Attendance	Attendance (Total)		Other Public Board Memberships
Member of the Board	14 of 16	23 of 25	92%	None
Member of the Audit Committee	4 of 4			
Member of the Corporate Governance and Nominating Committee	0 of 0			
Member of the Compensation Committee	5 of 5			
Member of the Procurement Committee	0 of 0			
Number of Common Shares Beneficially Owned, Controlled or Directed				-

Notes:

- (1) Pursuant to a subscription agreement dated November 9, 2015 entered into between the Corporation and CDC, so long as CDC holds at least 40% of the outstanding Common Shares, the Corporation has agreed that a majority of the nominees for election as directors of the Corporation at each meeting of Shareholders at which directors are to be elected may be representatives of CDC. Where CDC holds less than 40% but not less than 25% of the outstanding Common Shares, the Corporation has agreed that one less than a majority of the nominees for election as directors of the Corporation at each meeting of Shareholders at which directors are to be elected may be representatives of CDC. Where CDC holds less than 25% but greater than 10% of the outstanding Common Shares, the Corporation has agreed to nominate two representatives of CDC for election as directors of the Corporation at each meeting of Shareholders at which directors are to be elected. Mr. Osborne is a nominee of CDC as a director of the Corporation. CDC has not for the purposes of the Meeting put forth additional nominees as directors of the Corporation.
- (2) Pursuant to a subscription agreement dated November 20, 2015 entered into between the Corporation and Golden Oil Holdings Limited (“GOHL”), so long as GOHL holds at least 10% of the outstanding Common Shares, the Corporation has agreed to nominate two representatives of GOHL for election as directors of the Corporation at each meeting of Shareholders at which directors are to be elected. Messrs. van As and White are GOHL’s nominees as directors of the Corporation.

Corporate Cease Trade Orders

Except as disclosed herein, to the knowledge of the Corporation, no proposed director 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:

1. was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
2. 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 of such company.

Ravi Sood was a director of TriNorth Capital Inc., a reporting issuer that became subject to a cease trade order issued by the Ontario Securities Commission on May 19, 2010 as a result of the failure to file audited annual financial statements for the financial year ended December 31, 2009, the related management's discussion and analysis and the certification of the foregoing filings when due as required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings. The order was revoked on July 6, 2010.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

Bankruptcies, or Penalties or Sanctions

To the knowledge of the Corporation, no proposed director:

1. is, as 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 its assets;
2. has, within 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 his assets;
3. has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
4. has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Nigel Gourlay acted as non-executive chairman of NWD plc, an AIM-listed company from July 2003 to June 2007. The business was not consistently profitable and in January 2007, the management team of one of the main subsidiaries resigned to form their own business. In June 2007, new investors came in, a Creditors Voluntary Arrangement was approved and the company was restructured and emerged from bankruptcy protection.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

2. **Appointment of Auditor**

Management proposes to nominate PricewaterhouseCoopers LLP, Chartered Accountants, which firm has been auditor of the Corporation since February 13, 2012, as auditor of the Corporation to hold office until the next annual meeting of Shareholders.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP, CHARTERED ACCOUNTANTS, AS AUDITOR OF THE CORPORATION AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

3. **Approval of Amendments to Deferred Share Unit Plan**

On May 16, 2016, the board of directors adopted various amendments to the Corporation's DSU Plan, subject to and effective upon receipt of all necessary regulatory and other approvals, including an increase in the number of Common Shares that may be reserved for issuance pursuant to the DSU Plan from 5,522,065 to 20,000,000.

Under the policies of the Exchange, the DSU Plan amendments must be approved by the "disinterested shareholders" of the Corporation prior to becoming effective. For the purposes of the policies of the Exchange, "disinterested shareholder" approval requires the approval of a majority of votes cast at a Shareholders' meeting other than votes attaching to securities beneficially owned by insiders to whom Common Shares may be issued pursuant to the DSU Plan and their associates.

A blackline reflecting the amendments to the DSU Plan is attached as Schedule "C" to this Circular. The amended DSU Plan is subject to the approval of the Exchange. The board of directors has unanimously approved the amended DSU Plan and recommends that the "disinterested" shareholders vote FOR the amended DSU Plan.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

"WHEREAS the policies of the TSX Venture Exchange require disinterested shareholder approval to increase the number of Common Shares that may be reserved for issuance pursuant to the deferred share unit plan of the Corporation (the "**DSU Plan**");

RESOLVED THAT:

1. the proposed amendments to the DSU Plan attached hereto as Schedule "C" including an increase to the maximum number of common shares in the capital of the Corporation ("**Common Shares**") that may be reserved for issuance pursuant to the DSU Plan from 5,522,065 to 20,000,000 (the "**Amendment**") are hereby authorized and approved; and
2. any one officer and director of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to do all such acts and things as may be necessary to effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO APPROVE THE

AMENDMENTS TO THE DSU PLAN IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY DISINTERESTED SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE AMENDMENTS TO THE DSU PLAN.

4. Approval of Amendments to Share Purchase Plan

On May 16, 2016, the board of directors adopted various amendments to the Corporation's Share Purchase Plan, subject to and effective upon receipt of all necessary regulatory and other approvals, including an increase in the number of Common Shares that may be reserved for issuance pursuant to the Share Purchase Plan from 150,000 to 7,000,000. The purpose of the amendments to the Share Purchase Plan is to advance the interests of the Corporation by enabling Qualifying Participants to continue to participate in any increase in value of the Common Shares.

Under the policies of the Exchange, the Share Purchase Plan amendments must be approved by the "disinterested shareholders" of the Corporation prior to becoming effective. For the purposes of the policies of the Exchange, "disinterested shareholder" approval requires the approval of a majority of votes cast at a Shareholders' meeting other than votes attaching to securities beneficially owned by insiders to whom Common Shares may be issued pursuant to the Share Purchase Plan and their associates.

A blackline reflecting the amendments to the Share Purchase Plan is attached as Schedule "D" to this Circular. The amended Share Purchase Plan is subject to the approval of the Exchange. The board of directors has unanimously approved the amended Share Purchase Plan and recommends that the "disinterested" shareholders vote FOR the amended Share Purchase Plan.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

"WHEREAS the policies of the TSX Venture Exchange require disinterested shareholder approval to increase the number of Common Shares that may be reserved for issuance pursuant to the share purchase plan of the Corporation (the "**Share Purchase Plan**");

RESOLVED THAT:

1. the proposed amendments to the Share Purchase Plan attached hereto as Schedule "D" including an increase to the maximum number of common shares in the capital of the Corporation ("**Common Shares**") that may be reserved for issuance pursuant to the Share Purchase Plan from 150,000 to 7,000,000 (the "**Amendment**") are hereby authorized and approved; and
2. any one officer and director of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to do all such acts and things as may be necessary to effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO APPROVE THE AMENDMENTS TO THE SHARE PURCHASE PLAN IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY DISINTERESTED SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE AMENDMENTS TO THE SHARE PURCHASE PLAN.

5. **Approval of Continuation under the *Business Corporations Act* (British Columbia)**

The Corporation presently exists under the *Business Corporations Act* (Ontario) (the “**OBCA**”). Shareholders will be asked to consider and, if deemed appropriate, approve a special resolution (the “**Continuation Resolution**”) authorizing the board of directors to apply for the discontinuance of the Corporation from Ontario under the OBCA and to continue the Corporation (the “**Continuation**”) to British Columbia under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”).

The Continuation will affect certain of the rights of its Shareholders as they currently exist under the OBCA. A comparison of the major provisions of the BCBCA and OBCA follows, however it is not intended to be exhaustive and **shareholders should consult their legal advisors regarding implications of the Continuation which may be of particular importance to them.**

See “Shareholders Rights of Dissent to the Continuation”, “Recommendation of the Board of Directors” and the text of the Continuation Resolution below.

Notwithstanding the foregoing, as indicated in the text of the special resolution below, the board of directors may, in its sole discretion, determine that the Corporation not proceed with the Continuation.

Procedure

In order to effect the Continuation:

1. The Corporation must obtain the approval of its shareholders to the Continuation by way of the Continuation Resolution, being a special resolution to be passed by not less than 66 2/3% of the votes cast at the Meeting in person or by proxy.
2. The Corporation must make submission to the Exchange for acceptance of the Continuation.
3. The Corporation must make a written application to the Director under the OBCA (the “**Director**”) for consent to continue under the BCBCA, such written application to establish to the satisfaction of the Director that the proposed Continuation will not adversely affect the Corporation’s creditors or shareholders.
4. Once the Continuation Resolution is passed and the Corporation has obtained the consent of the Director under the OBCA and acceptance of the Continuation by the Exchange, the Corporation must file a continuation application (the “**Continuation Application**”) and the consent of the Director under the OBCA along with prescribed documents under the BCBCA, with the Registrar of Companies under the BCBCA to obtain a Certificate of Continuation.
5. On the date shown on the Certificate of Continuation issued by the BC Registrar of Companies, the Corporation will become a corporation registered under the laws of the Province of British Columbia as if it had been incorporated under the laws of the Province of British Columbia.
6. The Corporation must file a copy of the Certificate of Continuation with the Director under the OBCA.

As of the effective date of the Continuation, the Corporation’s current constating documents – Articles of Incorporation and By-Laws under the OBCA – will be replaced with a Notice of Articles and Articles under the BCBCA (the “**New Articles**”), the legal domicile of the Corporation will be the Province of British Columbia and the Corporation will no longer be subject to the provisions of the OBCA. The

Continuation will not result in any change in the business of the Corporation or its assets, liabilities, net worth or management or its share capital.

The board of directors is of the view that changing the corporate domicile of the Corporation from Ontario to British Columbia would not adversely affect the rights of shareholders of the Corporation and would be advantageous to the Corporation.

A draft of the Corporation's New Articles under the BCBCA are attached to this Circular as Schedule "E".

Comparison between the BCBCA and the OBCA

In general terms, the BCBCA provides to Shareholders substantively the same rights as are available to Shareholders under the OBCA, including rights of dissent and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions. There are, however, important differences concerning the qualifications of directors, location of shareholder meetings, requirements for certain corporate procedures and certain shareholder remedies.

Amendments to the Charter Documents

Any substantive change to the corporate charter of a company under the BCBCA, such as an alteration of the restrictions, if any, on the business that may be carried on by the Corporation, a change in the name of the Corporation or an increase or reduction of the authorized capital of the Corporation, requires approval by the type of resolution specified in the BCBCA for such an alteration; in some cases the BCBCA requires a special resolution unless the Corporation's Articles specify a different type of resolution (such as an ordinary shareholders' resolution or an exceptional shareholders' resolution or a directors' resolution) is required to make such change. As a result, the type of resolution required for one type of change may be different than the type of resolution required for another type of change. Also, the BCBCA provides that a right or special right attached to issued shares must not be prejudiced or interfered with by an alteration unless the Shareholders holding shares of the class or series of shares to which such right or special right is attached consent by special resolution of those Shareholders whether or not such shares otherwise carry the right to vote.

The New Articles for the Corporation under the BCBCA provide that the Corporation may by directors' resolution subdivide or consolidate all or any of its unissued, or fully paid issued, shares and authorize a change of name of the Corporation and, if applicable, alter its Notice of Articles and Articles, accordingly, without seeking Shareholder approval. Other changes, such as changes to the Corporation's share structure, will require approval by the Shareholders by special resolution.

Under the OBCA, certain fundamental changes, such as subdivision or consolidation of shares or changes of name, require a special resolution passed by not less than two-thirds of the votes cast by shareholders voting on the resolution authorizing the alteration and, where certain specified rights of the holders of a class or series of shares are affected differently by the alteration than the rights of the holders of other classes of shares, or in the case of holders of a series of shares in a manner different from other shares of the same class, a resolution passed by not less than two-thirds of the votes cast by the holders of shares of each class, or series, as the case may be, even if such class or series is not otherwise entitled to vote.

Special Resolutions

There is a difference in the definition of "special resolution" under the OBCA and the BCBCA. Under the OBCA a special resolutions require approval by at least a two-thirds majority vote of the shareholders of a corporation and, under the BCBCA, requires approval by a special majority, being a two-thirds to three-quarters majority vote of the shareholders of a company, depending on what the Articles of the company specify is required for a special majority. The New Articles for the Corporation under the BCBCA

provide that a special majority shall be a two-thirds majority vote of the shareholders of a company. The BCBCA also provides that the Articles may specify that certain corporate procedures, such as alterations to provisions of the Notice of Articles, may require an exceptional resolution requiring approval by a vote greater than a special majority. The New Articles for the Corporation under the BCBCA following the proposed Continuation provide that a special majority is a two-thirds majority vote and thus a two-thirds majority vote will be required to pass a special resolution, the same as the current requirement under the OBCA. The New Articles for the Corporation under the BCBCA do not require any approvals by exceptional resolution.

Sale of Undertaking

The OBCA requires approval of the holders of two-thirds of the shares of a corporation represented at a duly called meeting upon a sale, lease or exchange of all or substantially all of the property of the corporation outside the ordinary course of business. If a sale, lease or exchange of all or substantially all of the property of a corporation outside of ordinary course of business affects a particular class or series of shares in a manner different from the shares of another class or series, the former are entitled to vote separately as a class or series, whether or not such class or series otherwise carries the right to vote.

The BCBCA requires the sale, lease or other disposition of all or substantially all of a company's undertaking, other than in the ordinary course of business, to be authorized by special resolution passed by shareholders. Only shares that carry the right to vote may be voted. The New Articles for the Corporation under the BCBCA provide that the majority of votes required to pass a special resolution is two-thirds of the votes cast on the resolution.

Rights of Dissent

The BCBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where a company proposes to:

1. alter its articles to alter restrictions on the powers of the company or the business it is permitted to carry on;
2. adopts an amalgamation agreement;
3. amalgamate with another corporation in a foreign jurisdiction;
4. approve an arrangement, if the terms of the arrangement permit dissent;
5. authorize the continuation of the company out of the jurisdiction;
6. authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking; and
7. authorize any other resolution, if dissent is authorized by that resolution.

In addition, the BCBCA provides a dissent remedy in respect of any court order that permits dissent. The OBCA contains a similar dissent remedy, although the triggering events and the procedure for exercising this remedy are slightly different than those contained in the BCBCA. Under both the OBCA and the BCBCA, there is no right of dissent in respect of an amalgamation between a company and its wholly-owned subsidiary, or between wholly-owned subsidiaries of the same company.

The OBCA provides for the right to dissent in the circumstances described in (a), (b), (c), (d) and (e) above but does not provide for the right to dissent in the circumstances described in (f) above, nor in

respect of any court order that permits dissent. The OBCA provides the right of dissent pursuant to certain court orders approving an arrangement and with respect to certain resolutions, such as a resolution to carry-out a going private transaction.

Both the BCBCA and OBCA requires that dissent rights must be exercised with respect to all of the shares in respect of which the dissenting shareholder is the registered and beneficial owner.

Oppression Remedies

Under the BCBCA, a shareholder of a company (including Beneficial Shareholders and any other person whom the court considers appropriate to seek a remedy) has the right to apply to the court on the grounds that: (i) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, or (ii) that some act of the company has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders. On such an application, the court may make such order as it sees appropriate, including an order to prohibit any act proposed by the company.

The OBCA contains rights that are viewed as broader, in that they are available to a larger class of complainants. Under the OBCA, a shareholder, former shareholder, director, former director, officer, former officer of a corporation or any of its affiliates, or any other person who, in the discretion of the court, is a proper person to seek an oppression remedy may apply to the court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of the corporation or its affiliates effects a result, or the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the corporation or its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director, or officer.

Shareholder Derivative Actions

Under the BCBCA, a shareholder or director of a company may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the company to (i) enforce an obligation owed to the company that could be enforced by the company itself or (ii) to obtain damages for any breach of such an obligation. A broader right to bring a derivative action is contained in the OBCA as this right extends to present and past registered or beneficial holders of shares of the corporation, present and past directors or officers of a corporation or its affiliates, and any person, who, in the discretion of the court, is a proper person to make an application to the court to bring a derivative action. In addition, the OBCA permits derivative actions to be commenced, with leave of the court, in the name and on behalf of the subsidiaries of a corporation.

Requisition of Meetings

The OBCA permits the holders of not less than 5% of the issued shares that carry the right to vote at a meeting sought to be held to require the directors to call and hold a meeting of shareholders of a corporation for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

The BCBCA provides that shareholders of a company who hold in the aggregate at least one-twentieth of the issued shares of the company that carry the right to vote at general meetings may give notice to the directors requiring them to call and hold a general meeting within four months. If the directors do not, within 21 days after the date on which the requisition is received by the company, send notice of a general meeting, the requisitioning shareholders, or any one or more of them holding, in the aggregate, more than one-fortieth of the issued shares of the company that carry the right to vote at general meetings, may send notice of a general meeting to be held to transact the business stated in the requisition.

Place of Meetings

Subject to the Articles of Incorporation, the corporation's by-laws and any unanimous shareholder agreement, a meeting of shareholders of a corporation may be held at such place in or outside Ontario as the directors determine or, in the absence of such a determination, at the place where the registered office of the corporation is located

Under the BCBCA, general meetings of shareholders are to be held in British Columbia or may be held at a location outside of British Columbia if:

1. the location is provided for in the articles;
2. the articles do not restrict the company from approving a location outside of British Columbia and (i) the location is approved by the resolution required by the articles for that purpose, or (ii) if no resolution is specified then approved by ordinary resolution; or
3. the location is approved in writing by the Registrar of Companies before the meeting is held.

The proposed New Articles for the Corporation under the BCBCA provide for the location of a meeting to be outside of British Columbia if the location is approved by directors' resolution.

Registered Office

The OBCA requires that the corporation's registered office be located in Ontario and that it may be relocated to a different municipality only with the approval of shareholders by special resolution and a corresponding amendment to the corporation's articles. The BCBCA provides that the company must maintain a registered office in British Columbia. The address of the registered office may be changed in any manner permitted by the articles or if the articles are silent, by a directors' resolution.

Directors

The OBCA requires that a distributing corporation must have at least three directors, at least two of whom are not officers or employees of the Corporation or its affiliates. Under the OBCA, at least twenty-five per cent of the directors must be resident Canadians; however, if a corporation has less than four directors, at least one director must be a resident Canadian. The BCBCA provides that a reporting company must have a minimum of three directors. There is no further requirement with respect to the directors' status as officers and/or employees of the Corporation or its affiliates. The BCBCA does not contain any residency requirements for directors.

The BCBCA does require that the directors of a public company must elect, from among their number, a committee to be known as the audit committee. The audit committee must be composed of at least three directors, and a majority of the members of the audit committee must not be officers or employees of the company or of an affiliate of the company. The duties of the audit committee are set out in the BCBCA, and they include reviewing and reporting to the directors the financial statements of the company and the auditor's report (if any) prepared in relation to the financial statements before either are published.

Solicitation of Proxies

Under the OBCA, a person who solicits proxies, other than on behalf of management, must prepare and send a dissident's information circular in a prescribed form to the auditors of the corporation, to each shareholder whose proxy is sought and to the corporation itself. These requirements do not apply to a corporation which has 15 or fewer shareholders entitled to vote at a shareholders' meeting. The person soliciting proxies must also file a copy of the dissident's information circular with the Ontario Securities

Commission (under the OBCA), together with a copy of the form of proxy and any other documents for use in connection with the meeting. There are no comparable requirements under the BCBCA.

Shareholders Rights of Dissent to the Continuation

The following description of the rights of Shareholders to dissent and to be paid the fair value for their common shares of the Corporation by virtue of the Continuation is not a comprehensive statement of the procedures to be followed. It is qualified in its entirety by reference to the full text of Section 185 of the OBCA, a copy of which is attached as Schedule “F” to this Circular. **A shareholder who intends to exercise a right of dissent should carefully consider and comply with such provisions of the OBCA and should seek independent legal advice. Failure to comply with the provisions of the OBCA may result in the loss of all rights thereunder.**

Pursuant to Section 185 of the OBCA, a Shareholder is entitled, in addition to any other right that the Shareholder may have, if the action approved by resolution becomes effective, to dissent and to be paid by the Corporation the fair value of the shares in respect of which that Shareholder dissents. “Fair value” is determined as of the close of business on the last business day before the day on which the Continuation Resolution (as such term is defined above) is adopted. A Shareholder may dissent only with respect to all of the Shareholder’s shares of the Corporation or shares held by the Shareholder on behalf of any one beneficial owner. Further, a Shareholder may only dissent in respect of shares registered in the dissenting Shareholder’s name.

Beneficial Shareholders who wish to dissent should be aware that only the registered owner of such shares is entitled to dissent. Common Shares registered in the name of a broker, custodian, nominee or other intermediary, held on behalf of the beneficial owner of the shares, must exercise dissent rights on behalf of such beneficial owners.

Under Section 185 of the OBCA, a Shareholder wishing to dissent must send to the Corporation written objection (the “**Notice of Dissent**”) to the Continuation Resolution, as defined herein. The Notice of Dissent must be sent to the Corporation at any time before the meeting on or before 11:00 a.m. (Toronto time) on June 20, 2016, or be delivered to the Chair of the Meeting at the Meeting. The sending of a Notice of Dissent does not deprive a registered shareholder of the right to vote on the Continuation Resolution but a vote either in person or by proxy against the Continuation Resolution does not constitute a Notice of Dissent. A vote in favour of the Continuation Resolution will deprive the registered Shareholder of further rights under Section 185 of the OBCA.

Within ten days after the Continuation Resolution has been adopted, the Corporation must give written notice to each Shareholder (a “**Dissenting Shareholder**”) who has filed a Notice of Dissent and has not voted for the Continuation Resolution or not withdrawn that Shareholder’s Notice of Dissent, that the Continuation Resolution has been adopted. Within 20 days after receipt of this notice or, if the Dissenting Shareholder does not receive it, within 20 days after learning that the Continuation Resolution has been adopted, the Dissenting Shareholder must send the Corporation a written notice (the “**Demand for Payment**”) setting out the Dissenting Shareholder’s name and address, the number of shares in respect of which that Dissenting Shareholder dissents, and a demand for payment of their fair value; and must send the certificates for the shares in respect of which that Dissenting Shareholder dissents to the Corporation or its transfer agent within 30 days after sending the Demand for Payment. The Corporation or the transfer agent must endorse the certificates with a notice that the holder is a Dissenting Shareholder under Section 185 of the OBCA and forthwith return the certificates to the Dissenting Shareholder. A Dissenting Shareholder who does not send the certificates within the 30 day period has no right to make a claim under Section 185 of the OBCA.

A Dissenting Shareholder ceases to have any rights as a holder of Common Shares of the Corporation, other than the right to be paid their fair value, unless: (i) the Demand for Payment is withdrawn before the Corporation makes a written offer to pay (the “**Offer to Pay**”); (ii) the Corporation fails to make a timely

Offer to Pay to the Dissenting Shareholder and the Dissenting Shareholder withdraws the Demand for Payment; or (iii) the Continuation is not proceeded with.

Not later than seven days after the later of the closing date and the day the Corporation receives the Demand for Payment, the Corporation must send an Offer to Pay in the amount considered by the directors of the Corporation to be the fair value of the shares in respect of which the Dissenting Shareholder has dissented. The Offer to Pay must be accompanied by a statement showing how the fair value was determined. Every Offer to Pay made to Dissenting Shareholders must be on the same terms, and lapses if not accepted within 30 days after being made. If the Offer to Pay is accepted, payment must be made within 10 days of acceptance.

If the Corporation does not make an Offer to Pay or if a Dissenting Shareholder fails to accept an Offer to Pay, the Corporation may, within 50 days after the closing date or within such further period as a court of competent jurisdiction may allow, apply to the court to fix a fair value for the securities of any Dissenting Shareholder. If the Corporation fails to so apply to the court, a Dissenting Shareholder may do so for the same purpose within a further period of 20 days or such other period as the court may allow. A Dissenting Shareholder is not required to give security for costs in any application to the court. Applications referred to in this paragraph may be made to a court of competent jurisdiction in the place where the Corporation has its registered office or in the province where the Dissenting Shareholder resides if the Corporation carries on business in that province.

If the Corporation makes an application to the court, it must give notice of the date, place and consequences of the application and of the Dissenting Shareholder's right to appear and be heard to each Dissenting Shareholder who has sent the Corporation a Demand for Payment and has not accepted an Offer to Pay. All Dissenting Shareholders whose shares have not been purchased by the Corporation must be made parties to the application and are bound by the decision of the court. The court is authorized to determine whether any other person is a Dissenting Shareholder who should be joined as a party to such application.

The court must fix a fair value for the shares of all Dissenting Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the effective date of the Continuation until the date of payment of the amount so fixed. The final order of the court in the proceedings commenced by an application by the Corporation or a Dissenting Shareholder must be rendered against the Corporation and in favour of each Dissenting Shareholder.

The above is only a summary of the dissenting shareholder provisions of the OBCA. A Shareholder of the Corporation wishing to exercise a right to dissent should seek independent legal advice. Failure to comply strictly with the provisions of the statute may prejudice the right of dissent.

Recommendation of the Board of Directors

The board of directors and management of the Corporation have reviewed and considered various facts with respect to the foregoing matters. It is the unanimous recommendation of our directors that shareholders vote for passage of the foregoing resolutions.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. the Corporation be authorized to prepare a Continuation Application and New Articles respecting the proposed continuation of the Corporation from the OBCA to the BCBCA;
2. the Corporation:

- (a) apply to the Director (the “Director”) under the OBCA for a Letter of Satisfaction pursuant to section 181(1) of the OBCA; and
 - (b) apply to the Registrar of Companies of British Columbia to continue as a British Columbia company pursuant to section 302 of the BCBCA;
3. subject to the issuance of such Certificate of Continuation and without affecting the validity of the Corporation and the existence of the Corporation by or under its existing Articles of Incorporation and By-Laws and any act done thereunder, effective upon issuance of the Certificate of Continuation, the Corporation adopt the Notice of Articles set forth in the Continuation Application and the New Articles, substantially in the form attached to the Circular, in substitution for the Corporation’s existing Articles of Incorporation and By-Laws, and such Notice of Articles and New Articles are hereby approved and adopted;
4. notwithstanding that this resolution has been passed by the Shareholders, the directors of the Corporation, at their sole discretion, are hereby authorized and empowered without further notice to, or approval of, the Shareholders, to determine not to proceed with the Continuation at any time prior to the implementation of the Continuation; and
5. any one officer and director of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to do all such acts and things as may be necessary to effect to this special resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE SPECIAL RESOLUTION AUTHORIZING THE CONTINUATION WILL BE VOTED IN FAVOUR OF THE SPECIAL RESOLUTION AUTHORIZING THE CONTINUATION IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF 66 2/3% OF THE VOTES CAST AT THE MEETING BY SHAREHOLDERS IS SUFFICIENT FOR THE APPROVAL OF THE SPECIAL RESOLUTION.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who is, or at any time during the financial year ended December 31, 2015 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate or affiliate of any such director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in the Corporation’s audited financial statements and Management’s Discussion and Analysis (“**MD&A**”) for the financial year ended December 31, 2015. In addition, copies of the Corporation’s annual financial statements and MD&A and this Circular may be obtained upon request to the Corporation. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a shareholder of the Corporation.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to each director of the Corporation, to the auditor of the Corporation, to the Shareholders and to the appropriate governmental agencies, have been approved by the directors of the Corporation.

Dated: May 17, 2016

“Ravi Sood”

Ravi Sood
Executive Chairman

SCHEDULE "A"
STATEMENT OF GOVERNANCE PRACTICES

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
Board of Directors	
<p>1. Board of Directors—Disclose how the board of directors (the “Board”) of Feronia Inc. (the “Corporation”) facilitates its exercise of independent supervision over management, including:</p> <p>(i) the identity of directors that are independent, and</p> <p>(ii) the identity of directors who are not independent, and the basis for that determination.</p>	<p>The Board currently consists of a total of eight directors of which Messrs. Keith Alexander, Frank Braeken, Nigel Gourlay, Joel Strickland and David White are considered “independent”, as such term is defined in NI 58-101.</p> <p>Messrs. Ravi Sood and Xavier de Carniere are not considered independent as they are executive officers of the Corporation. Mr. Peter van As is not considered independent as he is an employee of Phatisa Fund Managers Limited, the manager of a beneficial shareholders carrying 10% or more of the voting rights attached to the common shares of the corporation.</p>
<p>2. Directorships—If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>Please refer to the accompanying management information circular dated May 17, 2016 (the “Circular”) under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.</p>
Orientation and Continuing Education	
<p>3. Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.</p>	<p>Each director ultimately assumes responsibility for keeping himself informed about the Corporation’s business and relevant developments outside the Corporation that affect its business. Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board. Directors may also attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Corporation’s business and developments in areas where they are not commonly exposed.</p>
Ethical Business Conduct	
<p>4. Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board is responsible for promoting an ethical business culture and fostering an environment that places an emphasis on compliance. The Board has adopted a written Code of Business Conduct which guides overall behaviour of the Board. The Board monitors compliance, including through receipt by the Audit Committee of reports of unethical behaviour. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Corporation proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.</p>
Nomination of Directors	
<p>5. Disclose what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates, and (ii) the process of</p>	<p>The Corporate Governance and Nominating Committee is responsible for the identification and assessment of potential directors. Pursuant to its Charter, the Corporate Governance and Nominating Committee</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
identifying new candidates.	shall determine the appropriate criteria for selecting and assessing potential new members of the Board and shall select candidates for nomination to the Board accordingly. Members of the Board are canvassed with respect to the qualifications of a prospective candidate and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Corporate Governance and Nominating Committee also assesses any potential conflicts, independence or time commitment concerns that the candidate may present.
Compensation	
6. Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation, and (ii) the process of determining compensation.	The process undertaken by the Board and the Compensation Committee in respect of compensation is more fully described in the “Compensation Discussion and Analysis” section of the accompanying Circular.
Other Board Committees	
7. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	<p>The Procurement Committee of the Board was established in January, 2013. The overall purpose of the Procurement Committee is to provide financial oversight, develop and monitor the Corporation’s approach to budgeting and review certain divestments and investments of the Corporation.</p> <p>The Environmental, Social and Governance Committee (the “ESG Committee”) of the Board was established in November 2013. The overall purpose of the ESG Committee is to supervise the implementation of and adherence to laws and international best practice relating to environmental, social and governance matters by the Corporation and its subsidiaries.</p>
Assessments	
8. Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.	The Board is currently responsible for assessing the effectiveness of the Board, the individual directors and the committees.

SCHEDULE "B"

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as a TSX Venture Exchange-listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the board of directors or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Corporation’s financial reporting;
- (b) assist the board of directors to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

“**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

“**audit services**” means the professional services rendered by the Corporation’s external auditor for the audit and review of the Corporation’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation;

“**financially literate**” has the meaning set forth in Section 1.2;

“**immediate family member**” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“**Instrument**” means National Instrument 52-110 – *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 - *Continuous Disclosure Obligations*; and

“**non-audit services**” means services other than audit services.

1.2 Meaning of Financially Literate

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

PART 2

2.1 Audit Committee

The board of directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors

The Corporation will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

2.3 Relationship with Internal Auditors

The Corporation will require its internal auditor to report directly to the chief financial officer and the Members shall ensure that such is the case.

2.4 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the board of directors:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
 - (a) reviewing the audit plan with management and the external auditor;
 - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;
 - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;

- (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses;
 - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable; and
 - (m) overseeing compliance with anti-bribery, anti-corruption and anti-money laundering laws.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.
 4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.
 5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.
 6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
 7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
 8. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
 9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
 10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

2.5 De Minimis Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the 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 issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;

- (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.6 Delegation of Pre-Approval Function

- 1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
- 2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

- 1. The Committee shall be composed of a minimum of three Members.
- 2. Every Member shall be a director of the issuer.
- 3. The majority of Members shall not be employees, Control Persons or officers of the Corporation.
- 4. If practicable, given the composition of the directors of the Corporation, each Member shall be financially literate.
- 5. The board of directors of the Corporation shall appoint or re-appoint the Members after each annual meeting of shareholders of the Corporation.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have 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 Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the board of directors.

PART 5

5.1 Disclosure in Information Circular

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.

SCHEDULE "C"
DEFERRED SHARE UNIT PLAN

1. PURPOSE OF THE PLAN

The purpose of the Plan is to provide Participants with an opportunity to benefit from the increase in the value of the Common Shares. This will provide an increased incentive for Participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Common Shares for the benefit of all Shareholders and increasing the ability of the Corporation and its Subsidiaries to attract and retain individuals of exceptional skill.

2. DEFINED TERMS

2.1 Where used herein, the following terms shall have the following meanings:

- (a) **"Applicable Withholding Tax"** has the meaning set forth in Section 6.7;
- (b) **"Award Date"** means the date a Deferred Share Unit is awarded under the Plan;
- (c) **"Awarded Amount"** has the meaning set forth in Section 4.1;
- (d) **"Board"** means the board of directors of the Corporation;
- (e) **"Cause"** means, unless otherwise defined in the applicable agreement evidencing the Awarded Amount, any act or omission that would entitle the Corporation to terminate the Participant's employment, without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law:
 - (i) any improper conduct by the Participant which is materially detrimental to the Corporation; or
 - (ii) the wilful failure of the Participant to properly carry out his or her duties on behalf of the Corporation or to act in accordance with the reasonable direction and instruction of the Corporation;
- ~~(f) **"Change of Control"** means the occurrence of any of:~~
 - ~~(i) the acceptance by the Shareholders, representing in the aggregate more than fifty percent (50%) of the Outstanding Issue, of any offer, whether by way of a takeover bid or otherwise, for any or all of the Common Shares;~~
 - ~~(ii) the acquisition hereafter, by whatever means (including, without limitation, by way of an arrangement, merger or amalgamation), by any person (or two or more persons acting jointly or in concert), directly or indirectly, of the beneficial ownership of Common Shares or rights to acquire Common Shares that, together with such person's then owned Common Shares and rights to acquire Common Shares, if any, represent in the aggregate more than fifty percent (50%) of the Outstanding Issue;~~

- ~~(iii) — the passing of a resolution by the Board or the Shareholders to substantially liquidate the assets or wind up or significantly rearrange the affairs of the Corporation in one or more transactions or series of transactions (including by way of an arrangement, merger or amalgamation) or the commencement of proceedings for such a liquidation, winding up or re-arrangement;~~
- ~~(iv) — the sale by the Corporation of all or substantially all of its assets (other than to an affiliate of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where shareholdings of the Corporation remain substantially the same following the sale as existed prior to the sale);~~
- ~~(v) — persons who were proposed as nominees (but not including nominees under a Shareholder proposal) to become directors of the Corporation immediately prior to a meeting of the Shareholders involving a contest for, or an item of business relating to the election of directors of the Corporation, not constituting a majority of the directors of the Corporation following such election; or~~
- ~~(vi) — any other event which, in the opinion of the Board, reasonably constitutes a change of control of the Corporation;~~

- (f) ~~(e)~~—“**Common Share**” means a common share in the capital of the Corporation;
- (g) ~~(h)~~—“**Compensation Committee**” means the Compensation Committee of the Board, or any other persons designated by the Board to perform the duties contemplated herein;
- (h) ~~(i)~~—“**Corporation**” means Feronia Inc., and includes any successor corporation thereof;
- (i) ~~(j)~~—“**Deferred Share Unit**” means a right awarded by the Corporation to a Participant to receive such number of Common Shares for each one Deferred Share Unit as determined pursuant to the Plan, or the Fair Market Value thereof;
- (j) ~~(k)~~—“**Exchange**” means the TSX Venture Exchange or, if the Common Shares are not then listed and posted for trading on the TSX Venture Exchange, then the principal stock exchange on which such shares are listed and posted for trading or any other regulatory body having jurisdiction as may be selected for such purpose by the Board;
- (k) ~~(l)~~—“**Fair Market Value**” means, at any date, the simple average of the closing prices of the Common Shares on the Exchange for the five trading days immediately preceding the relevant date, or if the Common Shares are not listed on any stock exchange, a price determined by the Board;
- (l) ~~(m)~~—“**Insider**” means an Insider as defined in the applicable policies of the Exchange;
- (m) ~~(n)~~—“**Option**” means the right to purchase Common Shares granted pursuant to the Corporation’s stock option plan approved by the Board, as may be amended from time to time in accordance with its terms, or any successor plan accepted for filing by the Exchange;
- (n) ~~(o)~~—“**Outstanding Issue**” means the number of Common Shares outstanding on a non-diluted basis;

- (o) ~~(p)~~—“**Participants**” means the directors, officers and employees of, and consultants to, the Corporation or its Subsidiaries, as defined in the applicable policies of the Exchange and, subject to compliance with the applicable requirements of the Exchange, the Personal Holding Companies of such persons, to whom a Deferred Share Unit has been awarded by the Board pursuant to the Plan and which Deferred Share Unit remains outstanding;
- (p) ~~(q)~~—“**Personal Holding Company**” means a company of which 100% of the voting shares are beneficially owned, directly or indirectly, by a director, officer or employee of, or consultant to, the Corporation or its Subsidiaries and such entity shall be bound by the Plan in the same manner as if the Deferred Share Units were awarded directly;
- (q) ~~(r)~~—“**Plan**” means this Deferred Share Unit Plan, as amended or varied from time to time;
- (r) ~~(s)~~—“**Reserved for Issuance**” refers to Common Shares that may be issued in the future upon the redemption of Deferred Share Units which have been or are awarded pursuant to this Plan or, in the case of other Share Compensation Arrangements, Common Shares issuable pursuant to such Share Compensation Arrangement;
- (s) ~~(t)~~—“**Retirement**” means the retirement by a Participant from active employment with the Corporation and its Subsidiaries and affiliates at or after the age of 65, or at or after such earlier age and upon the completion of such years of service as the Board may specify;
- (t) ~~(u)~~—“**Share Compensation Arrangement**” means the Plan described herein and any other stock option plan, share purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to one or more Participants, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guaranty or otherwise;
- (u) ~~(v)~~—“**Shareholder**” means a holder of Common Shares;
- (v) ~~(w)~~—“**Subsidiary**” means any corporation that is a subsidiary of the Corporation, as such term is defined under the *Business Corporations Act* (Ontario), as such provision is from time to time amended, varied or re-enacted, or a “related entity” as defined in section 2.22 of National Instrument 45-106; and
- (w) ~~(x)~~—“**Termination Date**” means the date that a Participant ceased to be a director, officer or employee of, or consultant to, the Corporation and its Subsidiaries.

3. ADMINISTRATION

3.1 The Board shall, in its sole and absolute discretion, but taking into account relevant corporate, securities and tax laws:

- (a) interpret and administer this Plan;
- (b) establish, amend and rescind any rules and regulations relating to this Plan;
- (c) determine the time or times when Deferred Share Units will be awarded, vest and be redeemable and determine when it is appropriate to accelerate when Deferred Share Units otherwise subject to vesting may be redeemed; and

- (d) make any other determinations that the Board deems necessary or desirable for the administration of this Plan.

3.2 The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Board in the interpretation and administration of this Plan shall be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan shall be borne by the Corporation.

3.3 The Board may, to the extent permitted by law, delegate any of its responsibilities under this Plan and powers related thereto including, without limiting the generality of the foregoing, those referred to under Section 3.1, to the Compensation Committee or to one or more officers of the Corporation and all actions taken and decisions made by the Compensation Committee or by such officers in this regard shall be final, conclusive and binding on all parties concerned, including, but not limited to, the Corporation, the Participant, and their legal representatives. References to actions and decisions of the Board in this Plan shall be deemed to include the Compensation Committee if the authority in respect of such action or decision has been delegated by the Board to the Compensation Committee pursuant to this Section 3.3.

4. AWARDS AND VESTING

4.1 The Board shall, in its sole and absolute discretion, decide the amount (the “**Awarded Amount**”) of compensation to be awarded to Participants in the form of Deferred Share Units.

4.2 The number of Deferred Share Units to be credited to a Participant for services shall be determined by dividing the Awarded Amount by the Fair Market Value as at the last trading day of the Common Shares on the Exchange before the date of the award.

4.3 (a) The Board may in its discretion determine the vesting schedule applicable to an award of Deferred Share Units at the time of award. Notwithstanding the foregoing, in the absence of such determination by the Board, all Deferred Share Units shall vest in four equal instalments on the second, third, fourth and fifth anniversary of the Award Date.

(b) Notwithstanding the foregoing, unless otherwise determined by the Board at the time of the award of a Deferred Share Unit:

- ~~(i) any unvested Deferred Share Units of a Participant outstanding immediately prior to the occurrence of a Change of Control shall become fully vested on the completion of such Change of Control; and~~ (ii) any unvested Deferred Share Units of a Participant outstanding immediately prior to the Termination Date of such Participant shall become fully vested on such Termination Date if the Participant was terminated by the Corporation without Cause.

5. SHARES RESERVED

5.1 Subject to adjustment as provided for herein, the maximum aggregate number of Common Shares that may be Reserved for Issuance pursuant to this Plan is ~~5,522,065~~ 20,000,000 Common Shares.

5.2 Unless disinterested Shareholder approval is obtained, in no event may:

- (a) the number of Deferred Share Units and Options granted to any one person, other than a consultant, in any 12 month period exceed 5% of the Outstanding Issue;
- (b) the number of Deferred Share Units and Options granted to any consultant to the Corporation in any 12 month period exceed 2% of the Outstanding Issue; and
- (c) the number of Deferred Share Units and Options granted to all persons engaged to conduct investor relations activities in any 12 month period exceed 2% of the Outstanding Issue.

5.3 The maximum aggregate number of Common Shares that, under all Share Compensation Arrangements:

- (a) are Reserved for Issuance to Insiders, may not exceed 10% of the Outstanding Issue at any time; and
- (b) are issued to Insiders within a 12 month period, may not exceed 10% of the Outstanding Issue.

5.4 For the purposes of Section 5.2, Common Shares issuable to an Insider pursuant to a Deferred Share Unit or other entitlement that was awarded before the person became an Insider shall be excluded in determining the number of Common Shares issuable to Insiders.

5.5 Any Common Shares not acquired under a Deferred Share Unit awarded under the Plan which has expired or been cancelled or terminated may be made the subject of a further Deferred Share Unit pursuant to the provisions of the Plan. In the event that any Deferred Share Units are redeemed by the Corporation pursuant to Section 6.3 by delivering Common Shares acquired on the open market or making a lump sum payment rather than issuing Common Shares from treasury, neither such Common Shares nor the value of such payment shall be included in the calculation of the maximum aggregate number of Common Shares that may be Reserved for Issuance pursuant to Section 5.1 or the aggregate number of Common Shares issued to Insiders pursuant to Section 5.3.

5.6 On any date on which a cash dividend is paid on Common Shares, a Participant's account shall be credited with the number of vested Deferred Share Units calculated by:

- (a) multiplying the amount of the dividend per Common Share by the aggregate number of Deferred Share Units that were credited to the Participant's account as of the record date for payment of the dividend; and
- (b) dividing the amount obtained in Section 5.6(a) by the Fair Market Value on the date on which the dividend is paid.

5.7 A written confirmation of the balance in each Participant's account shall be sent by the Corporation to the Participant upon request of the Participant.

5.8 In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, arrangement, merger, consolidation, spin-off or other distribution of Corporation assets to Shareholders, or any other change in the capital of the Corporation affecting Common Shares, the Board, in its sole and absolute discretion, shall make, with respect to the number of Deferred Share Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect such change.

6. TERMINATION OF SERVICE

6.1 Subject to the terms of the Plan, a Participant who has ceased to be a director, officer or employee of, or consultant to, the Corporation and its Subsidiaries may redeem the vested Deferred Share Units credited to such Participant's account, net of Applicable Withholding Tax, by filing with the Corporation a notice of redemption in the form prescribed from time to time by the Corporation (the "**Notice of Redemption**") on or before November 1 of the first calendar year commencing after the Termination Date. If the Participant fails to file such notice on or before such date, the Participant shall be deemed to have filed with the Corporation a notice of redemption on such date and shall be deemed to have elected to redeem all of his or her Deferred Share Units, if applicable.

6.2 Deferred Share Units shall be redeemed pursuant to Section 6.1 as follows:

- (a) each Deferred Share Unit credited to a Participant shall be redeemed for one Common Share or the Fair Market Value thereof in the event that such Participant has ceased to be a Participant due to Retirement, has been terminated without Cause, or has not been re-elected as a director by the shareholders of the Corporation;
- (b) each Deferred Share Unit credited to a Participant shall be redeemed for one Common Share or the Fair Market Value thereof in the event of the Participant's death, in which case the Corporation shall, within two months of such Participant's death, redeem the vested Deferred Share Units credited to the deceased Participant's account (net of any Applicable Withholding Tax) to or for the benefit of the legal representative of the Participant (with the Fair Market Value calculated as at the date of death of the Participant); and
- (c) each Deferred Share Unit credited to a Participant shall, subject to Section 6.6, be redeemed for 0.75 of one Common Share or the equivalent Fair Market Value thereof in all other circumstances not described in Section 6.2(a) and 6.2(b), including but not limited to the resignation of such Participant prior to his or her Retirement or the determination of such Participant not to stand for re-election to the Board.

6.3 The Corporation shall redeem the vested Deferred Share Units required to be redeemed pursuant to this Plan by, in the sole discretion of the Board either: (i) issuing Common Shares from treasury; (ii) delivering Common Shares acquired on the open market; (iii) making a lump sum payment equal to the number of Common Shares issuable to the Participant pursuant to Section 6.2 multiplied by the Fair Market Value as at the Termination Date; or (iv) any combination thereof.

6.4 All unvested Deferred Share Units in respect of a Participant shall be forfeited and shall be of no value whatsoever on the Termination Date. For greater certainty, no period of notice of termination of service or period of pay in lieu of notice of termination of service, that is or that ought to have been given to a Participant, whether mutually agreed, unilaterally imposed by the Corporation or a third party, or mandated by applicable law, shall be considered in determining a Participant's rights under the Plan.

6.5 The issuance of the Common Shares or cash payment pursuant to Section 6.3 shall be made by the Corporation within 30 days of receipt of a duly completed Notice of Redemption, provided that in no event shall such issuance or payment be made later than December 31 of the first calendar year commencing after the Termination Date. Notwithstanding the foregoing, the Corporation may delay its obligations to redeem the Deferred Share Units of a Participant in the circumstances set forth in Section 9. Fractional Common Shares shall not be issued, and where a Participant would otherwise be entitled to

receive a fractional Common Share in respect of any fractional Deferred Share Unit, the Corporation shall round the number of Common Shares to be issued up or down to the nearest whole Common Share.

6.6 A Participant that is terminated by the Corporation for Cause shall forfeit all Deferred Share Units, whether vested or unvested and shall not be entitled to any payment or compensation in respect thereof.

6.7 The Corporation is authorized to deduct such taxes and other amounts as it may be required by law to withhold (“**Applicable Withholding Tax**”), in such manner as it determines, including, without limiting the generality of the foregoing, by delivering fewer Common Shares than a Participant otherwise would have received. The Corporation may require Participants, as a condition of receiving Common Shares otherwise to be delivered to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Corporation respecting the payment by such Participants of applicable income or other taxes.

7. NON-TRANSFERABILITY

Deferred Share Units and all other rights, benefits or interests in this Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if the Participant dies, the legal representatives of the Participant shall be entitled to receive the amount of any payment otherwise payable to the Participant hereunder in accordance with the provisions hereof.

8. NO RIGHT TO SERVICE

Neither participation in this Plan nor any action under this Plan shall be construed to give any Participant a right to be retained in the service of the Corporation.

9. APPLICABLE TRADING POLICIES

The Board and each Participant shall ensure that all actions taken by the Board and such Participant, respectively, pursuant to this Plan comply with any applicable securities laws and policies of the Exchange and the Corporation relating to insider trading or “blackout” periods. Accordingly, in the sole discretion of the Board, the Corporation may delay its obligation to redeem the Deferred Share Units of any Participant under this Plan if necessary in order to comply with such applicable laws or policies. The Corporation shall not be responsible for any adverse tax consequences to a Participant in the event of a delay in the redemption of Deferred Share Units pursuant to this Section 9.

10. SUCCESSORS AND ASSIGNS

This Plan shall enure to the benefit of and be binding upon the Corporation and its successors and assigns. The interest of any Participant under the Plan or in any Deferred Share Unit shall not be transferable or alienable by such Participant either by pledge, assignment or in any other manner whatever, otherwise than in the case of individuals, by testamentary disposition or in accordance with the laws governing the devolution of property in the event of death.

11. PLAN AMENDMENT

11.1 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan without obtaining Shareholder approval as it deems necessary or appropriate, provided that such amendment, modification or termination shall not adversely affect the rights of a Participant

with respect to Deferred Share Units to which the Participant is then entitled under this Plan without the prior written consent of such Participant.

11.2 Notwithstanding Section 11.1, the Board may not, without all requisite Shareholder and Exchange approvals amend the Plan or a Deferred Share Unit to:

- (a) increase the number of Shares reserved for issuance under the Plan;
- (b) permit assignments, or redemptions other than by the Participant, of Deferred Share Units beyond that contemplated by Section 7, except for an amendment that would permit the assignment of a Deferred Share Unit for estate planning or estate settlement purposes; or
- (c) provide for other types of compensation through equity issuance, unless the change to the Plan or a Deferred Share Unit results from the application of Section 5.8.

11.3 Without limiting the generality of Section 11.1, the Board may make the following amendments to the Plan without obtaining Shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including without limitation the policies of the Exchange or the rules of any securities exchange on which the Common Shares are then listed or reported, or by any regulatory body having jurisdiction with respect thereto;
- (b) adjustments to outstanding Deferred Share Units in the event of certain corporate transactions;
- (c) changes to the redemption or termination provisions of a Deferred Share Unit or the Plan which do not entail an extension beyond the original termination date;
- (d) amendments to the vesting provisions of the Plan or a specific Deferred Share Unit;
- (e) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan; and
- (f) amendments to the Plan that are of a “housekeeping nature”.

12. GOVERNING LAW

This Plan and all matters to which reference is made in this Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

13. REORGANIZATION OF THE CORPORATION

The existence of this Plan or Deferred Share Units shall not affect in any way the right or power of the Corporation or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation’s capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of the Corporation or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation, or any amalgamation, arrangement, combination, merger or consolidation involving the Corporation or any sale

or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

14. NO SHAREHOLDER RIGHTS

Deferred Share Units are not considered to be Common Shares and a Participant whose account is credited with Deferred Share Units shall not, as such, be entitled to exercise voting rights or any other rights attaching to the ownership of Common Shares or other securities of the Corporation, or be considered the owner of Common Shares by virtue of such crediting of Deferred Share Units.

15. NO OTHER BENEFIT

No amount shall be paid to, or in respect of, a Participant under this Plan to compensate for a downward fluctuation in the price of a Common Share, nor shall any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

16. UNFUNDED PLAN

For greater certainty, this Plan shall be an unfunded plan, including for tax purposes. Any Participant holding Deferred Share Units or related accruals under this Plan shall have the status of a general unsecured creditor of the Corporation with respect to any relevant rights hereunder.

17. TAX CONSEQUENCES

It is the responsibility of the Participant to complete and file any tax returns which may be required under applicable tax laws within the periods specified in those laws as a result of such Participant's participation in the Plan. The Corporation shall not be held responsible for any tax consequences to a Participant as a result of such Participant's participation in the Plan.

18. EFFECTIVE DATE

This Plan is hereby instituted this 10th day of June, 2014, as amended

_____.

SCHEDULE "A"

**Feronia Inc.
Deferred Share Unit Plan**

AWARD AGREEMENT

Feronia Inc. (the "**Corporation**") hereby grants the following award to the Participant named below in accordance with and subject to the terms, conditions and restrictions of this Award Agreement ("**Award Agreement**"), together with the provisions of the Deferred Share Unit Plan of the Corporation (the "**Plan**"):

Name of Participant: _____

Address of Participant: _____

Award Amount: _____

Number of Deferred Share Units: _____

Award Date: _____

Vesting Dates:

Vesting Date	Number of Deferred Share Units Vested

Other Terms and Conditions: _____

The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Award Agreement and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.

Participation in the Plan is voluntary and is not a condition of employment with the Corporation. No Participant shall have any claim or right to be awarded Deferred Share Units pursuant to the Plan.

Neither the Corporation, nor its directors, officers, employees or direct or indirect service providers, shall have any liability for: (i) the income or other tax consequences to Participants arising from participation

in the Plan; (ii) any change in the value of the Common Shares; or (iii) any delays or errors in the administration of the Plan, except where such person has acted with wilful misconduct. Participants should consult their own tax and business advisors prior to entering into this Award Agreement as neither the Corporation nor its representatives are providing any such advice to any Participant.

Please acknowledge receipt of this Award Agreement and your agreement to be bound by its terms (and the terms and conditions set out in the Plan) by signing below. Please make a copy of this Award Agreement for your records and return your original signed Award Agreement to the attention of the Corporate Secretary of the Corporation within thirty (30) days of your receipt of this Award Agreement from the Trust.

FERONIA INC.

Name:
Title:
Authorized Signing Officer

SIGNED, SEALED AND DELIVERED)
in the presence of

)
)
)
)
)
)
)
)

Witness

[Participant]

SCHEDULE "D"
SHARE PURCHASE PLAN

Adopted June 17, 2011, as amended on March 21, 2012 and _____

1. The Corporation has established a Share Purchase Plan ("SPP") for the benefit of the directors, officers and employees of the Corporation and its subsidiaries.
1. Directors, officers and employees as determined from time to time by the board of directors of the Corporation (the "Board") may qualify to participate in the SPP once they have completed six months of service. These directors, officers and employees are referred to as "Qualifying Participants".
2. On June 15 and December 15 of each year, Qualifying Participants can purchase common shares in the capital of the Corporation ("**Common Shares**") ~~up to a maximum amount of \$5,000.~~ Accordingly, the maximum amount that can be invested by a Qualifying Participant in any year is \$10,000, in accordance with allocations determined by the Board for applicable Qualifying Participants from time to time and subject to the restrictions set forth below.
3. The purchase price of the ~~Corporation's~~ Common Shares (the "**Qualifying Shares**") under the SPP is the Market Price (as such term is defined in the TSX Venture Exchange (the "**Exchange**") Corporate Finance Manual) prior to the applicable June 15 or December 15 date.
- ~~5. Qualifying Participants will be required to hold their Qualifying Shares for a minimum period of three months or, if applicable, for the requisite Exchange hold period.~~
4. ~~6.~~ On June 15 and December 15 of each year, a Qualifying Participant will be entitled to receive the matching number of Qualifying Shares purchased by such Qualifying Participant (the "**Matching Shares**") at no cost to the Qualifying Participant, provided that the Qualifying Participant has not sold or otherwise disposed of any of the Qualifying Shares giving rise to the issuance of the Matching Shares. The Matching Shares shall be issued to the Qualifying Participant equally over a three-year period following the date of the purchase of the Qualifying Shares, as long as the Qualifying Participant is a director, officer or employee of the Corporation at that time. Therefore Qualifying Participants earn one-third of their Matching Shares one year following the date of issue of the Qualifying Shares, a further one-third of their Matching Shares two years following the date of issue of the Qualifying Shares, and the final one-third of their Matching Shares three years following the date of issue of the Qualifying Shares. Notwithstanding the foregoing, for purposes of administering the SPP, Qualifying Participants shall not become entitled to receive Matching Shares until six months following the acquisition of the first Qualifying Shares under the SPP.
5. Qualifying Participants will be required to hold their Qualifying Shares for a minimum period of three months or, if applicable, for the requisite Exchange hold period. The Board can impose in its discretion such additional vesting qualifications and other restrictions with respect to the Qualifying Shares and Matching Shares.
6. If the Qualifying Participant is no longer serving as a director, officer or employee of the Corporation for any reason whatsoever (including voluntary resignation or termination by the Corporation with or without cause), the Qualifying Participant will not be entitled to the issuance of any Matching Shares that have not yet been issued to the Qualifying Participant. Despite the

foregoing, upon the death of a Qualifying Participant, Matching Shares that would have been issued to such participant as a result of the purchase of Qualifying Shares as at the date of death will continue to be issued by the Corporation to the estate of such Qualifying Participant over the three year period referred to above.

7. No Common Shares will be issued under the SPP at any time to any insider of the Corporation if such issuance, together with all of the Corporation's previously established or proposed share compensation arrangements, including the SPP, could result at any time in: (i) the number of Common Shares issued to insiders pursuant to the SPP, together with all of such other share compensation arrangements, within any one year period exceeding 10% of the issued and outstanding Common Shares; or (ii) the number of Common Shares issuable to insiders at any time pursuant to the SPP and all such other share compensation arrangements exceeding 10% of the issued and outstanding Common Shares.
 8. The total number of Common Shares issued under the SPP in any fiscal year of the Corporation cannot exceed 2% of the number of issued Common Shares issued and outstanding at the commencement of such fiscal year.
 9. The aggregate number of Common Shares reserved for issuance under the SPP shall be ~~1,500,000 Common Shares~~ 7,000,000 Common Shares. The Corporation reserves the right to allocate Common Shares to Qualifying Participants on a pro-rata basis should the number of Common Shares to be purchased or issued under the SPP exceed ~~1,500,000~~ 7,000,000 Common Shares. For greater certainty, any Common Shares issued from treasury pursuant to the SPP shall reduce the number of Common Shares available for issuance under the SPP. Any increase in the number of Common Shares reserved under the SPP must be approved by the Exchange and approved or ratified by the shareholders of the Corporation.
 10. Notwithstanding Section 10, if the Common Shares are increased, decreased, changed into or exchanged for a different number or type of shares or securities of the Corporation through a re-organization, plan of arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made by the ~~board of directors of the Corporation (the "Board")~~, in its discretion, to: (a) the aggregate number of Common Shares reserved for issuance under the SPP; and (b) the number of Matching Shares issuable to Qualifying Participants pursuant to Section 6 hereof. Determinations by the Board as to what adjustments shall be made, and the extent thereof, are subject to any necessary approvals of the Exchange. The Corporation shall not be obligated to issue fractional securities in satisfaction of any of its obligations hereunder.
12. _____
- (a) ~~In the event that a "take over bid" (within the meaning of applicable Canadian securities laws) is made for all of the issued and outstanding Common Shares, then all Matching Shares which have not yet been earned by Qualifying Participants pursuant to Section 6 hereof as of the date of the bid shall be deemed to have been earned and the Corporation shall immediately issue and deliver such Matching Shares to each Qualifying Participant.~~
 - (b) ~~In the event that a take over bid is made for a portion of the issued and outstanding Common Shares, then, if the Board so determines at its discretion, all Matching Shares which have not yet been earned by Qualifying Participants pursuant to Section 6 hereof as of the date of the bid shall be deemed to have been earned and the Corporation shall immediately issue and deliver such Matching Shares to each Qualifying Participant.~~

11. ~~13.~~ The Corporation may satisfy its obligations under the SPP to issue Qualifying Shares and Matching Shares, in whole or in part, through the issuance of securities from treasury and/or by delivery of previously issued Common Shares acquired on a public market such as the Exchange. The Corporation reserves the right to discharge any and all of its obligations under the SPP through the use of a plan administrator or other third party service provider.
12. ~~14.~~ The SPP may be amended from time to time by the Board. ~~For greater certainty and without limiting the foregoing, the Board may, from time to time, waive the participation limits set out in paragraph 3 of the SPP provided that the aggregate participation of all Eligible Participants in respect of the participation date on which the waiver applies shall not exceed the aggregate maximum participation that would otherwise apply had the waiver not been granted except for the limits set forth in sections 8 through 10 above which may only be amended with the approval of the Exchange and, if so required by the Exchange or applicable law, the shareholders of the Corporation.~~

SCHEDULE "E"
ARTICLES

FERONIA INC.
(the "Company")

Recognition Number: _____

The Company has as its articles the following articles.

FULL NAME AND SIGNATURE OF DIRECTOR	DATE SIGNED
<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <i>Signature</i> <hr style="border: 0; border-top: 1px solid black; margin-top: 5px;"/> <i>Print Name</i>	

ARTICLES

1.	Interpretation	2
2.	Shares and Share Certificates	2
3.	Issue of Shares.....	3
4.	Share Registers.....	4
5.	Share Transfers.....	4
6.	Transmission of Shares	5
7.	Purchase of Shares	6
8.	Borrowing Powers.....	6
9.	Alterations	7
10.	Meetings of Shareholders	8
11.	Proceedings at Meetings of Shareholders.....	11
12.	Votes of Shareholders	14
13.	Directors	17
14.	Election and Removal of Directors	18
15.	Alternate Directors	20
16.	Powers and Duties of Directors	21
17.	Disclosure of Interest of Directors	22
18.	Proceedings of Directors	23
19.	Executive and Other Committees	25
20.	Officers.....	26
21.	Indemnification	26
22.	Dividends	27
23.	Documents, Records and Reports.....	29
24.	Notices.....	29
25.	Seal.....	30
26.	Prohibitions	31

Interpretation

1.1 Definitions

In these Articles, unless the context otherwise requires:

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

1.2 *Business Corporations Act and Interpretation Act Definitions Applicable*

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

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

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

2.2 Form of Share Certificate

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

2.3 Shareholder Entitled to Certificate or Acknowledgment

Each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable written acknowledgment of the shareholder’s right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders’ duly authorized agents will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder’s right to obtain a share certificate may be sent to the shareholder by mail at the shareholder’s registered address and neither the Company

nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

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

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

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

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

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

2.7 Splitting Share Certificates

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

2.8 Certificate Fee

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

2.9 Recognition of Trusts

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

3. ISSUE OF SHARES

3.1 Directors Authorized

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

3.2 Commissions and Discounts

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

3.3 Brokerage

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

3.4 Conditions of Issue

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

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

3.5 Share Purchase Warrants and Rights

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

4. SHARE REGISTERS

4.1 Central Securities Register

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

4.2 Closing Register

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

5. SHARE TRANSFERS

5.1 Registering Transfers

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

- (1) a duly signed instrument of transfer in respect of the share has been received by the Company;

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

For the purpose of this Article, delivery or surrender to the agent that maintains the Company's central securities register or a branch securities register, if applicable, will constitute receipt by or surrender to the Company.

5.2 Form of Instrument of Transfer

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

5.3 Transferor Remains Shareholder

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

5.4 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

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

5.5 Enquiry as to Title Not Required

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

5.6 Transfer Fee

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

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

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

6.2 Rights of Legal Personal Representative

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

7. PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares

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

7.2 Purchase When Insolvent

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

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

7.3 Sale and Voting of Purchased Shares

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

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

8. BORROWING POWERS

8.1 Power to Borrow and Issue Debt Obligations

The Company, if authorized by the directors, may:

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

8.2 Features of Debt Obligations

Any bonds, debentures or other debt obligations of the Company may be issued at a discount, premium or otherwise, or with special privileges as to redemption, surrender, drawing, allotment of or conversion into or exchange for shares or other securities, attending and voting at general meetings of the Company, appointment of directors or otherwise and may, by their terms, be assignable free from any equities between the Company and the person to whom they were issued or any subsequent holder thereof, all as the directors may determine.

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case determined by the directors:
 - (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
 - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
 - (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
 - (d) if the Company is authorized to issue shares of a class of shares with par value:
 - A. decrease the par value of those shares; or
 - B. if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
 - (e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
 - (f) alter the identifying name of any of its shares; or
- (2) by ordinary resolution otherwise alter its shares or authorized share structure.

9.2 Special Rights or Restrictions

Subject to the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, if none of those shares have been issued; or vary or delete any special rights or restrictions attached to the shares of any class or series of shares, if none of those shares have been issued
- (2) by special resolution of the shareholders of the class or series affected, do any of the acts in (1) above, if any of the shares of the class or series of shares have been issued.

9.3 Change of Name

The Company may by directors' resolution or by ordinary resolution, in each case as determined by the directors, authorize an alteration of its Notice of Articles in order to change its name.

9.4 Other Alterations

The Company, save as otherwise provided by these Articles and subject to the *Business Corporations Act*, may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors, authorize alterations to the Articles that are procedural or administrative in nature or are matters that pursuant to these Articles are solely within the directors' powers, control or authority; and
- (2) if the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

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

10.2 Resolution Instead of Annual General Meeting

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

10.3 Calling of Meetings of Shareholders

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

10.4 Place of Meetings of Shareholders

General meetings of shareholders may be held at a location outside of British Columbia to be determined and approved by a directors' resolution.

10.5 Meetings by Telephone or Other Electronic Means

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

10.6 Notice for Meetings of Shareholders

Subject to Article 10.2, the Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by directors' resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

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

10.7 Record Date for Notice

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

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

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

10.8 Record Date for Voting

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

10.9 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.10 Notice of Special Business at Meetings of Shareholders

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

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

10.11 Advance Notice for Nomination of Directors.

- (1) If and for so long as the Company is a public company, subject only to the *Business Corporations Act* and these Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors at any annual meeting of shareholders, or at any special meeting of shareholders called for the purpose of electing directors as set forth in the Company's notice of such special meeting, may be made (i) by or at the direction of the board of directors, including pursuant to a notice of meeting, (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with

the provisions of the *Business Corporations Act* or, (iii) by any shareholder of the Company (a “**Nominating Shareholder**”) who, at the close of business on the date of the giving of the notice provided for below in this Article 10.11 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting, and who complies with the notice procedures set forth in this Article 10.11.

- (a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form to the secretary at the principal executive offices of the Company in accordance with this Article 10.11.
- (b) To be timely, a Nominating Shareholder's notice must be received by the secretary of the Company (i) in the case of an annual meeting, not less than 30 days or more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the "**Meeting Notice Date**"), the Nominating Shareholder's notice must be so received not later than the close of business on the 10th day following the Meeting Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which public announcement of the date of the special meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting or special meeting commence a new time period for the giving of a Nominating Shareholder's notice as described in this Article 10.11.
- (c) To be in proper written form, a Nominating Shareholder's notice must set forth: (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of the Company that are owned beneficially or of record by the person and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the **Business Corporations Act** and Applicable Securities Laws. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee. The Nominating Shareholder's notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.
- (d) No person shall be eligible for election as a director of the Company unless nominated in accordance with the procedures set forth in this Article 10.11; provided, however, that nothing in this Article 10.11 shall be deemed to preclude a shareholder from discussing (as distinct from nominating directors) at a meeting of shareholders any matter in respect of which the shareholder would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (e) For purposes of this Article 10.11, (i) "**public announcement**" shall mean disclosure in a press release disseminated by a nationally recognized news service in Canada, or in a document publicly

filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) "**Applicable Securities Laws**" means the applicable securities legislation in each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

- (f) Notice given to the secretary of the Company pursuant to this Article 10.11 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address aforesaid) or sent by facsimile transmission (provided the receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been on the subsequent day that is a business day.
- (g) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 10.11.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

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

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

11.2 Special Majority

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

11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the meeting.

11.4 One Shareholder May Constitute Quorum

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

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

11.5 Other Persons May Attend

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

11.6 Requirement of Quorum

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

11.7 Lack of Quorum

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

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

11.8 Lack of Quorum at Succeeding Meeting

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

11.9 Chair

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

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

11.10 Selection of Alternate Chair

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

chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

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

11.12 Notice of Adjourned Meeting

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

11.13 Decisions by Show of Hands or Poll

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

11.14 Declaration of Result

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

11.15 Motion Need Not be Seconded

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

11.16 Casting Vote

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

11.17 Manner of Taking Poll

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

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

11.18 Demand for Poll on Adjournment

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

11.19 Chair Must Resolve Dispute

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

11.20 Casting of Votes

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

11.21 Demand for Poll

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

11.22 Demand for Poll Not to Prevent Continuance of Meeting

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

11.23 Retention of Ballots and Proxies

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

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

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

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

12.2 Votes of Persons in Representative Capacity

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

12.3 Votes by Joint Holders

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

- (1) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

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

12.4 Legal Personal Representatives as Joint Shareholders

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

12.5 Representative of a Corporate Shareholder

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

- (1) for that purpose, the instrument appointing a representative must:
 - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
 - (b) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

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

12.6 Proxy Provisions Do Not Apply to All Companies

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

12.7 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint up to two proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders

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

12.9 Proxy Holder Need Not Be Shareholder

- (1) A person who is not a shareholder may be appointed as a proxy holder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
- (2) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

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

12.11 Validity of Proxy Vote

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

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

12.12 Form of Proxy

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

[Name of Company]
(the “**Company**”)

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

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

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder – printed]

12.13 Revocation of Proxy

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

- (1) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (2) provided, at the meeting, to the chair of the meeting.

12.14 Revocation of Proxy Must Be Signed

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

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

12.15 Production of Evidence of Authority to Vote

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

13. DIRECTORS

13.1 First Directors; Number of Directors

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

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

13.2 Change in Number of Directors

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

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

13.3 Directors' Acts Valid Despite Vacancy

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

13.4 Qualifications of Directors

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

13.5 Remuneration of Directors

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

13.6 Reimbursement of Expenses of Directors

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

13.7 Special Remuneration for Directors

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

13.8 Gratuity, Pension or Allowance on Retirement of Director

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

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

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

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

14.2 Consent to be a Director

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

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

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

14.3 Failure to Elect or Appoint Directors

If:

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

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

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

14.4 Places of Retiring Directors Not Filled

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

14.5 Directors May Fill Casual Vacancies

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

14.6 Remaining Directors Power to Act

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

14.7 Shareholders May Fill Vacancies

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

14.8 Additional Directors

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

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

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

14.9 Ceasing to be a Director

A director ceases to be a director when:

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

14.10 Removal of Director by Shareholders

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

14.11 Removal of Director by Directors

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

15. ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

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

15.2 Notice of Meetings

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

15.3 Alternate for More Than One Director Attending Meetings

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

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;

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

15.4 Consent Resolutions

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

15.5 Alternate Director Not an Agent

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

15.6 Revocation of Appointment of Alternate Director

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

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

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

15.8 Remuneration and Expenses of Alternate Director

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

16. POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

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

16.2 Appointment of Attorney of Company

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

17. DISCLOSURE OF INTEREST OF DIRECTORS

17.1 Obligation to Account for Profits

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

17.2 Restrictions on Voting by Reason of Interest

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

17.3 Interested Director Counted in Quorum

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

17.4 Disclosure of Conflict of Interest or Property

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

17.5 Director Holding Other Office in the Company

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

17.6 No Disqualification

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

17.7 Professional Services by Director or Officer

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

17.8 Director or Officer in Other Corporations

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

18. PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors

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

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

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

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

18.4 Meetings by Telephone or Other Communications Medium

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

18.5 Calling of Meetings

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

18.6 Notice of Meetings

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

18.7 When Notice Not Required

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

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

18.8 Meeting Valid Despite Failure to Give Notice

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

18.9 Waiver of Notice of Meetings

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

18.10 Quorum

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

18.11 Validity of Acts Where Appointment Defective

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

18.12 Consent Resolutions in Writing

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

of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

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

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

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

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

19.3 Obligations of Committees

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

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

19.4 Powers of Board

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

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

- (3) fill vacancies in the committee.

19.5 Committee Meetings

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

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

20. OFFICERS

20.1 Directors May Appoint Officers

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

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

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

20.4 Remuneration and Terms of Appointment

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

21. INDEMNIFICATION

21.1 Definitions

In this Article 21:

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

21.2 Mandatory Indemnification of Directors and Former Directors

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

21.3 Indemnification of Other Persons

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

21.4 Non-Compliance with *Business Corporations Act*

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

21.5 Company May Purchase Insurance

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

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

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

22. DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

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

22.2 Declaration of Dividends

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

22.3 No Notice Required

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

22.4 Record Date

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

22.5 Manner of Paying Dividend

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

22.6 Settlement of Difficulties

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

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

22.7 When Dividend Payable

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

22.8 Dividends to be Paid in Accordance with Number of Shares

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

22.9 Receipt by Joint Shareholders

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

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

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

22.12 Payment of Dividends

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

22.13 Capitalization of Surplus

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

23. DOCUMENTS, RECORDS AND REPORTS

23.1 Recording of Financial Affairs

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

23.2 Inspection of Accounting Records

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

23.1 Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

24. NOTICES

24.1 Method of Giving Notice

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

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:

- (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
 - (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
 - (5) physical delivery to the intended recipient.

24.2 Deemed Receipt of Mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

24.3 Certificate of Sending

A certificate signed by the corporate secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

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

24.5 Notice to Trustees

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

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

25. SEAL

25.1 Who May Attest Seal

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

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

25.2 Sealing Copies

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

25.3 Mechanical Reproduction of Seal

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

26. PROHIBITIONS

26.1 Definitions

In this Article 26:

- (1) “**designated security**” means:
 - (a) a voting security of the Company;
 - (b) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
 - (c) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (2) “**security**” has the meaning assigned in the *Securities Act* (British Columbia);
- (3) “**voting security**” means a security of the Company that:
 - (a) is not a debt security, and
 - (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

26.2 Application

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

26.3 Consent Required for Transfer of Shares or Designated Securities

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

SCHEDULE "F"
SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders

185. (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

[\(27\)](#) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

[\(28\)](#) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

[\(29\)](#) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

[\(30\)](#) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

[\(31\)](#) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

[\(32\)](#) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).