National Instrument 51-102
Section 5.4 MD&A Supplement

(All figures in U.S. dollars unless otherwise specified)

Authorized:

We are authorized to issue 10,000,000 shares of our common stock, par value $0.001, and 100,000,000 shares of our preferred stock, par value $0.001.

Issued:

As of July 16, 2018, there were 5,932,640 shares of our common stock issued and outstanding.

Warrants:

As of July 16, 2018, there were no common share purchase warrants outstanding.

Options:

We are permitted to issue up to 986,000 shares of our common stock under the 2010 stock option plan.

As of July 16, 2018, there were 670,651 stock options outstanding entitling the holders thereof the right to purchase one share of our common stock for each option held as follows:

Exercise Price	**Number of Options Outstanding**	**Expiry Date**
$2.03	10,000	December 15, 2021
$2.40	60,000	July 15, 2021
$2.41	46,708	December 14, 2020
$2.46	25,000	March 14, 2022
$2.50	209,318	July 25, 2018 to July 17, 2020
$2.89	319,625	December 14, 2022
July 16, 2018	670,651	

Deferred Share Units:

We are permitted to issue up to 700,000 shares of our common stock under our Deferred Share Unit Plan. Each deferred share unit is equivalent to one share of common stock. On the voluntary resignation, change of control or termination not for a cause, a recipient of a deferred share unit is entitled to receive, from treasury of our company, in a prescribed manner, the number of shares required to settle the value of the deferred share units (less applicable withholding taxes). As of July 16, 2018, we have issued 489,403 deferred share units under the Deferred Share Unit Plan. As of July 16, 2018, we have issued 24,014 shares of our common stock to settle vested deferred share units.