N E T W O R K

Media Group Inc.

NOTICE AND
MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL
MEETING OF SHAREHOLDERS
JUNE 9, 2016

DATED MAY 2, 2016

NETWORK MEDIA GROUP INC.

1488 Frances Street, Vancouver, British Columbia Canada V5L 1Y9
Tel: (604) 739-8825 /Fax: (604) 909-2895

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "**Meeting**") of NETWORK MEDIA GROUP INC. (the "**Company**" or "**Network**") will be held at the Company's offices located at 1488 Frances Street, Vancouver, BC, V5L 1Y9, on Thursday, June 9, 2016, at 11:00 a.m. (Pacific Standard Time) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for its financial year ended November 30, 2015, together with the report of the auditor thereon;
2. To elect directors of the Company as fully described in the accompanying Management Information Circular;
3. To re-appoint Wolrige Mahon LLP as auditors of the Company for the ensuing year at a remuneration to be fixed by the directors;
4. To consider and, if deemed advisable, pass an ordinary resolution to ratify, confirm and approve for adoption the fixed share option plan (the "**Fixed Share Option Plan**") of the Company, replacing the Company's current "rolling" share option plan, allowing the reservation for issuance pursuant to exercise of stock options up to 10,880,074 common shares, which represents 20% of the Company's issued and outstanding common shares as at the date of this Notice of Meeting, being May 2, 2016, as more fully described in the accompanying Management Information Circular;
5. If the resolution to ratify confirm and approve the Fixed Share Option Plan is not approved, to consider and, if deemed advisable, pass an ordinary resolution to re-approve and continue with the Company's current 10% "rolling" share option plan, as more fully described in the accompanying Management Information Circular; and
6. To transact such further and other business as may properly be brought before the Meeting and any adjournment or postponement thereof.

The Company's Board of Directors has fixed May 2, 2016, as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof.

Accompanying this Notice of Annual General Meeting are: (a) the Management Information Circular, which provides additional information relating to the matters to be dealt with at the Meeting; and (b) a form of Proxy ("Proxy") or Voting Instruction Form ("VIF"). Please note, shareholders who wish to receive the Company's future annual and/or interim financial statements and management's discussion and analysis thereon, must "opt-in" to receive these materials by selecting the box contained on the enclosed Proxy or VIF.

Shareholders who cannot attend the Meeting in person may vote by proxy if a registered shareholder or by providing voting instructions if a non-registered shareholder. Instructions for voting in both manners are included in the accompanying Management Information Circular, the form of Proxy and/or VIF.

To be valid, Proxies and VIFs must be received by Computershare Investor Services Inc., the Company's transfer agent ("Computershare"), at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 by 11:00 a.m. PST on June 7, 2016.

If you a non-objecting non-registered shareholder, and receive a VIF from Computershare, please complete and return the form in accordance with the instructions, otherwise you may lose your right to vote at the Meeting,

If you are an objecting non-registered shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary, otherwise you may lose you right to vote at the Meeting.

DATED at Vancouver, British Columbia, this 2nd day of May, 2016.

By Order of the Board of Directors
of Network Media Group Inc.

DERIK MURRAY
Chief Executive Officer

NETWORK MEDIA GROUP INC.

MANAGEMENT INFORMATION CIRCULAR

as at May 2, 2016

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Management Information Circular (the "**Circular**") is given as at May 2, 2016 (the "**Record Date**"), except where otherwise noted. No person has been authorized to give any information or to make any representation in connection with the matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company. This Circular does not constitute the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation. Information contained in this Circular should not be construed as legal, tax or financial advice and shareholders are urged to consult their own profession advisors in connection therewith.

CURRENCY

Unless otherwise specified, all dollar amounts contained within this Circular are reported in Canadian dollars.

VOTING

PROXY SOLICITATION

This Circular is furnished in connection with the solicitation of proxies by or on behalf of management of NETWORK MEDIA GROUP INC. (the "**Company**" or "**Network**") for use at the Annual General Meeting (the "**Meeting**") of the holders of common shares (the "**Common Shares**") in the capital of the Company. The Meeting will be held at the offices of the Company at 1488 Frances Street, Vancouver, British Columbia, V5L 1Y9, on June 9, 2016, at 11:00 a.m. (PST), or any postponement(s) or adjournment(s) therefore, for the purposes set forth in the accompanying Notice of Meeting.

Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, internet or oral communication by management of the Company. The cost of the solicitation of proxies will be borne by the Company.

HOW TO VOTE

Only registered holders of Common Shares (the "**Registered Shareholders**"), or their duly appointed proxyholders, are permitted to vote at the Meeting. Some holders of Common Shares are classified as non-registered or beneficial shareholders (the "**Beneficial Shareholders**") because the Common Shares they own are not registered in their names but are instead registered in the name of an intermediary or nominee through which they purchased the shares (Registered Shareholders and Beneficial Shareholders are collectively referred to as "**Shareholders**").

Shareholders who cannot attend the Meeting in person may vote: (i) if a Registered Shareholder, by completing and returning the enclosed form of proxy (the "**Proxy**"); or (ii) if a Beneficial Shareholder, by providing voting instructions as detailed further below. Either of the foregoing methods may be effected by mail, by phone or over the internet.

Proxies and/or voting instructions must be received by Computershare Investor Services Inc. ("**Computershare**"), the Company's transfer agent, no later than 11:00 a.m. (PST) on June 7, 2016, at its Toronto office, located at:

> Computershare Investor Services Inc.
> 8th Floor, 100 University Avenue
> Toronto, Ontario, M5J 2Y1.

REGISTERED SHAREHOLDERS

- *Voting in Person*

If you are a Registered Shareholder who plans to vote in person at the Meeting, do NOT complete and return the enclosed Proxy. Instead, you will need to register with Computershare when you arrive at the Meeting and your vote will be taken and counted at the Meeting. If your Common Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority may need to be presented at the Meeting.

- *Voting by Proxy*

A Proxy returned to Computershare will not be valid unless dated and signed by the Registered Shareholder or by that shareholder's attorney duly authorized in writing; or, if the shareholder is a corporation or association, the form of Proxy must be executed by an officer or by an attorney duly authorized in writing. If the form of Proxy is executed by an attorney for an individual shareholder or by an officer or attorney of a shareholder that is a corporation or association, documentation evidencing the power to execute the Proxy may be required with signing capacity stated.

If not dated, the Proxy will be deemed to have been dated the date the Company mailed it.

The Common Shares represented by Proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if that shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If a choice with respect to such matters is not specified, the form of Proxy confers discretionary authority upon the named proxyholder with respect to matters identified in the accompanying Notice of Meeting. It is intended that the persons designated by management in the form of Proxy will vote the shares represented by the Proxy **in favour of** each matter identified in the Proxy and **FOR** the nominees of management for directors and auditor.

The Proxy confers discretionary authority upon the named proxyholders with respect to amendments to or variations in matters identified in the accompanying Notice of Meeting and other matters which may properly come before the Meeting. As at the date of this Circular, management is not aware of any amendments, variations, or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If such should occur, the persons designated by management will vote thereon in accordance with their best judgment, exercising discretionary authority.

- *Appointment of Proxyholder*

A Registered Shareholder of the Company has the right to designate a person (who need not be a shareholder of the Company) to attend and act for that Registered Shareholder at the Meeting.

If you are a Registered Shareholder and returning your Proxy to Computershare, such right may be exercised by (i) inserting in the blank space provided in the enclosed form of Proxy the name of the person to be designated or by completing another proper form of Proxy and delivering it to Computershare as provided above, or (ii) if you are using the internet, you may designate another proxyholder by following the instructions on the Computershare website.

If you appoint a proxyholder, other than the management designees whose names are contained on the enclosed form of Proxy, that proxyholder must attend and vote at the Meeting for your vote to be counted.

- *Revocation of Proxies*

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has submitted a Proxy may revoke it at any time insofar as it has not been exercised.

A Proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the shareholder or by his or her attorney duly authorized in writing or, if the shareholder is a company, by an officer or attorney thereof duly authorized in writing, and deposited with Computershare, at any time up to and including the last business day preceding the date of the Meeting, or with the Chairman of the Meeting on the date of the Meeting prior to the commencement of the Meeting. A Proxy may also be revoked if the shareholder personally attends the Meeting and votes his or her common shares, or in any other manner permitted by law.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

BENEFICIAL SHAREHOLDERS – Special Instructions

The following information is of significant importance to Beneficial Shareholders who do not hold Common Shares in their own name, but instead whose Common Shares are held on their behalf by, and registered in the name of, an intermediary. An "**Intermediary**" may include, among others, banks, trust companies or other financial institutions, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or in the name of a clearing agency (such as The Canadian Depository of Securities Limited) of which the Intermediary is a participant.

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the Company (called Objecting Beneficial Owners, or "**OBOs**") and those who do not object to the Company knowing who they are (called Non-Objecting Beneficial Owners, or "**NOBOs**").

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company has elected to send the Notice of Meeting and Circular (collectively, the "**Meeting Materials**") directly to NOBOs, and indirectly through Intermediaries to the OBOs, unless a Beneficial Shareholder has waived the right to receive them. The Company is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting.

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

The Meeting Materials sent to NOBOs who have not waived the right to receive meeting materials are accompanied by a voting instruction form ("**VIF**"), instead of a Proxy form. By returning the VIF in accordance with the instructions noted on it, NOBOs are able to instruct the voting of the Common Shares owned by them respectively.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs, unless an individual OBO has waived the right to receive them. Intermediaries will frequently use service companies to forward the Meeting Materials to OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

i) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Computershare Investor Services Inc.; or
ii) more typically, be given a voting instruction form ("**VIF**") which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

The Company will not be paying for Intermediaries to deliver Meeting Materials and related documents to OBOs (who have not otherwise waived their right to receive proxy-related materials). Accordingly, OBOs will not receive copies of the Meeting Materials and related documents unless their Intermediary assumes the costs of delivery.

VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. Beneficial Shareholders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF should be delivered. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. **Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on the Beneficial Shareholder's behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder, or their nominee, the right to attend and vote at the Meeting.**

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), all of its directors and its executive officers are residents of Canada and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

APPROVAL OF MATTERS

In order to approve a motion proposed at the Meeting, a majority of greater than one-half of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, Common Shares held by Shareholders who are interested parties will be excluded from the count of votes cast on such motion. As at the date of this Circular there is one matter requiring disinterested Shareholder approval, being approval of the Fixed Share Option Plan, as detailed below under "THE BUSINESS OF THE MEETING – 4. Adoption of Fixed Share Option Plan".

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commission or similar regulatory authority in the Provinces of British Columbia and Alberta are specifically incorporated by reference into this Circular:

- November 31, 2015 audited year-end financial statements, the auditor's report thereon and related management's discussion and analysis as filed on SEDAR on March 23, 2016;
- Company's Amended 2010 Articles filed on SEDAR on August 14, 2014;
- Company's Audit Committee Charter filed on SEDAR on December 1, 2011 as Appendix "D" to the Company's Amended and Restated Prospectus;

The Company's November 30, 2015 audited year-end financial statements, the auditor's report thereon and related management's discussion and analysis will be presented at the Meeting. Copies of documents incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Company at 1488 Frances Street, Vancouver, British Columbia V5L 1Y9, Tel: 604 739-8825 or via e-mail: info@networkentertainment.ca. These documents are also available on SEDAR, which can be accessed at www.sedar.com.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Company's authorized share capital consists of an unlimited number of Common Shares without nominal or par value, each Common Share carrying the right to one vote at the Meeting, and an unlimited number of preferred shares.

There were 54,400,370 Common Shares, and no preferred shares, issued and outstanding as at the Record Date.

No Shareholders, or group of Shareholders, have the right to elect a specified number of directors. No Shareholders, or group of Shareholders, have cumulative or similar voting rights attached to the Common Shares.

To the best of the knowledge of the Company's directors and executive officers, the only person who beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company is:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Derik A. Murray[(1)]	7,061,838	12.98%

(1) This information is not within the knowledge of the management of the Company and has been provided by the Shareholder directly or extracted from insider reports available through the internet at www.sedi.ca.

THE BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS

The audited annual consolidated financial statements of the Company for the year ended November 30, 2015, will be presented to the Shareholders at the Meeting for their consideration. These financial statements, together with the report of the auditor thereon are also available for review on SEDAR at www.sedar.com.

2. ELECTION OF DIRECTORS

(a) Nominees

The number of directors for the Company is set by resolution of the directors. The board of directors of the Company (the "**Board**") has determined to maintain the current number of directors for the Company at seven (7) for the ensuing year.

The persons below are management's nominees to the Board. Each director elected will hold office until the next annual general meeting of shareholders or until a successor of such director is duly elected or appointed unless his or her office is earlier vacated in accordance with the Articles of the Company or unless he or she becomes disqualified to act as a director.

Management recommends voting in favour of each nominee. The Shareholders will elect each nominee separately based on a majority of votes cast at the Meeting. Unless specified in a form of Proxy or VIF that the Common Shares shall be voted otherwise, **the management representatives designated in the enclosed form of Proxy or VIF intend to vote FOR the election as directors the proposed nominees whose names are set out below.**

Name, Province or State and Country of Residence of Nominee	Present Principal Occupation, Business or Employment(1)	Director Since	Common Shares Held(2)
Derik A. Murray British Columbia, Canada	Chief Executive Officer (Network Media Group Inc.)	December 23, 2011	7,061,838
Paul Gertz British Columbia, Canada	President & Chief Operating Officer (Network Media Group Inc.)	December 29, 2011	3,802,160
Steve Kotlowitz British Columbia, Canada	Chief Operating Officer (The Sports Corporation)	March 20, 2012	3,000
Sandra Lim(3) (4) British Columbia, Canada	Retired former Certified General Accountant; previously Chief Financial Officer for multiple public corporations	December 15, 2014	Nil
Robert Pirooz(3) (4) British Columbia Canada	Executive Director (Network Media Group Inc.), Director (RIWI Corp., Armor Minerals Inc.)	July 16, 2014	3,723,285(5)
Peter Scarth(3) British Columbia, Canada	CEO and Chairman (Hummingbird Hydrogen)	June 3, 2013	135,000
Dr. Greg Zeschuk Alberta , Canada	Executive Director (Alberta Small Brewers Assoc.), Director (Biba Ventures, Zeros 2 Heroes), Board of Trustees (Strollery Children's Hospital Foundation)	December 4, 2013	2,857,142(6)

(1) Includes occupations for preceding five years unless the director was elected at the previous annual general meeting and was shown as a nominee for election as a director in the information circular for that meeting.

(2) The approximate number of Common Shares of the Company carrying the right to vote in all circumstances beneficially owned, or over which control or direction, directly or indirectly, is exercised by each proposed nominee as of May 2, 2016. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the individuals and available through the internet at www.sedi.ca.

(3) Member of the Audit Committee.

(4) Member of the Compensation Committee.

(5) Hemisphere Holdings Ltd., a company over which Mr. Pirooz exercises control and direction, owns 1,214,285 Common Shares, and Mr. Pirooz directly owns 2,509,000 Common Shares.

(6) 1124005 Alberta Ltd., a company wholly owned by Mr. Zeschuk, owns all these shares.

All of the persons whose names are listed above have previously been elected directors of the Company at a shareholders' meeting for which a proxy circular was issued.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and executive officers of the Company acting solely in such capacity.

Management is not presently aware, and has no reason to believe, that any of the nominees will be unwilling or unable to serve as a director if elected, but in the event that, prior to the Meeting, any vacancies occur in the slate of nominees submitted herewith, the enclosed Proxy or VIF confers discretionary authority upon the persons named therein to vote for the election of any other eligible person designated by the Board, unless instructions have been given to refrain from voting with respect to the election of directors.

(b) Advance Notice Provision

On May 9, 2014, the shareholders of the Company approved the alteration of the Company's Articles for the purpose of adopting advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision, which is available under the Company's profile on SEDAR at www.sedar.com as filed on August 14, 2014.

The Company has not received notice of a nomination in compliance with the Advance Notice Provision and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

(c) Corporate Cease Trade Orders or Bankruptcies

To the best of the knowledge of the Company and its management, no proposed director of the Company:

a. is, as at the date of this Circular, or has been within ten years before the date of the Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that, while acting in that capacity:

   (i) was subject to an order, including a cease trade or similar order or an order that would deny the company access to any exemptions under applicable securities legislation for a period or more than 30 consecutive days (an "**Order**"), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

   (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

b. is, as at the date of this Circular, or has been within ten years before the date of the Circular, a director or executive officer of any company, including the Company, 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; or

c. has, within ten years before the date of this Circular, been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

(d) Penalties or Sanctions

No proposed director of the Company 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 been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

(e) Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his or her interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Except as disclosed in this Circular, to the best knowledge of the Company's management, there are no known existing or potential conflicts of interest among the Company and its directors, officers or other members of senior management as a result of their outside business interests, except that certain of the directors, officers and other members of senior management now or may in the future serve as directors, officers or members of management of other public companies, some of which are or may be involved in the entertainment industry, and therefore it is possible that a conflict may arise between their duties as a director, officer or member of senior management of the Company and their duties as a director, officer or member of management of such other companies.

3. APPOINTMENT OF AUDITOR

Wolrige Mahon LLP, Chartered Accountants, Suite 900, 400 Burrard Street, Vancouver, British Columbia, V6C 3B7, will be nominated at the Meeting for reappointment as auditor of the Company. Wolrige Mahon LLP, Chartered Accountants, has been auditor of the Company since February 25, 2014.

Unless otherwise specified, the persons named in the accompanying from of Proxy or VIF intend to vote the Common Shares represented by such Proxy or VIF in favour of appointing Wolrige Mahon LLP as auditors of the Company.

4. ADOPTION OF FIXED SHARE OPTION PLAN

Summary of Terms

Shareholders are being asked at the Meeting to pass by ordinary resolution, the adoption of the Company's Fixed Share Option Plan. The below summarizes details of the Fixed Share Option Plan:

On April 28, 2016, the Board approved and ratified the adoption by the Company of a fixed share option plan (the "**Fixed Share Option Plan**"), subject to Shareholder and regulatory approval. Under the Fixed Share Option Plan, a total of 10,880,074 Common Shares of the Company are reserved for share incentive options ("**Options**") to be granted at the discretion of the Company's Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant (described as Participant below). In order to continue to be fully compliant with all the policy provisions of the TSX Venture Exchange ("**Exchange**") in effect as at the date of this Circular, Management of the Company wishes to terminate its 10% "rolling" share option plan dated November 22, 2010, as amended April 12, 2012 (the "**2010 Rolling Plan**") and replace it with the fixed number Fixed Share Option Plan.

The objective of the Fixed Share Option Plan, as was that of the 2010 Rolling Plan, is to provide for and encourage ownership of Common Shares of the Company by its directors, officers, key employees and consultants. Changes to the terms of the 2010 Rolling Plan, both substantive and administrative in nature, will result upon adoption of the Fixed Share Option Plan. The Fixed Share Option Plan is subject to Exchange acceptance. The Company is of the view that the Fixed Share Option Plan will assist the Company in attracting and maintaining the services of senior executives and other employees and be competitive with option plans of other companies in the Company's industry. The Fixed Share Option Plan was designed to provide certain directors, officers and other key employees of the Company to acquire incentive stock options. The Board or a committee appointed by the Board is responsible for administering the Fixed Share Option Plan.

The material terms of the Fixed Share Option Plan are as follows:

(a) <u>Participant</u> means a Service Provider that becomes an Optionee. Service Provider (or Eligible Persons) means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;

(b) <u>Maximum Plan Shares.</u> The maximum number of Common Shares reserved for issuance under this Fixed Share Option Plan is 10,880,074. The aggregate number of Common Shares reserved for issuance to any one Optionee, whether under this Fixed Share Option Plan or any other Share Compensation Arrangement, shall not exceed the number of Common Shares permitted to be so reserved for such Optionee by law and by the regulations, rules or policies of any securities authority or stock exchange with which the Company must comply.

(c) <u>Limitations on Issue.</u> The Fixed Share Option Plan does not give any Optionee that is a Director or Officer the right to serve or continue to serve as a Director or Officer of the Company or any Subsidiary nor does it give any Optionee that is an Employee or Consultant the right to be or to continue to be employed with or have a consulting contract with the Company or any Subsidiary.

The following restrictions on issuances of Options are applicable under the Fixed Share Option Plan:

(i) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;

(ii) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and

(iii) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

(d) Maximum Percentage to Insiders. The aggregate number of Common Shares reserved for issuance to insiders of the Company under the Fixed Share Option Plan together with any other Share Compensation Arrangements, will not exceed 10% of the Company's outstanding share capital.

(e) Maximum Percentage to Insiders within any one year period. The number of Common Shares issued to insiders of the Company within any one year period, under the Fixed Share Option Plan, together with any other Share Compensation Arrangements, will not exceed 10% of the Company's outstanding share capital.

(f) Exercise Price. The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Fixed Share Option Plan, and cannot be less than the Discounted Market Price. Discounted Market Price has the meaning assigned by Policy 1.1 of the TSX Venture Policies.

(g) Vesting of Options. The vesting of Options will be at the discretion of the Board and, with respect to any particular Options granted under the Fixed Share Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options will vest immediately. Where applicable, vesting of Options will generally be subject to:

(i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or

(ii) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

(h) Vesting of Options Granted to Consultants Conducting Investor Relations Activities. Options granted to Consultants conducting Investor Relations Activities will vest:

(i) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or

(ii) such longer vesting period as the Board may determine.

(i) Term of Option. An Option can be exercisable for a maximum of 10 years from the Effective Date.

(j) Expiry Date. The expiry date of an Option will be the date fixed by the Board at the time the particular Option is awarded (the "**Expiry Date**"), provided that the Expiry Date will be no later than the tenth anniversary of the Award Date of such Option, except in the following circumstances:

i) Death

Notwithstanding subparagraph ii) below, in the event that the Optionee should die while his or her Option is outstanding, the Expiry Date for any vested portion or portions of the Option will be the earlier of the Expiry Date and the date that is one year after the date of the Optionee's death. The Expiry Date for any unvested portion of the Option will be the date of the Optionee's death.

ii) Resignation or Ceasing to Hold Office

If the Optionee ceases to be employed or engaged by the Company (including by way of voluntary resignation or retirement as a Service Provider), the Expiry Date for any vested portion or portions of the held by the Optionee will be, unless otherwise provided for in the Option Commitment, the earlier of the Expiry Date of that Option and the date that is 30 days after the Optionee ceases to be a Service Provider, provided that the Board will have the discretion, for greater certainty not the obligation, to extend the period when the Optionee may exercise that Option to a date that is not later than the date which is one year after the Optionee ceases to be a Service Provider. The Expiry Date for any unvested portion of the Option will be the date that the Optionee ceases to be a Service Provider.

iii) For Cause

Notwithstanding subparagraph ii) above, if the Optionee:

(i) ceases to be employed or engaged by the Company and any of its subsidiaries for Cause;

(ii) ceases to be a Service Provider of the Company by order of any securities commission, recognized stock exchange, or any regulatory body having jurisdiction to so order; or

(iii) as Director, ceases to be eligible to hold office as a director of the Company under the provisions of the applicable corporate statute,

each Option held by the respective Optionee shall be exercisable in respect of that number of Option Shares that have vested pursuant to the terms of the Option Agreement governing such Option at any time up to but not after the earlier of the Expiry Date of that Option and the date on which the Optionee ceases to be a Service Provider.

(k) Assignability of Options. All Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

(l) Amendment of the Plan by the Board of Directors. Subject to the requirements of the Exchange Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

(i) it may make amendments which are of a typographical, grammatical or clerical nature only;

(ii) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the Exchange, if applicable;

(iii) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;

(iv) it may make amendments necessary as a result in changes in securities laws applicable to the Company;

(v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and

(vi) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

(m) Amendments Requiring Disinterested Shareholder Approval. The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(i) the Fixed Share Option Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:

a) the aggregate number of Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;

b) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Fixed Share Option Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,

c) the issuance to any one Optionee, within a 12-month period, of a number of Shares exceeding 5% of the Outstanding Shares; or

(ii) any reduction in the Exercise Price of an Option previously granted to an Insider.

(n) Takeover Bid. If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding the provisions set out in the Fixed Share Option Plan or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the Exchange (or the NEX, as the case may be) for vesting requirements imposed by the TSXV Policies.

(o) Black-Out Period. The Fixed Share Option Plan also contains a "black-out" provision. Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the Exchange (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding the provisions in this Fixed Share Option Plan, the tenth Business Day period referred to in this Fixed Share Option Plan may not be extended by the Board.

(p) Options Under the 2010 Rolling Plan. Any Options granted under the terms of the Company's 2010 Rolling Plan will be governed by the terms of the Fixed Share Option Plan and shall be subject to the provisions of the Fixed Share Option Plan and to the extent legal to do so, shall be deemed to have granted under the Fixed Share Option Plan.

Shareholder Approval of the Fixed Share Option Plan

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution to approve the adoption of the Fixed Share Option Plan (the "**Fixed Share Option Plan Shareholder Resolution**"):

"Be it RESOLVED that:

1. the rolling share option plan dated November 22, 2010, as amended April 12, 2012, be terminated, except with respect to options currently outstanding thereunder, which will be, to the extent allowable, deemed to have been granted under the Fixed Share Option Plan;

2. the Fixed Share Option Plan dated effective April 28, 2016, in the form attached as **Schedule "A"** to the Company's Information Circular dated May 2, 2016 be and is hereby approved and adopted;

3. the maximum number of Options reserved under the Fixed Share Option Plan be fixed at 10,880,074 Common Shares at the time an Option is granted be reserved for issuance under the Fixed Share Option Plan at an issue price determined in accordance with the Fixed Share Option Plan;

4. the Board, or a Committee to be appointed by the Board, be and is hereby appointed to be the Administrator under the Fixed Share Option Plan and such appointment to be effective until revoked by resolution of the Board;

5. the maximum number of Common Shares issuable to insiders of the Company under security-based compensation arrangements, including the Company's Fixed Share Option Plan at any time cannot exceed 20% of the issued and outstanding Common Shares of the Company and the number of securities to be issued Insiders of the Company pursuant to such arrangements within any one-year period, cannot exceed 10% of the issued and outstanding Common Shares;

6. the Fixed Share Option Plan Administrator be and is hereby authorized and directed to execute on behalf of the Company, the form of option commitment form attached as a Schedule to the Fixed Share Option Plan, providing for the grant of Options to Eligible Persons under the Fixed Share Option Plan;

7. the Company is hereby authorized to allot and issue as fully paid and non-assessable that number of Common Shares specified in the Fixed Share Option Plan granted to Eligible Persons; AND THAT any two authorized persons of the Corporation be authorized to execute such treasury order or treasury orders as may be necessary to effect the said issuance of Common Shares;

8. subject to all required regulatory approvals, including the approval of the TSX Venture Exchange and Shareholder approval, the Fixed Share Option Plan be approved, and that the Fixed Share Option Plan be forthwith adopted and implemented by the Company, with such further deletions, additions and other amendments as are required by any securities regulatory authority or which are not substantive in nature and the Chief Executive Officer of the Company deems necessary or desirable; and

9. any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution."

The Board has concluded that the adoption of the Fixed Share Option Plan is in the best interests of the Company and its Shareholders. Accordingly, the Board unanimously recommends that Shareholders ratify, confirm and approve the adoption of the Company's Fixed Share Option Plan by voting FOR the Fixed Share Option Plan Resolution at the Meeting.

In accordance with the policies of the Exchange, the Fixed Share Option Plan must be approved by a majority of the votes cast at the Meeting. An *ordinary resolution* is a resolution passed by the Shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Proxies and VIFs received in favour of management will be voted in favour of the Fixed Share Option Plan Shareholder Resolution unless the Shareholder has specified in the Proxy or VIF that his or her Common Shares are to be voted against such resolution.

5. CONTINUATION OF 10% "ROLLING" SHARE OPTION PLAN

Pursuant to the policies of the Exchange, the continuation of the current 2010 Rolling Plan Plan requires annual Shareholder approval at the annual meeting of the Company by ordinary resolution. The Company is of the view that the 2010 Rolling Plan permits the Company to attract and maintain the services of executives, employees and other service providers comparable with other companies in the industry. If the Shareholders do not approve the Fixed Share Option Plan, Shareholders will be asked, in accordance with the requirements of the Exchange, to ratify and approve the continuation of the 2010 Rolling Plan. The material terms of the 2010 Rolling Plan are set out in the Company's Information Circular dated May 11, 2015 prepared for the Company's June 11, 2015 annual general meeting, as filed on SEDAR. Under the 2010 Rolling Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company at the time an Option is granted less Common Shares reserved for issuance outstanding in the 2010 Rolling Plan, will be reserved for Options to be granted at the discretion of the Company's Board to eligible optionees (the "Optionees"). A copy of the 2010 Rolling Plan will be made available at the Meeting.

Accordingly, if the Shareholders do not approve the Fixed Share Option Plan, Shareholders will be asked to vote on the following ordinary resolution, with or without variation:

> "**BE IT RESOLVED that** the 10% "rolling" share option plan dated for reference November 22, 2010, as amended April 12, 2012, be and is hereby ratified and approved until the next annual meeting of the Company."

Proxies and VIFs received in favour of management will be voted in favour of the 10% "rolling" share option plan unless the Shareholder has specified in the Proxy or VIF that his or her Common Shares are to be voted against such resolution.

6. OTHER BUSINESS

The Board and management of Network are not aware of any other matter to come before the meeting other than those referred to in the Notice of Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of Proxy or VIF accompanying this Circular to vote the same in accordance with their best judgment on such matters.

EXECUTIVE COMPENSATION

1. COMPENSATION DISCUSSION AND ANALYSIS

(a) Philosophy and Objectives

The Company's policies on compensation for its executive officers and senior management are designed to recognize and reward individual performance consistent with the success of the Company's business, and further intended to provide appropriate compensation that is internally equitable, externally competitive and reflects individual achievements. The overriding principles in establishing executive compensation provide that compensation should:

(a) attract and retain a talented, qualified and effective executive and management team;

(b) motivate the short and long-term performance of this executive and management team; and

(c) better align this executive and management team's interests with those of the Company's shareholders.

In compensating its executive officers and senior management, the Company employs a combination of salary and equity participation through its Share Option Plan.

(b) Report on Executive Compensation

During the financial year ended November 30, 2015, the Board assumed responsibility for reviewing and monitoring the long-range compensation strategy for the executive officers of the Company. The Board determined the type and amount of compensation for the CEO, President and COO, CFO and Corporate Secretary. The Board also reviewed the compensation of other senior management positions in the Company.

The Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and its shareholders, overall financial and operating performance of the Company, and the Board's assessment of each executive's individual performance and contribution toward meeting corporate objectives.

The Company did not retain any compensation consultants during the financial year ended November 30, 2015.

The Company does not currently believe there are any risks arising from compensation policies and practices that are reasonably likely to have an adverse effect on the Company.

Since the year ended November 30, 2015, the Board has established a compensation committee (the "**Compensation Committee**") which is currently composed of two directors of the Company, being Robert Pirooz and Sandra Lim.

The purpose of the Compensation Committee is to make recommendations to the Board regarding: (i) executive officer and senior management compensation; (iii) executive officer and senior management development and succession; and (iii) broadly applicable compensation and benefits programs. However, it is the Board as a whole who is responsible for determining the final compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers, senior management and directors, to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The goal of the Compensation Committee is to meet at least once per year to assess, evaluate, monitor and make recommendations to the Board regarding appropriate executive compensation policies as well as succession planning, and will meet more frequently if required.

(c) Hedging by Named Executive Officers or Directors

The Company has not, to date, adopted a policy restricting its executive officers, directors and senior management from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers, directors or senior management. As of the date of this Circular, entitlement to grants of incentive share options under the Company's Share Option plan is the only equity security element awarded by the Company to its executive officers, directors and senior management.

(d) Base Salary

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executive officers and senior management. Competitive salary information on comparable companies within the industry is compiled from a variety of sources.

(e) Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves bonus compensation dependent upon compensation levels. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

(f) Benefits and Perquisites

In the recently completed financial year ended November 30, 2015, the Company did not provide bonuses to any of its Named Executive Officers (as defined below) or directors, and provided limited perquisites (constituting vehicle and home office allowances) to its CEO amounting to $21,000. In that same period, the Company made grants of incentive share options as disclosed and discussed herein.

(g) Equity Participation – Share Option Plan

The Company has in place a Share Option Plan (the "**Plan**") dated for reference November 22, amended April 12, 2012, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company and align their interests with those of the Shareholders. The Board considers share option grants to executive officers, senior management and other employees of the Company based on such criteria as performance, previous grants, base salary and bonuses, hiring incentives, and other competitive factors. All grants require approval of the Board. The Plan is administered by the directors of the Company and provides that options will be issued to directors, executive officers, senior management, employees or consultants of the Company or a subsidiary of the Company.

See also under the headings "THE BUSINESS OF THE MEETING – 4. Adoption of Fixed Share Option Plan" and "THE BUSINESS OF THE MEETING - 5. Continuation of 10% "Rolling" Share Option Plan" for details regarding the material provisions of the Company's Share Option Plan and proposed new Fixed Share Option Plan.

2. DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

(a) Named Executive Officers

For the purposes of this disclosure, the definition of "**Named Executive Officers**" or "**NEOs**" includes:

(a) CEO;

(b) CFO;

(c) the most highly compensated executive officer other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was in excess of $150,000; and

(d) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was neither serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the more recently completed financial year.

In accordance with the foregoing definition, the Company had two "Named Executive Officers" during the financial year ended November 30, 2015, as set out below:

- Derik Murray – Chief Executive Officer
- Darren Battersby – Chief Financial Officer

(b) External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

(c) Summary Compensation Table - Excluding Compensation Securities

The following table provides a summary of compensation paid, directly or indirectly, by the Company or a subsidiary of the Company, to each director and Named Executive Officer for the two most recently completed financial years of the Company ending on or after November 30, 2014.

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites[(1)] ($)	Value of all other compensation ($)	Total compensation ($)
Derik A. Murray CEO and Director	2015 2014	133,000[(2)] 120,000[(2)]	Nil Nil	Nil Nil	21,000[(3)] Nil	Nil Nil	154,000 120,000
Darren Battersby CFO	2015 2014	103,309[(4)] 40,000[(5)]	Nil Nil	Nil Nil	Nil Nil	Nil Nil	103,309 40,000
Paul Gertz President, COO and Director	2015 2014	125,000 120,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	125,000[(6)] 120,000 [(6)]
Steven Kotlowitz Director	2015 2014	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Sandra Lim Director	2015 2014	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Robert Pirooz Director (Chairman)	2015 2014	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Peter Scarth Director	2015 2014	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Dr. Greg Zeschuk Director	2015 2014	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

1. Perquisites include property or other personal benefits provided to a NEO or director not generally available to all employees.
2. Paid to Mr. Murray solely in his capacity as an NEO and paid as consulting fees to a private company controlled by Mr. Murray.
3. The perquisites granted to Mr. Murray comprised of vehicle and home office allowances.
4. Paid to Mr. Battersby in his capacity as CFO and includes: (i) $69,000 as consulting fees to a private company controlled by Mr. Battersby ($5,000/month from December 1, 2014 to August 15, 2015, and $8,000/month from August 15, 2015 to November 30, 2015); and (ii) $34,339 for accounting and support staff fees, and travel expenses, to Mr. Battersby's company.
5. This amount reflects the amounts paid to Mr. Battersby in consulting fees to a private company controlled by him allocated as follows: (i) $35,000 for the provision of contract accounting services to the Company from December 1, 2014 to October 30, 2015; and (ii) $5,000 in his capacity as an NEO, from the date of his appointment as Chief Financial Officer on October 30, 2014, to November 30, 2015.
6. Mr. Gertz's total compensation was received as consulting fees solely in his capacity as President and COO of the Company.

(d) Outstanding Share-based and Option-based Awards

The following table sets forth particulars of all option-based and share-based awards outstanding for each Named Executive Officer and director as at November 30, 2015:

	Option-based Awards				Share-based Awards		
Name	**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 awards that have not vested ($)**	**Market of payout value of vested share-based awards not paid out or distributed ($)**
Derik A. Murray	780,000	0.20	Dec. 29, 2016	Nil	Nil	N/A	N/A
Darren Battersby	22,500 300,000	0.20 0.10	Dec. 29, 2016 Feb. 26, 2020	Nil	Nil	N/A	N/A
Paul Gertz	607,500	0.20	Dec. 29, 2016	Nil	Nil	N/A	N/A
Steve Kotlowitz	250,000	0.20	Dec. 29, 2016	Nil	Nil	N/A	N/A
Sandra Lim	250,000	0.10	Feb. 26, 2020	Nil	Nil	N/A	N/A
Robert Pirooz	2,060,037[(2)]	0.20	Jul. 16, 2019	Nil	439,963[(3)]	$19,258[(4)]	N/A
Peter Scarth	50,000 100,000	0.20 0.10	Dec. 29, 2016 Jun. 3, 2018	Nil Nil	Nil	N/A	N/A
Dr. Greg Zeschuk	250,000[(5)]	0.07	Feb. 12, 2019	Nil	Nil	N/A	N/A

(1) TSXV closing price for the Common Shares on November 30, 2015 was $0.07 each.

(2) These options are held by Hemisphere Holdings Ltd., a company over which Mr. Pirooz has exercise and control. Of the total amount of options: (i) 1,112,500 were granted on July 16, 2014, with 556,250 vesting on that date and the remaining 556,250 vesting on July 16, 2015; and (ii) 947,537 were granted on October 29, 2015, with 500,000 vesting on July 16, 2016 and 447,537 vesting on July 16, 2017. Subsequent to the year ended November 30, 2015, the Company granted Mr. Pirooz an option to purchase 300,000 Common Shares at a price of $0.20 per share until July 16, 2019.

(3) On October 29, 2015, the Company granted to Mr. Pirooz a share-based compensation award based on the grant of 439,963 phantom shares (the "Phantom Shares"), with 52,463 vesting on July 16, 2017 and the remaining 387,500 vesting on July 16, 2018. Once vested, the Phantom Shares may be settled in cash at the option of Mr. Pirooz until July 16, 2019. Each Phantom Share has an initial value of $0.20 and a value at any time thereafter equal to the listed closing price of the Company's Common Shares, but in no case less than $0.20. The Phantom Shares issued to Mr. Pirooz will be forfeited if the Company's grants to Mr. Pirooz options pursuant to the Company's share option plan. Subsequent to the year ended November 30, 2015, the Company granted to Mr. Pirooz options to purchase 300,000 shares under its share option plan, thereby reducing the number of Phantom Shares outstanding, as at the date of this Circular, to 139,963.

(4) The Phantom Shares were valued by the Company using the Black-Scholes option pricing method. They are recorded as a liability and classified as cash settled share based payments.

(5) These options are held by 1124005 Alberta Ltd., a company solely owned by Dr. Zeschuk.

No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended November 30, 2015.

No NEO or director of the Company exercised any compensation securities during the financial year ended November 30, 2015.

(e) Share-based and Option-based Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value of option-based and share-based awards which vested during the year ended November 30, 2015, and the value of non-equity incentive plan compensation earned during the year ended November 30, 2015, for each NEO and director, as applicable:

Name	Option-based awards – Value vested during the year ($)	Share awards – Value during the year on vesting ($)	Non-equity incentive plan compensation – Pay-out during the year ($)
Darren Battersby	20,395(1)	N/A	N/A
Sandra Lim	16,996(2)	N/A	N/A
Robert Pirooz	41,467(3)	665(4)	N/A

(1) Relating to 300,000 options granted on February 26, 2015.

(2) Relating to 250,000 options granted on February 26, 2015.

(3) Relating to 556,250 options granted on July 16, 2014, that vested on July 16, 2015..

(4) As at November 30, 2015, the Phantom Shares granted to Robert Pirooz had a fair value of $665 and was recorded as a liability and classified as cash settled share based payments.

(f) Pension Plan Benefits

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

(g) Termination and Change of Control Benefits

As at the November 30, 2015 fiscal year end, the Company had no agreements with either of its NEOs concerning severance payments of cash or equity compensation as a result of termination of their arrangement with the Company or as a result of a change of control of the Company.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all the Company's equity compensation plans as of November 30, 2015. As at November 30, 2015, the Company's equity compensation plan consisted of the Company's Share Option Plan, which was approved by the Company's Shareholders on June 11, 2015.

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation plans approved by securityholders - (the Share Option Plan)	5,440,037	$0.18	0
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	5,440,037		0

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 "Audit Committees" ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

(a) The Audit Committee's Charter

The Audit Committee has a charter, which was adopted by the Board on July 4, 2011. A copy of the Audit Committee Charter is attached as Appendix D to its Amended and Restated Prospectus, which was SEDAR filed on December 1, 2011.

(b) Composition of the Audit Committee

The members of the Audit Committee are: Sandra Lim, Robert Pirooz and Peter Scarth.

All members of the Audit Committee are considered to be financially literate. A member of the Audit Committee is considered 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 Company, and have an understanding of internal controls.

There are two independent members (Sandra Lim and Peter Scarth) and one non-independent member (Robert Pirooz) of the Audit Committee. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the opinion of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Mr. Pirooz is considered not independent because of his position as Executive Chair of the Board.

(c) Relevant Education and Experience

The relevant education and experience of the Audit Committee members includes:

- **Sandra Lim** was a Certified General Accountant from 1998 to 2010 and also held a Certified Financial Planner designation from 1999 to 2009. She was Chief Financial Officer of eight public companies from 2004 to 2009 in the resource and energy sectors, prior to which she had extensive experience in public practice. Her activities as CFO with the various public companies included involvement from the inception of companies, through to initial public offerings, listings on Canadian and U.S. stock exchanges, asset acquisitions and disposals, and reorganizations.

- **Robert Pirooz** was called to the British Columbia Bar in 1990 after obtaining a Juris Doctor degree from the University of British Columbia and studying commerce at Dalhousie University. He has vast experience in commerce including advanced accounting and finance, mergers and acquisitions (which include detailed studies of targets), financial statements and detailed studies of pro forma financial statements, together with accretion analysis and liability reviews, which include embedded derivatives. He was General Counsel for Pan American Silver Corp., a TSX listed company, for 8.5 years.

- **Peter Scarth** holds a B.A., BSc. Engineering and has been a former CEO of a publicly listed company. In addition, Mr. Scarth has taken the Ontario Securities Commission securities course. He has been involved in the launch and development of several companies, including Photochannel Networks and Telepix Imaging Inc., a leading supplier of Internet imaging and e-commerce solutions. Prior to launching Telepix, Mr. Scarth worked for Eastman Kodak Company in various positions over 23 years, including as Vice President and Business Manager.

(d) Audit Committee Oversight

The Audit Committee is responsible for the oversight of financial reporting, internal controls and public disclosure documents. The Audit Committee also recommends the appointment of the external auditors, reviews the annual audit plan and auditor compensation, approves non-audit services provided by the external auditor and evaluates the risk management procedures and systems. The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor other than Wolrige Mahon LLP, Chartered Accountants.

(e) Reliance on Certain Exemptions

The Company has not relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

(f) Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter. Wolrige Mahon LLP, Chartered Accountants, the Company's auditors, have not provided any material non-audit services.

(g) External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Wolrige Mahon LLP, Chartered Accountants, to the Company to ensure auditor independence. Fees incurred are outlined in the following table.

Nature of Services	**Fiscal Year Ended November 30, 2015**	**Fiscal Year Ended November 30, 2014**
Audit Fees(1)	$18,600	$21,300
Audit-Related Fees(2)	Nil	$4,100
Tax Fees(3)	$2,000	Nil
All Other Fees(4)	$12,250	$8,300
Total	$32,850	$33,700

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements as well as fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" are fees for tax services not included as part of Audit Fees or Audit-Related Fees, including fees for tax compliance, tax planning and tax advice, assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

(h) Exemption

The Company is relying upon the exemption in section 6.1 of NI-52-110 which exempts "venture issuers" from the requirements of Part 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

(a) General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

(b) Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board facilitates its independent supervision over management by holding regular meetings, both formal and informal, at which members of management or non-independent directors are not in attendance, and by retaining independent consultants where it deems necessary.

The independent members of the Board are Steve Kotlowitz, Sandra Lim, Peter Scarth and Dr. Greg Zeschuk. The non-independent directors (and the reason they are not independent) are: Derik A. Murray (CEO of the Company), Paul Gertz (President and COO of the Company) and Robert Pirooz (Executive Chair of the Board).

(c) Directorships

The directors are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

Name of Director	**Name of Reporting Issuer**	**Exchange Listed**
Robert Pirooz	Armor Minerals Inc. (formerly Rio Cristal Resources Corp.)	TSX-V
	RIWI Corp.	CSE

(d) Orientation and Continuing Education

The directors maintain an orientation and educational process for new directors in order to familiarize new directors with the business of the Company and its operating entities, management and professional advisors and facilities. New directors are provided with copies of the most current strategic plans, budgets, forecasts and other internal documents. New directors are provided the opportunity to also meet individually with members of management of the Company to become better informed as to the nature and status of operations of the various underlying production entities.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

(e) Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

The Board takes steps to exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. This includes a requirement that directors provide disclosure to the Company of all boards and committees of which they are members, and all offices held, in other reporting issuers, and disclosure of any conflicts of interest. Some of the individuals who are directors of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where such directors will be in direct competition with the Company. In the event conflicts of interest arise, a director who has such a conflict of interest is required to disclose the conflict and to abstain from voting for or against the approval of the matter.

All conflicts of interest, if any, are subject to the procedures and remedies provided under the *Business Corporations Act* (BC).

(f) Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

The Board as a whole will identify new candidates by taking into consideration such factors as it deems appropriate, including judgment, skill, diversity, experience with businesses and other organizations of comparable size and the need for particular experience on the Board. The Board will also determine whether a particular candidate is "unrelated" or "independent" under applicable securities laws and applicable stock exchange rules.

(g) Compensation

The Board conducts reviews with regard to the compensation of directors and named executive officers of the Company once a year. To make its recommendations on such compensation, the Board takes into account the respective position's skill requirement and level of responsibility, individual performance, the financial performance of the Company on the whole, as well as internal and external compensation comparisons.

Since the year ended November 30, 2015, the Board has established a permanent Compensation Committee currently composed of two directors, Robert Pirooz and Sandra Lim. The purpose of the Compensation Committee is to make recommendations to the Board regarding: (i) executive officer and senior management compensation; (iii) executive officer and senior management development and succession; and (iii) broadly applicable compensation and benefits programs. However, it is the Board as a whole who is responsible for determining the final compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers, senior management and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. The goal of the Compensation Committee is to meet at least once per year to assess, evaluate, monitor and make recommendations to the Board regarding appropriate executive compensation policies as well as succession planning, and will meet more frequently if required.

Attached as Schedule "B" to this Circular is a copy of the Compensation Committee Charter as approved and adopted by the Board on April 28, 2016.

(h) Other Board Committees

The Board has established two permanent committee of directors, being the Audit Committee and the Compensation Committee.

(i) Assessments

The Board monitors, on an ongoing basis, the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board, the Audit Committee and the Compensation Committee.

OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company (other than in respect of amounts which would constitute routine indebtedness) as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out herein, to the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended November 30, 2015, or has any interest in any material transaction in the current year:

2014 Private Placement

On December 19, 2014, the Company completed a non-brokered private placement (the "**Private Placement**") of 1,250,000 common shares at a price of $0.20 per share for gross proceeds of $250,000. The entire amount of the Private Placement was subscribed for by Hemisphere Holdings Ltd., a company under the direction and control of Robert Pirooz, a director of the Company.

2015 Debenture Offering

On June 30, 2015, the Company issued an aggregate $1,100,000 principal amount of unsecured, non-convertible debentures (the "**Debentures**"). Upon closing of the issuance, Hemisphere Holdings Ltd., a company under the direction and control of Robert Pirooz, a director of the Company, acquired an aggregate $937,600 in Debentures, which bear an annual rate of interest of 8% and a royalty on net profits from certain productions of the Company.

Director Loans

The Company has a principal amount of short-term debt owing to Hemisphere Holdings Ltd., a company under the direction and control of Robert Pirooz, a director of the Company, in the amount of $100,000, which accrues interest at 8% per annum.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting (other than the election of the directors and the appointment of auditors), save and except for the ratification and approval of the Fixed Share Option Plan as contemplated under "THE BUSINESS OF THE MEETING – 4. Adoption of Fixed Share Option Plan".

MANAGEMENT CONTRACTS

The management functions of the Company are generally performed by its directors and executive officers and not, to any substantial degree, by any other person to whom the Company has contracted.

OTHER MATTERS

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy or VIF to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Financial information about the Company is provided in its comparative financial statements for the year ended November 30, 2015, and in the related management discussion and analysis. You may obtain copies of such documents upon request from the Company at 1488 Frances Street, Vancouver, British Columbia V5L 1Y9; by telephone: (604) 739-8825; or via e-mail at: info@networkentertainment.ca. Copies of these documents will be provided free of charge to shareholders of the Company, but a reasonable charge may be applied for requests by any person or company who is not a shareholder of the Company.

You may also access such documents, together with the Company's additional disclosure documents, through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

BOARD APPROVAL

The Board of Directors of the Company has approved the contents and the delivery of this Information Circular to its shareholders.

DATED at Vancouver, British Columbia, May 2, 2016.

BY ORDER OF THE BOARD

(signed) *"Derik A. Murray"*

Derik A. Murray
Chief Executive Office

SCHEDULE A

FIXED SHARE OPTION PLAN

Dated for Reference April 28, 2016

ARTICLE 1
Purpose and Interpretation

Purpose

1.1 The purpose of this Share Option Plan (the "**Plan**") is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter. This Plan amends the stock option plan of the Company dated November 22, 2010 and amended April 12, 2012.

Definitions

1.2 In this Plan

(a) **Administrator** means such committee, director, officer or employee of the Company as may be designated as Administrator by the Board from time to time.

(b) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

(c) **Associate** has the meaning set out in the *Securities Act*;

(d) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);

(e) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;

(f) **Cause** means:

i. in the case of an Employee: (1) cause as such term is defined in the written employment agreement with the Employee or if there is no written employment agreement or cause is not defined therein, the usual meaning of just cause under the common law or the laws of the jurisdiction in which the Employee is employed; (2) who is employed in an "at will" jurisdiction, the usual meaning of just cause under the common law of the Province of British Columbia; or (3) the termination of employment as a result of an order made by any Regulatory Authority having jurisdiction to so order;

ii. in the case of a Consultant: (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Company or a Subsidiary the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;

iii. in the case of a Director, ceasing to be a Director as a result of: (1) ceasing to be qualified to act as a Director pursuant to section 124 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"); (2) a resolution having been passed by the shareholders of the Company pursuant to section 128(3)(a) of the BCBCA; or (3) an order made by any Regulatory Authority having jurisdiction to so order; or

iv. in the case of an Officer who is not an Employee, ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order.

(g) **Change of Control** includes situations where, after giving effect to the contemplated transaction and as a result of such transaction:

i. any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,

ii. any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 50% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(h) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);

(i) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;

(j) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:

i. provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;

ii. provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;

iii. in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and

iv. has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;

(k) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(l) **Directors** means the directors of the Company as may be elected from time to time;

(m) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(n) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;

(o) **Distribution** has the meaning assigned by the *Securities Act*, and generally refers to a distribution of securities by the Company from treasury;

(p) **Effective Date** for an Option means the date of grant thereof by the Board;

(q) **Employee** means:

i. an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

ii. an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

iii. an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

(r) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(s) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

(t) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

(u) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;

(v) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(w) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;

(x) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(y) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;

(z) **NEX Issuer** means a company listed on NEX;

(aa) **NEX Policies** means the rules and policies of NEX as amended from time to time;

(bb) **Officer** means a Board appointed officer of the Company and any Subsidiary;

(cc) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;

(dd) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;

(ee) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

(ff) **Optionee** means the recipient of an Option hereunder;

(gg) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;

(hh) **Participant** means a Service Provider that becomes an Optionee;

(ii) **Person** includes a company, any unincorporated entity, or an individual;

(jj) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;

(kk) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §3.2;

(ll) **Regulatory Approval** means any necessary approvals of a Regulatory Authority as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder;

(mm) **Regulatory Authority** means the TSX Venture or an organized trading facility on which the Common Shares are listed, and any securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder;

(nn) ***Securities Act*** means the *Securities Act*, R.S.B.C. 1996, c. 418, or any successor legislation;

(oo) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;

(pp) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;

(qq) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;

(rr) **Subsidiary** means a subsidiary of the Company;

(ss) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;

(tt) **TSX Venture** means the TSX Venture Exchange and any successor thereto;

(uu) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time; and

(vv) **Vest** or **Vesting** means that portion of the Option granted to the Optionee which is available to be exercised by the Option Holder at any time and from time to time.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2
Administration

Administration

2.1 The Plan will be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations will form part of the Plan. The Board may delegate to the Administrator such administrative duties and powers as it may see fit.

Interpretation

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

ARTICLE 3
Share Option Plan

Establishment of Share Option Plan

3.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

3.2 The maximum number of Common Shares reserved for issuance under this Plan is 10,880,074 subject to adjustment pursuant to the provisions of §4.13 hereof. The aggregate number of Common Shares reserved for issuance to any one Optionee, whether under this Plan or any other Share Compensation Arrangement, shall not exceed the number of Common Shares permitted to be so reserved for such Optionee by law and by the regulations, rules or policies of any securities authority or stock exchange with which the Company must comply.

Eligibility

3.3 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

Options Granted Under the Plan

3.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

3.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Participation

3.6 The Board will, from time to time and in its sole discretion, determine which of the Service Providers, if any, will be awarded Options. The Board shall, in its discretion determine whether each such Service Providers shall be awarded an Option to purchase Common Shares. The Board may, in its sole discretion, grant the majority of the Options to Insiders of the Company.

Notification of Award

3.7 Following the approval by the Board of the awarding of an Option, the Administrator will notify the Optionee in writing of the award and will enclose with such notice the Option Commitment representing the Option so awarded.

Copy of Plan

3.8 Each Optionee, concurrently with the notice of the award of the Option, will be provided with a copy of the Plan. A copy of any amendment to the Plan will be promptly provided by the Administrator to each Optionee.

Limitations on Issue

3.9 The Plan does not give any Optionee that is a Director or Officer the right to serve or continue to serve as a Director or Officer of the Company or any Subsidiary nor does it give any Optionee that is an Employee or Consultant the right to be or to continue to be employed with or have a consulting contract with the Company or any Subsidary.

3.10 Subject to§3.14, the following restrictions on issuances of Options are applicable under the Plan:

(a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;

(b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and

(c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

Options Not Exercised

3.11 In the event an Option granted under the Plan expires unexercised, or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issue.

Powers of the Board

3.12 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

Amendment of the Plan by the Board of Directors

3.13 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

(a) it may make amendments which are of a typographical, grammatical or clerical nature only;

(b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;

(c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;

(d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;

(e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and

(f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Amendments Requiring Disinterested Shareholder Approval

3.14 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:

i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;

ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,

iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or

(b) any reduction in the Exercise Price of an Option previously granted to an Insider.

Options Granted Under the Company's Previous Share Option Plans

3.15 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 4
Terms and Conditions of Options

Exercise Price

4.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

Term of Option

4.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

4.3 Subject to§3.14(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

4.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §4.2.

4.5 Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

Vesting of Options

4.6 Subject to §4.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

(a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or

(b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Consultants Conducting Investor Relations Activities

4.7 Notwithstanding §4.6, Options granted to Consultants conducting Investor Relations Activities will vest:

(a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or

(b) such longer vesting period as the Board may determine.

Effect of Take-Over Bid

4.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §4.6 and §4.7 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

Acceleration of Vesting on Change of Control

4.9 Save for and except any Options granted to a Service Provider providing Investor Relations Activities, in the event of a Change of Control occurring, Options granted and outstanding which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control.

Extension of Options Expiring During Blackout Period

4.10 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §3.12, the tenth Business Day period referred to in this §4.10 may not be extended by the Board.

Optionee Ceasing to be Director, Employee or Service Provider

4.11 Subject to subparagraphs (a) to (c) below, the Expiry Date of an Option will be the date fixed by the Board at the time the particular Option is awarded (the "Expiry Date"), provided that the Expiry Date will be no later than the tenth anniversary of the Award Date of such Option:

(a) Death

Notwithstanding subparagraph (b) below, in the event that the Optionee should die while his or her Option is outstanding, the Expiry Date for any vested portion or portions of the Option will be the earlier of the Expiry Date and the date that is one year after the date of the Optionee's death. The Expiry Date for any unvested portion of the Option will be the date of the Optionee's death.

(b) Resignation or Ceasing to Hold Office or Employment

If the Optionee ceases to be employed or engaged by the Company (including by way of voluntary resignation or retirement as a Service Provider), the Expiry Date for any vested portion or portions of the held by the Optionee will be, unless otherwise provided for in the Option Commitment, the earlier of the Expiry Date of that Option and the date that is 30 days after the Optionee ceases to be a Service Provider, provided that the Board will have the discretion, for greater certainty not the obligation, to extend the period when the Optionee may exercise that Option to a date that is not later than the date which is one year after the Optionee ceases to be a Service Provider. The Expiry Date for any unvested portion of the Option will be the date that the Optionee ceases to be a Service Provider.

(c) For Cause

Notwithstanding subparagraph (b) above, if the Optionee:

i. ceases to be employed or engaged by the Company and any of its subsidiaries for Cause;

ii. ceases to be a Service Provider of the Company by order of any securities commission, recognized stock exchange, or any regulatory body having jurisdiction to so order; or

iii. as Director, ceases to be eligible to hold office as a director of the Company under the provisions of the applicable corporate statute,

each Option held by the respective Optionee shall be exercisable in respect of that number of Option Shares that have vested pursuant to the terms of the Option Agreement governing such Option at any time up to but not after the earlier of the Expiry Date of that Option and the date on which the Optionee ceases to be a Service Provider.

Non Assignable

4.12 Subject to §14.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

4.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §4.13;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §4.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §4.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 5
Commitment and Exercise Procedures

Option Commitment

5.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

5.2 An Optionee who wishes to exercise his Option may do so by delivering

(a) a properly executed written notice to the Company in the form attached hereto as Schedule B or such other form as the Company may require, specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to§5.3.

Tax Withholding and Procedures

5.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §5.2 and elsewhere in this Plan, and as a condition of exercise:

(a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or

(b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

5.4 As soon as practicable after receipt of the notice of exercise described in §5.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current market price of the Common Shares on the TSX Venture at the time of grant, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

ARTICLE 6
General

Employment and Services

6.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

No Representation or Warranty

6.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Inability to Obtain Authority

6.3 The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company to be necessary to the lawful issuance of any Optioned Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue such Shares.

Interpretation

6.4 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

6.5 The Plan will become effective from and after April 28, 2016, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at any annual general meeting of the holders of Common Shares of the Company subsequent to June 9, 2016.

Amendment of the Plan

6.6 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

Entire Agreement

6.7 This Plan and the Option Commitment sets out the entire agreement between the Company and the Participants relative to an Option and supersedes all prior agreements, undertakings and understandings, whether oral or written.

SCHEDULE A
SHARE OPTION PLAN OPTION COMMITMENT

Notice is hereby given that, effective this ________ day of ________________, __________ (the "Effective Date") NETWORK MEDIA GROUP INC. (the "Company") has granted to ____ (the "Optionee"), an Option to acquire ______________ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the __________ day of ____________________, __________ (the "Expiry Date") at an Exercise Price of Cdn$____________ per share.

Optioned Shares are to vest immediately.

OR

Optioned Shares will vest *[INSERT VESTING SCHEDULE AND TERMS]*

The Option shall expire ______ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

> "WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL 12:00 A.M. (MIDNIGHT) ON *[insert date 4 months from the date of grant]*".

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee represents and warrants that he/she has not been induced to enter this Option Commitment either by the expectation of employment or continued employment with the Company or any subsidiary of the Company.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

NETWORK MEDIA GROUP INC.

____
Authorized Signatory

____
[insert name of optionee]

____
Signature of Optionee

SCHEDULE B
TO SHARE OPTION PLAN

Network Media Group Inc.
c/o 1488 Frances Street
Vancouver, BC Canada
V5L 1Y9

Re: Stock Option Exercise

Attn: Share Option Plan Administrator, Network Media Group Inc. (the "Company")
FAX: 604 909-2895

This letter is to inform the Company that I, ________________________________, wish to exercise _________ options, at ______ per share, on this _____day of ________________, 20____.

Payment issued in favour of Network Media Group Inc. for the amount of $________________ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: ____

Address: ____

____

Please send share certificate to:

Name: ____

Address: ____

____

Sincerely,

Signature of Optionee	Date	SIN Number (for T4)

SCHEDULE B

COMPENSATION COMMITTEE CHARTER

A OVERALL RESPONSIBILITIES OF THE COMMITTEE

The Compensation Committee (the "**Committee**") shall assist the Board of Directors of the Company (the "**Board**") in fulfilling its obligations and oversight responsibility relating to:

(i) Executive officer, senior management and director compensation approach, framework and disclosure;
(ii) Compensation of the CEO and other executive officers, senior management and directors;
(iii) Equity-based compensation plans;
(iv) Executive officer succession planning and training and development programs; and
(v) Any matter regarding compensation as the Committee deems appropriate.

B RESPONSIBILITY AND AUTHORITY OF THE COMMITTEE

Subject to the Company's Articles and By-laws, the Committee has authority over the following areas of responsibility:

1. Compensation Framework and Disclosure

(i) Review and recommend to the Board for approval any compensation approach and framework for the CEO, other executive officers and senior management (collectively, the "**Executive Personnel**"), including material incentive compensation plans, taking into account the competitiveness and appropriateness of the Company's approach to Executive Personnel compensation.

(ii) Review and recommend to the Board for approval any equity-based compensation plans of the Company, and any grants to be made under any established equity-based compensation plans of the Company.

(iii) Consider and recommend to the Board any other matter regarding compensation as the Committee deems appropriate.

(iv) Review Executive Personnel compensation disclosure before the Company publicly discloses this information.

2. CEO Compensation and Oversight

(i) Review and recommend to the Board for approval the corporate goals and objectives that the CEO is responsible for meeting relevant to CEO compensation.

(ii) Review and recommend to the Board for approval the recruitment, appointment, training and, if necessary, replacement of the CEO.

(iii) Annually evaluate the CEO's performance in light of the corporate goals and objectives that the CEO is responsible for meeting relevant to CEO compensation and report results of the evaluation to the Board.

(iv) Based on the results of the performance evaluation, annually review and recommend to the Board for approval the total compensation for the CEO.

3. Other Executive Compensation and Oversight

   (i) Approve and report to the Board the total compensation for Executive personnel, in consultation with the CEO, in accordance with any established compensation framework.

   (ii) Monitor, in consultation with the CEO, the appointment, allocation of responsibilities and approach to succession planning for Executive Personnel and report to the Board as required.

4. Director Compensation

   (i) On an annual basis, consider and recommend to the Board for approval a compensation package for the directors of the Company.

5. General Responsibilities

   (i) The Committee, through the Chair, will provide a report to the Board on no less than an annual basis outlining the results of the Committee's activities and any reviews it has undertaken.

   (ii) The Committee may perform any other activities consistent with this Charter, the Company's constating documents and applicable law, as the Committee or the Board deems necessary or appropriate.

   (iii) The Committee may engage independent counsel and other advisors the Committee determines necessary to carry out its duties and the Committee may set and pay the compensation for any advisors employed by the Committee.

C MEETINGS

The Committee shall meet at least once per year.

D DELEGATION OF AUTHORITY

The Committee may delegate any of its responsibilities and authority to a subcommittee comprised or one or more Committee members. The Committee remains accountable for the work and decisions of any subcommittee to which the Committee has delegated decision-making authority

E COMMITTEE COMPOSITION CRITERIA

1. The Committee shall be comprised of a minimum of two and maximum of four directors.

2. The members of the Committee shall be appointed by the Board, and the Committee members shall appoint amongst themselves the Chair of the Committee.

3. A quorum for the transaction of business at any Committee meeting shall consist of a majority of currently appointed members of the Committee.

4. The Committee Chair may invite other directors of the Board or Executive personnel to attend any Committee meeting as may be appropriate as a non-voting participant.