NOTICE OF THE

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

OF

VOTI DETECTION INC.

TO BE HELD ON APRIL 28, 2020

and

MANAGEMENT INFORMATION CIRCULAR

March 20, 2020

VOTI DETECTION INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the **Meeting**) of the holders of common shares of VOTI Detection Inc. (the **Corporation**) will be held at 790 Bégin Street, Saint-Laurent, Québec, on Tuesday, April 28, 2020, at 4:00 p.m. for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended October 31, 2019;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint auditors of the Corporation for the ensuing year and to authorize the directors to fix the auditors' remuneration;
4. to consider, and if deemed advisable, adopt an ordinary resolution of disinterested shareholders, the complete text of which is annexed as Schedule A to the accompanying circular, amending the stock option plan, deferred share unit plan and restricted share unit plan of the Corporation;
5. to consider, and if deemed advisable, adopt an ordinary resolution of shareholders, the complete text of which is annexed as Schedule B to the accompanying circular, approving the unallocated options pursuant to the stock option plan of the Corporation; and
6. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Only shareholders of record at the close of business on March 19, 2020 will receive a notice of the Meeting and will be entitled to vote, in person or by proxy, at the Meeting.

BY ORDER OF THE BOARD

(s) Philip Murray

Philip Murray
Chairman

Montréal, March 23, 2020

IMPORTANT

In order that the greatest number possible of shares may be represented and voted at the Meeting, shareholders who are unable to attend the Meeting are requested to complete, date and sign the accompanying form of proxy and return it in the enclosed envelope or by fax or otherwise vote electronically by following the instructions on the accompanying form of proxy.

Proxies submitted by mail, fax or electronically must be received by TSX Trust Company, the registrar and transfer agent of the Corporation, before 5:00 p.m. (Montréal time) on Friday, April 24, 2020.

VOTI Detection Inc.

MANAGEMENT INFORMATION CIRCULAR

1. SOLICITATION OF PROXIES

This Management Information Circular (the Circular) is provided in connection with the solicitation of proxies by the management of VOTI Detection Inc. (the Corporation) for use at the Annual and Special Meeting of Shareholders of the Corporation (the Meeting) to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by employees of the Corporation. The cost of solicitation is borne by the Corporation.

Unless otherwise indicated, the information presented in the Circular is provided as of March 20, 2020 and all currency amounts are shown in Canadian dollars.

2. APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy (the **Form of Proxy**) are officers of the Corporation. **A shareholder of the Corporation (a Shareholder) wishing to appoint some other person (who need not be a Shareholder) to represent him at the Meeting, may do so by inserting such person's name in the blank space provided in the Form of Proxy and depositing the duly completed Form of Proxy at the registered office of the Corporation or the Corporation's transfer agent indicated on the enclosed envelope prior to the close of business on the second business day preceding the date of the Meeting (exclusive of Saturdays, Sundays and holidays).**

To be valid, a proxy must be signed by the Shareholder or his attorney authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized in writing. The proxy, to be acted upon, must be deposited with TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, Attention: Proxy Department, or may also be submitted by facsimile to 416-595-9593 or electronically to www.voteproxyonline.com, at any time prior to 5:00 p.m. two business days preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used, or with the Secretary or the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

Any proxy given may be revoked, as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by an instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized in writing, and deposited either at the registered office of the Corporation or its transfer agent at any time prior to the close of business on the second business day preceding the date of the Meeting or with the Secretary or the Chairman of the Meeting on the day of the Meeting or at any adjournment thereof, or in any other manner permitted by law. The Shareholder may choose to attend the Meeting in person and exercise his voting rights.

3. EXERCISE OF DISCRETION BY PROXIES

A Shareholder forwarding the enclosed Form of Proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. The persons named in the Form of Proxy will vote the shares in respect of which they are appointed in accordance with the direction, if any, of the Shareholders appointing them.

In the absence of such direction, such shares will be voted:

(i) FOR the election to the Board of Directors of the Corporation (the Corporation Board) of the seven nominees whose names are set forth herein;
(ii) FOR the appointment of Deloitte LLP as independent auditors of the Corporation and authorizing the Corporation Board to fix their remuneration;
(iii) FOR the approval of the resolution amending the stock option plan, the deferred share unit plan and the restricted share unit plan of the Corporation; and

(iv) FOR the approval of the resolution approving the unallocated options pursuant to the stock option plan of the Corporation.

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to any amendment or variation to matters identified in the Notice of Meeting and to any other matter which may properly come before the Meeting. At the time of the Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, in either case, the persons named in the Form of Proxy will vote according to their best judgment.

4. NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a **Non-Registered Holder**) are registered either: (i) in the name of an intermediary (an **Intermediary**) that the Non-Registered Holder deals with in respect of the Corporation's securities, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (**NI 54-101**), the Corporation has distributed copies of the Notice of Meeting and the Circular (collectively, the **Meeting Materials**) to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

a) typically, be provided with a computerized form (often called a **voting instruction form**) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or

b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to TSX Trust Company (Attention: Proxy Department), 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 or by facsimile to 416-595-9593.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the voting instruction form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to TSX Trust Company at the address or facsimile number set out above.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or Form of Proxy must be delivered.

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

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

To the best of the Corporation's knowledge, no one who has been a director or executive officer of the Corporation at any time since the beginning of Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any 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 other than the election of directors and the appointment of auditors, except with respect to the approval of the two resolutions annexed as Schedules A and B to the Circular relating to the stock option plan, the deferred share unit plan and the restricted share unit plan of the Corporation, as more fully described in the Circular.

6. VOTING SHARES AND PRINCIPAL HOLDERS

The directors of the Corporation have fixed March 19, 2020, at the close of business, as the record date (the **Record Date**) for the determination of the registered holders of common shares of the Corporation (the **Common Shares**) entitled to receive notice of the Meeting. All holders of at least one Common Share as of the Record Date are entitled to attend and vote at the Meeting in person or by proxy, except to the extent that a person has transferred any of his shares after the Record Date and the transferee of those shares (i) produces properly endorsed share certificates, or (ii) otherwise establishes that he owns the shares and demands, no later than ten days before the Meeting, that his name be included in the list prepared by the Corporation before the Meeting, in which case the transferee will be entitled to vote at the Meeting.

As of the Record Date, 26,744,086 Common Shares of the Corporation were issued and outstanding, each giving the right to one vote at the Meeting.

As at the Record Date, to the knowledge of the directors and executive officers of the Corporation, no person beneficially owned or exercised control or direction, directly or indirectly, over 10% or more of the outstanding Common Shares of the Corporation.

7. ELECTION OF DIRECTORS

The Shareholders will be called upon to elect seven directors who, subject to the by-laws of the Corporation, will remain in office until the next annual meeting of Shareholders or until their respective successors have been duly elected or appointed.

The following table sets out the names and the provinces of residence of the nominees for election as directors, their current positions held with the Corporation, the date on which they became directors, the number of Common Shares which they beneficially own, directly or indirectly, or over which they exercise control or direction, as at the date hereof.

Name and municipality of residence	Director since	Number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised	Principal occupation
Marc-André Aubé Mont-Royal, QC Canada Director (1) (2)	2018-11-13	Nil	President and Chief Operating Officer Walter Surface Technologies
James Cherry Elizabethtown, ON Canada Director (2)	2018-11-13	Nil	Corporate Director
Karna Gupta Oakville, ON Canada Director (1)	2018-11-13(4)	309,157	Corporate Director

Name and municipality of residence	Director since	Number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised	Principal occupation
Neil Hindle Hudson, QC Canada Director [(1)(3)]	2018-11-13[(4)]	758,673	Chairman Nutritower Inc.
Alain Miquelon Mont-Royal, QC Canada Director [(2)(5)]	2018-11-13	2 Nil	Senior Partner, Financial Services Novacap Management Inc.
Philip Murray Ottawa, ON Canada Director	2018-11-13	15,000	Corporate Director
Rory Olson Montréal, QC Canada Director	2018-11-13[(4)]	1,960,376	President and Chief Executive Officer of the Corporation

Notes:

(1) Member of the Audit Committee

(2) Member of the Governance, Human Resources and Compensation Committee

(3) Chair of the Audit Committee

(4) Before they became directors of the Corporation on November 13, 2018, Messrs. Gupta and Hindle and Olson were directors of VOTI Inc. (**VOTI**) since April 2010 for Mr. Gupta, June 2016 for Mr. Hindle and May 2017 for Mr. Olson. VOTI is the wholly owned operating subsidiary of the Corporation.

(5) Chair of the Governance, Human Resources and Compensation Committee

To the knowledge of the management of the Corporation, no nominee as a director of the Corporation:

a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,

   i) was subject to 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 the Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

c) has, within the 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

For the purposes of subsection (a) above, “order” means any of the following, if in effect for a period of more than 30 consecutive days: (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation.

None of the foregoing nominees for election as director of the Corporation has been subject to:

a) 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

b) 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.

Unless otherwise specifically instructed, the persons whose name are printed on the enclosed Form of Proxy intend to vote at the Meeting FOR the election of the nominees whose names are set forth above to the Corporation Board.

Management is not presently aware that any of the nominees will be unwilling to serve as a director of the Corporation if elected but in the event that, prior to the Meeting, any vacancies occur in the slate of nominees submitted herewith, the enclosed Form of Proxy confers discretionary authority upon the persons named therein to vote for the election of any other eligible person designated by the Corporation Board, unless instructions have been given to refrain from voting with respect to the election of directors.

8. EXECUTIVE COMPENSATION

Introduction

This compensation discussion and analysis describes and explains the policies and practices of the Corporation with respect to the compensation of each named executive officer of the Corporation for the financial year ended October 31, 2019. “Named Executive Officer" or “**NEO**” means each of the following individuals:

a) each Chief Executive Officer or any individual who acted in a similar capacity, for any part of the most recently completed financial year (**CEO**);

b) each Chief Financial Officer or any individual who acted in a similar capacity, for any part of the most recently completed financial year (**CFO**); and

c) each of the Corporation’s three most highly compensated executive officers (or the three most highly compensated individuals acting in a similar capacity), other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000.

Compensation Governance

The Corporation Board has a Governance, Human Resources and Compensation Committee (**GHRC**) which, among other duties, assists the Corporation Board in its oversight responsibilities relating to the compensation, nomination, objectives, evaluation and succession of the executive officers of the Corporation, including the CEO and the CFO (collectively, the **Executive Officers**). In particular, the GHRC, in collaboration with the CEO, has the following duties and responsibilities:

i) consider and recommend to the Corporation Board the appointment of the Executive Officers and a succession plan with respect to the Executive Officers;

ii) review the assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession of each Executive Officer and report on this matter to the Corporation Board;

iii) review the assessment of the performance of the Executive Officers against pre-set specific corporate and individual goals and objectives approved by the CEO;

iv) review the annual performance assessments of the Executive Officers by the CEO and report annually to the Corporation Board;

v) oversee and recommend for approval by the Corporation Board the executive compensation principles, policies, programs, grants of equity-based incentives and processes based on the principles that compensation should, to a significant extent, be reflective of the financial performance of the Corporation while rewarding the achievement of the Corporation’s short and long term objectives, and, specifically, consider and recommend annually or as required for approval by the independent directors of the Corporation Board all forms of compensation for the Executive Officers.

The GHRC, in conjunction with the Corporation Board, has established an appropriate comparator group of companies comparable to the Corporation for purposes of setting the future compensation of the Corporation's NEOs.

The GHRC is composed of three members, Messrs. Alain Miquelon, James Cherry and Marc-André Aubé, who are all independent from the Corporation. Mr. Miquelon acts as Chair of the GHRC. Mr. Miquelon has more than 25 years of industry experience as a senior officer of publicly traded companies and in the investment banking industry. Mr. Cherry has over 40 years of experience in general management, project management and financial management in the international aerospace, defence and rail sectors. Mr. Aubé has experience in various industry sectors, including chemical products, oil and gas and finance.

Compensation Discussion and Analysis

The key elements of the Corporation's executive compensation program for its NEOs consisted of base salary and discretionary cash bonuses. NEOs also receive compensation in the form of grant of stock options pursuant to the Corporation's stock option plan for its employees, directors and consultants and may receive restricted share units pursuant to the Corporation's restricted share unit plan for the senior executives who wish to receive part or all of their compensation in the form of equity. Each element of compensation of the NEOs is described in more detail below.

Base Salary

Base salaries and other compensation paid by the Corporation for NEOs are reviewed on an annual basis by the GHRC. The GHRC assesses if adjustments are required considering market changes, individual performance, corporate performance, change in role or responsibilities and other considerations deemed relevant, and subsequently makes recommendations based on those factors to the Corporation Board who then approves recommended changes to base salary or other compensation.

Non-Equity Incentive

NEOs are eligible to receive discretionary cash bonuses as determined by the Corporation Board from time to time under the Corporation's Management by Objectives program (the **MBO Program**). The objectives of the MBO Program are integrated with the overall compensation package for NEOs which are: to attract, develop and retain an exceptional executive team that will deliver on the Corporation's values, strategic direction, business and operating plans; to provide competitive compensation, including elements such as salary, performance-related pay, and long-term incentives in the form of stock options; recognize and reward high performance contributions of executives through an appropriate mix of fixed and performance-based compensation; to ensure fiscal responsibility in the use of financial resources in the most effective manner; and to ensure compensation is competitive within the external market and peer organizations where the Corporation competes for executive talent.

Payments to NEOs under the MBO Program are recommended by the GHRC and approved by the Corporation Board. Fifty percent of the bonus is based upon the individual performance of the NEO and is payable on a quarterly basis, and the other fifty percent is based on the collective performance of the management team and Corporation as a whole and is payable on an annual basis. The Corporation Board maintains the discretion to grant at all times discretionary bonuses, including in the context of acquisitions, to modify, amend or terminate non-equity incentive plans at all times, and to deviate from the plans or grant individual exceptions. Where a NEO fails to meet expectations, he will be eligible for 0%-20% of his bonus award. Where a NEO meets expectations, he will be eligible for 100% of the award. Where an NEO exceeds expectations, he will be eligible for a stretch award.

The President and CEO, as well as the Founder and Chief Technology Officer of the Corporation, are governed by the terms and conditions of their employment contracts, which call for payment of the non-equity incentives on a quarterly basis.

Notwithstanding the foregoing, all NEOs have elected and agreed to take non-cash incentive payments in lieu of cash in respect of their bonus entitlements.

Long Term Incentive

The Corporation Board, upon recommendation from the GHRC and approval of its Shareholders, has adopted a stock option plan and a restricted share unit plan in order to incentivize and retain the Corporation's NEOs.

Pension Benefits

The Corporation has a defined contribution pension plan, the terms of which are detailed below.

Expenses

The Corporation reimburses management for various ordinary course business expenses incurred by management on behalf of the Corporation.

Perquisites

The Corporation did not pay or provide any perquisites to its NEOs during its last financial year.

Summary Compensation Table

The following table and accompanying notes set out information concerning the compensation paid to the Corporation's NEOs for the three most recently completed financial years ended October 31, 2019.

Name and principal position	Year	Salary ($)	Share-based awards (1) ($)	Option-based awards (2) ($)	Non-equity incentive plan compensation ($)		All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans		
Rory Olson (3) *President and CEO*	2019 2018 2017	325,000 250,000 250,000	Nil Nil 179,235	439,938 750,457 121,944	243,750 325,000 325,000	Nil Nil Nil	Nil Nil Nil	1,008,688 1,325,457 876,179
Michael Ickman (4) *CFO*	2019 2018 2017	175,000 21,538 -	Nil Nil -	383,911 42,369 -	19,688 4,904 -	Nil Nil -	Nil Nil -	578,600 72,850 -
Kevin McGarr *Executive Vice President, Corporate Affairs*	2019 2018 2017	175,000 108,332 90,400	Nil Nil Nil	134,790 151,580 Nil	19,688 40,000 20,000	Nil Nil Nil	Nil Nil Nil	329,478 299,912 110,400
William Awad *Founder and Chief Technology Officer*	2019 2018 2017	200,000 200,000 200,000	Nil Nil 152,624	386,086 302,717 28,463	75,000 100,000 100,000	Nil Nil Nil	Nil Nil Nil	661,086 602,717 481,087
Richard Shatilla *Executive Vice-President, Global Sales*	2019 2018 2017	175,000 150,000 150,000	Nil Nil 206,630	240,882 64,554 8,593	37,500 160,500 12,500	Nil Nil Nil	Nil Nil Nil	453,382 375,054 377,723

Notes:

(1) Share-based awards are estimated based on the Black-Scholes option pricing model and the amount indicated represents the value vested during the applicable period.

(2) Options-based awards are estimated using the fair value of options granted. The fair value is estimated based on the Black-Scholes option pricing model on the applicable issuance date and the amount indicated represents the value vested during the applicable year.

(3) For the years 2018 and 2017, Mr. Olson provided management services to VOTI for and on behalf of his service company Telesense Holdings Inc. VOTI provided compensation to Telesense Holdings Inc., which in turn provided such compensation to Mr. Olson.

(4) Mr. Ickman was appointed CFO of VOTI on September 10, 2018. His indicated salary in 2018 is for approximately eight weeks.

Incentive plan awards - Outstanding option-based awards and share-based awards

The following table sets out information concerning all outstanding option-based awards granted by the Corporation to its NEOs as at October 31, 2019. The Corporation had not granted any share-based awards to its NEOs as at October 31, 2019.

Name and principal position	Option-based Awards			
	Number of securities underlying unexercised options	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options (1) ($)
Rory Olson *President and CEO*	300,000	2.99	December 4, 2026	Nil
Michael Ickman *CFO*	325,000	2.99	December 4, 2026	Nil
Kevin McGarr *Executive Vice President, Corporate Affairs*	100,000	2.99	December 4, 2026	Nil
William Awad *Founder and Chief Technology Officer*	300,000	2.99	December 4, 2026	Nil
Richard Shatilla *Executive Vice President, Global Sales*	200,000	2.99	December 4, 2026	Nil

Note:

(1) The value of the in-the-money options held by each NEO is based on the closing market price of the Common Shares underlying the options on the TSX Venture Exchange (**TSXV**) as at October 31, 2019, being $1.70 per Common Share, less the option exercise price.

Incentive plan awards -- value vested or earned during the year

The following table sets out information concerning all option-based awards vested and non-equity incentive plan compensation earned during the Corporation's financial year ended October 31, 2019. The Corporation did not grant any share-based awards to its NEOs during its last financial year.

Name and principal position	Option-based awards – Value vested during the year (1) ($)	Non-Equity incentive plan compensation – value earned during the year (2) ($)
Rory Olson *President and CEO*	439,938	243,750
Michael Ickman *CFO*	383,912	19,688
Kevin McGarr *Executive Vice President, Corporate Affairs*	134,790	19,688
William Awad *Founder and Chief Technology Officer*	386,086	75,000
Richard Shatilla *Vice President, Global Sales*	240,882	37,500

Notes:

(1) Option-based compensation granted is estimated using the fair value of options granted. The fair value is estimated based on the Black-Scholes option pricing model.

(2) Non-equity incentive compensation is described above under "Compensation Discussion and Analysis – *Non-Equity Incentive*".

Employment Agreements

The Corporation has formal employment agreements with each of its NEOs. These agreements include provisions regarding base salary, annual bonuses, eligibility for long-term equity incentives, benefits, confidentiality, non-solicitation and non-competition covenants, and ownership of intellectual property, among other things. The non-competition covenants survive for 12 months following termination of employment. With respect to Mr. Rory Olson, in the case of termination of employment other than for cause, including non-renewal of the agreement by the Corporation, the employment agreement provides that Mr. Olson is entitled to a termination payment equal to 12 months of base salary and short-term incentive bonus (at target amounts).

Pension Benefits

The Corporation has a registered defined contribution pension plan (the **Pension Plan**). All full-time salaried employees, including the NEOs, are eligible to participate in the Pension Plan following completion of their three-month employment probation period. To participate, employees must contribute up to 2% of their annual earnings, which the Corporation will match on a dollar for dollar basis. Employees may also make voluntary contributions in excess of this 2%, which the Corporation does not match. Employees have the right to determine how their contributions are invested and also to transfer their investments to another registered retirement plan. The NEOs had not participated in the Pension Plan as at October 31, 2019.

9. DIRECTOR COMPENSATION

The Corporation Board has, upon recommendation from the GHRC, implemented a director compensation program on February 13, 2019, as amended on March 22, 2019, designed to attract and retain qualified individuals who possess the relevant experience of board membership with other successful Canadian and U.S. listed corporations, and align the compensation of the directors with the interests of the Shareholders through equity-based compensation. Under this program, independent directors are paid $40,000 per year ($60,000 for the Chairman), which are paid in deferred share units (**DSU**s) of the Corporation pursuant to the Corporation's deferred share unit plan. As at October 31, 2019, 173,908 DSUs had been granted to the independent directors under the Corporation's deferred share unit plan.

Directors of the Corporation are entitled to be reimbursed for reasonable travel and other expenses incurred by them in carrying out their duties as directors.

There are no service contracts or agreements, or predetermined plans or arrangements between the Corporation and its independent directors with respect to payments upon termination of their services as a director or in connection with a change of control of the Corporation.

Director Compensation Table

The following table sets out, for each independent director, the compensation earned for the financial year ended October 31, 2019. Other than the issuance of share-based awards (consisting of DSUs) as described below, none of the directors received any compensation for serving as a director of the Corporation.

Name	Share-based awards (1) ($)	Option- based awards ($)	All other compensation ($)	Total compensation ($)
Marc-André Aubé	45,425	Nil	Nil	45,425
James Cherry	45,425	Nil	Nil	45,425
Karna Gupta	45,425	Nil	Nil	45,425
Neil Hindle	45,425	Nil	Nil	45,425
Alain Miquelon	45,425	Nil	Nil	45,425
Philip Murray	68,139	Nil	Nil	68,139

Note:

(1) Share-based award compensation is estimated based on the Black-Scholes option pricing model and the amount indicated represents the value vested during the Corporation's last financial year.

Incentive plan awards – outstanding share-based awards

The following table sets out information concerning all outstanding share-based awards (consisting of DSUs) granted by the Corporation for its financial year ended October 31, 2019 to its independent directors during the period. None of them received option-based awards during the period.

Name	Share-based awards		
	Number of shares or units of shares that have not vested (1)	Market or pay-out value of share-based awards that have not vested (2) ($)	Market or pay out value of vested share-based awards not paid out or distributed (2) ($)
Marc-André Aubé	13,378	22,743	22,743
James Cherry	13,378	22,743	22,743
Karna Gupta	13,378	22,743	22,743
Neil Hindle	13,378	22,743	22,743
Alain Miquelon	13,378	22,743	22,743
Philip Murray	20,067	34,114	34,114

Notes:

(1) The number of non vested DSUs as at October 31, 2019 represent 50% of the DSUs granted to the independent directors of the Corporation.

(2) Market value of share-based awards is determined by multiplying the number of DSUs by the closing price of the Common Shares underlying the DSUs on the TSXV on October 31, 2019, being $1.70.

Incentive plan awards – value vested or earned during the year

The following table sets out information concerning all share-based awards granted by the Corporation to its independent directors and which were earned or had vested during the Corporation's financial year ended October 31, 2019. None of them received option-based awards during the period.

Name	Share-based awards – Value vested during the year (1) ($)
Marc-André Aubé	45,425
James Cherry	45,425
Karna Gupta	45,425
Neil Hindle	45,425
Alain Miquelon	45,425
Philip Murray	68,139

Note:

(1) Share-based award compensation is estimated based on the Black-Scholes option pricing model and the amount indicated represents the value vested during the Corporation's last financial year.

Non-Arm's Length Party Transaction

By assignment agreement dated July 10, 2008, William Awad, Founder and Chief Technology Officer of VOTI, assigned all his rights, title and interest in and to the invention entitled "System and Method for Detecting the Presence of a Threat in a Package," as well as all of his rights in any related patent applications or registrations as may be issued in respect thereof anywhere in the world. Other than the foregoing, the Corporation or its subsidiaries did not acquire assets or services or been provided with assets or services from a director, officer, promoter or principal securityholder of the Corporation, or an associate or affiliate of any of the foregoing.

10. SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at October 31, 2019, the end of Corporation's last completed financial year, with respect to compensation plans pursuant to which equity securities of the Corporation were authorized for issuance.

Plan category	Number of shares to be issued upon exercise of outstanding options and share units (a)	Weighted-average exercise price of outstanding options and share units (b)	Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Shareholders • Options • Deferred and restricted share units	 2,135,000 227,412	 $2.99 N/A	 522,265 222,588
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A

11. PROPOSED AMENDMENTS TO THE CORPORATION'S PLANS

The Corporation's stock option plan (**SOP**) is a rolling stock option plan reserving up to 10% of the Common Shares for issuance. Pursuant to the Corporation's deferred share unit plan (the **DSU Plan**) and restricted share unit plan (the **RSU Plan** and collectively with the SOP and the DSU Plan, the **Plans**), 450,000 Common Shares are issuable on a combined basis, representing 1.68% of the issued and outstanding Common Shares as at the date of the Circular.

As at the Record Date, a total of 227,412 Common Shares had been issued under the DSU Plan and the RSU Plan since their inception, leaving 222,588 Common Shares that may be issued under the DSU Plan and the RSU Plan on a combined basis, and a total of 2,355,000 options had been granted pursuant to the SOP.

In order to accommodate the anticipated continued employee participation in the Plans, on March 12, 2020, the Corporation Board approved an increase of the maximum number of Common Shares issuable to insiders (having the meaning given to such term in the policies of the TSXV (an **Insider**) under the Plans, on a combined basis, to up to 20% of the total number of issued and outstanding Common Shares and an increase of 2,200,000 Common Shares which may be reserved for issuance under the DSU Plan and the RSU Plan on a combined basis, which would bring the total number of Common Shares which may be reserved for issuance under the DSU Plan and the RSU Plan on a combined basis to 2,650,000 Common Shares, representing, as at the Record Date, approximately 9.9% of the issued and outstanding Common Shares of the Corporation.

It is therefore proposed to amend the Plans to increase the maximum number of Common Shares issuable to Insiders under the Plans on a combined basis from 10% to up to 20% of the total number of issued and outstanding Common Shares of the Corporation and to increase the number of Common Shares reserved for issuance under the DSU Plan and the RSU Plan, on a combined basis, from 450,000 Common Shares to 2,650,000 Common Shares. This amendment has received conditional approval of the TSXV and is conditional upon Shareholder approval, excluding the votes attaching to the Common Shares beneficially owned by interested Shareholders.

Accordingly, at the Meeting, the Shareholders will be asked to consider the proposed amendments, and if deemed appropriate, pass an ordinary resolution, the text of which is attached as Schedule A to the Circular. In order to be validly adopted, the resolution must be approved by a majority of the votes of the disinterested

Shareholders cast at the Meeting. As of the Record Date, the interested Shareholders who will not be entitled to vote on the resolution attached as Schedule A to the Circular exercised control or direction over an aggregate of 5,279,966 Common Shares, representing approximately 19.74% of the issued and outstanding Common Shares as at such date.

Except as otherwise specified, the persons whose names appear on the accompanying form of proxy will vote FOR the proposed amendments to the Plans.

A. Stock Option Plan

On November 13, 2018 the Corporation Board adopted, as amended on March 22, 2019, the SOP, which has been approved by the TSXV, to allow for the grant of incentive stock options to the employees, directors, officers and consultants of the Corporation and its subsidiaries. Currently, the number of Common Shares issued to Insiders of the Corporation within any one year period, and issuable to Insiders of the Corporation, at any time, under the SOP, must not exceed ten percent (10%) of the Corporation's total issued and outstanding Common Shares as at the applicable date of grant, provided that the Corporation may establish other security-based compensation arrangements which provide for the issuance of an additional 450,000 Common Shares. Options granted to any one person pursuant to the SOP and any other security based compensation arrangements of the Corporation in a 12-month period must not exceed 5% of the issued Common Shares, calculated on the date an option is granted to such person, unless the Corporation has obtained the requisite disinterested Shareholders' approval in accordance with the rules of the TSXV. Options granted to any one consultant pursuant to the SOP and any other security-based compensation arrangements of the Corporation in a 12-month period must not exceed 2% of the issued Common Shares of the Corporation, calculated at the date an option is granted to the consultant. Options granted pursuant to the SOP and any other security based compensation arrangements of the Corporation to all persons retained to provide investor relations activities (as defined in the policies of the TSXV) must not exceed 2% of the issued Common Shares of the Corporation in any 12 month period, calculated at the date an option is granted to any such person.

The Corporation Board is responsible for administering the SOP, and the GHRC is responsible for making recommendations to the Corporation Board in respect of matters relating to the SOP.

Unless otherwise determined by the Corporation Board, options granted under the SOP vest as follows: 1/3 vest on the first anniversary of the date of the grant and 1/12 vest at the end of each quarter following the first anniversary of the date of the grant, with the result that the entire option is vested and exercisable on the third anniversary of the date of the grant. Options granted under the SOP may be exercised during the period specified in the SOP, which is generally eight years from the date of grant. The SOP also provides that, unless otherwise determined by the Corporation Board, options terminate within a period of time following the termination of employment, directorship or engagement as a consultant with the Corporation or affiliates entities. Unless otherwise specified by the Corporation Board at the time of granting options, vested options expire upon the earlier of the expiration of such options in accordance with their terms and: (a) if the holder retires, 90 days after the termination date (as defined in the SOP), (b) if the holder dies or becomes incapacitated, 120 days after such occurrence, (c) if the holder is terminated for cause, as of the termination date, (d) if the holder resigns, 30 days after the termination date, (e) if the holder is dismissed without cause, 90 days after the termination date, (f) if the holder is a consultant and there is a termination (i) by the Corporation for any reason other than for a material breach of the consulting agreement, (ii) by voluntary termination by the holder or (iii) due to the death or incapacity of the holder, 90 days from the termination date, (g) if the holder is a consultant and there is termination by the Corporation for a material breach of the consulting agreement, as of the termination date, and (h) if the holder is a director or officer, 90 days following the termination date. The exercise price for options granted under the SOP is determined by the Corporation Board. However, the exercise price may not be less than the closing price of the Common Shares on the TSXV prior to the date of grant of such option (the **Market Value**).

The SOP provides that if options granted under the SOP would otherwise expire during a trading black-out period or within ten business days following the end of such period, the expiry date of such options is extended to the tenth business day following the end of the black-out period. Options granted under the SOP are not transferable, subject to limited exceptions in the event of the holder's death or incapacity. The Corporation Board has overall authority for interpreting, applying, amending and terminating the SOP without Shareholder approval; provided that subject to any additional requirements of the rules of the TSXV, the following amendments to the SOP or options issued thereunder shall not be made without the prior approval of the TSXV and approval of the Shareholders (such approval to exclude, in certain circumstances, the votes of Insiders in accordance with the rules of the TSXV): (i) a reduction in the exercise price of an option held by an Insider of the Corporation; (ii) an extension of the term of an option held by an Insider of the Corporation; (iii) any amendment to remove the Insider participation limits described above; (iv) an increase in the maximum number of Common Shares issuable pursuant to options granted under the SOP; and (v) amendments to the amending provision of the SOP.

If the amendments to the Plans are approved as sought by the Corporation, the number of Common Shares of the Corporation reserved for issuance to Insiders under the Plans on a combined basis will not exceed twenty percent (20%**)** of the Corporation's total issued and outstanding Common Shares as at the applicable date of grant, representing a pool of approximately 5,348,817 Common Shares as at the date of the Circular, and will result in an increase in the number of Common Shares issuable under the DSU Plan and the RSU Plan, on a combined basis, from 450,000 Common Shares to 2,650,000 Common Shares.

The Corporation's disinterested Shareholders will be asked to consider the proposed amendments to the Plans (including the SOP), and, if deemed appropriate, pass an ordinary resolution, the complete text of which is attached as Schedule A to the Circular. The Insiders entitled to receive a benefit under the Plans (including the SOP) shall not be entitled to vote on said shareholder resolution. Accordingly, the resolution attached as Schedule A will only come into force if it is passed by a majority of the votes cast by the disinterested Shareholders present or represented by proxy at the Meeting.

The Corporation's Shareholders will also be asked to consider, and, if deemed appropriate, pass an ordinary resolution approving the unallocated options pursuant to the SOP, the complete text of which is attached as Schedule B to the Circular. The resolution attached as Schedule B will only come into force if it is passed by a majority of the votes cast by the Shareholders present or represented by proxy at the Meeting.

B. Deferred Share Unit Plan

On February 13, 2019 the Corporation Board adopted, as amended on March 22, 2019, the DSU Plan, which has been approved by the TSXV, to allow for the grant of DSUs to the directors of the Corporation who do not receive employment income within the meaning of the tax act in respect of services rendered to the Corporation or any of its affiliate, otherwise than in his or her capacity as a member of the Corporation Board or a member of the board of directors of an affiliate (the **Eligible Directors**). The purpose of the DSU Plan is to assist the Corporation in the recruitment and retention of qualified persons to serve as directors of the Corporation and to align the interests of Eligible Directors with the long-term interests of the Shareholders of the Corporation. A DSU is a notional unit credited by the Corporation to the account of an Eligible Director by way of a bookkeeping entry in the books of the Corporation and administered pursuant to the terms of the DSU Plan, the value of which on a particular date shall be equal to no less than the Market Value at that date.

The current aggregate number of Common Shares available for issuance from treasury pursuant to any security-based compensation arrangements of the Corporation, excluding any share issuable under the SOP, is 450,000. The number of Common Shares issuable to Insiders of the Corporation, at any time, under any security-based compensation arrangements of the Corporation, may not exceed ten percent (10%) of the total number of Common Shares issued and outstanding at the date of grant. The maximum number of Common Shares issuable to Eligible Directors, at any time, pursuant to the DSU Plan or any other security-based compensation arrangements of the Corporation, excluding any share issuable under the SOP, is 450,000. Furthermore, the aggregate number of securities granted under all security-based compensation arrangements of the Corporation is calculated without reference the initial securities granted under such arrangements to a person (who was not previously an Insider of the Corporation or one of its affiliates) upon such person becoming a director of the Corporation or one of its affiliates. The Corporation Board is responsible for administering the DSU Plan.

The Corporation Board, in its sole discretion, determines any and all conditions to the vesting of any DSU to an Eligible Director. On a date to be determined by the Corporation Board, in its sole discretion, after (i) the Eligible Director not being a member of the Corporation Board nor a member of the Corporation Board of an affiliate; and (ii) the Eligible Director not being an employee, within the meaning of the tax act, of the Corporation or any of its affiliate, the vested DSUs credited to the Eligible Director's account shall be redeemed and shall be paid by the Corporation to the Eligible Director, at the option of the Corporation in its sole discretion, in the form of a lump sum cash payment or by the issuance of the number of Common Shares to which the DSUs relate. Where redemption is to be made in cash, the Market Value of the DSUs is determined as of the redemption date. Each DSU so redeemed entitles the Eligible Director to receive the Market Value in cash in an amount that is rounded down to the nearest cent, less any applicable withholding taxes as deducted, withheld and/or remitted in accordance with the DSU Plan. All DSUs that have not vested prior to the Eligible Director's termination date terminate and are of no further force and effect.

DSUs granted under the DSU Plan are not transferable, subject to limited exceptions in the event of the holder's death or incapacity. The Corporation Board has overall authority for interpreting, applying, amending and terminating the DSU Plan without Shareholder approval, provided that subject to any additional requirements of the rules of the TSXV, the following amendments to the DSU Plan or units issued thereunder shall not be made without the prior approval of the TSXV and approval of the Shareholders (such approval to exclude, in certain circumstances, the votes of Insiders in accordance with the rules of the TSXV): (i) an amendment of the number of securities under the DSU Plan; (ii) a change in the definition of "Eligible Director" which would have the potential of narrowing, broadening or increasing insider participation; (iii) amendments to the limits on Eligible Director participation according to the DSU Plan; (iv) amendments to section 5.03 of the DSU Plan regarding amendment and termination of such plan, and (v) amendments of the DSU Plan that would permit DSUs, or any other right or interest of an Eligible Director under the plan, to be assigned or transferred, other than for normal estate settlement purposes.

If the amendments to the Plans are approved as sought by the Corporation, the aggregate number of Common Shares available for issuance from treasury pursuant to the DSU Plan and the RSU Plan, on a combined basis, will increase from 450,000 Common Shares to 2,650,000 Common Shares. The number of Common Shares issuable to Insiders of the Corporation, at any time, under the Plans, if the amendments are approved, will not exceed twenty percent (20%) of the total number of Common Shares issued and outstanding at the date of grant.

The Corporation's disinterested Shareholders will be asked to consider the proposed amendments to the Plans (including the DSU Plan), and, if deemed appropriate, pass an ordinary resolution, the complete text of which is attached as Schedule A to the Circular. The Insiders entitled to receive a benefit under the Plans (including the DSU Plan) shall not be entitled to vote on said disinterested shareholder resolution. Accordingly, the resolution attached as Schedule A will only come into force if it is passed by a majority of the votes cast by the disinterested Shareholders present or represented by proxy at the Meeting.

C. Restricted Share Unit Plan

On February 13, 2019 the Corporation Board adopted, as amended on March 22, 2019, an RSU Plan, which has been approved by the TSXV, to allow for the grant of RSUs to eligible employees, directors or contractors (the **Participants**).

The eligibility criteria for Participants are established by the Corporation Board. The current aggregate number of Common Shares available for issuance from treasury, pursuant to any security-based compensation arrangements of the Corporation, excluding any share issuable under the SOP, is 450,000. The number of Common Shares issuable to Insiders of the Corporation, at any time, under any security-based compensation arrangements of the Corporation, may not exceed ten percent (10%) of the total number of Common Shares issued and outstanding at the date of grant. The maximum number of Common Shares issuable to non-employee directors, at any time, pursuant to the RSU Plan or any other security-based compensation arrangements of the Corporation, excluding any share issuable under the SOP, is 450,000. Furthermore, the total annual grant to any one non-employee director, within any one year period, pursuant to the RSU Plan or any security based compensation arrangements of the Corporation, shall not exceed a maximum grant value of $120,000 worth of securities. The Corporation Board is responsible for administering the RSU Plan.

A RSU granted to a Participant entitles the Participant, subject to the Participant's satisfaction of any conditions, restrictions or limitations imposed under the RSU Plan or under the grant letter evidencing the grant of a RSU to a Participant (a **Restricted Share Unit Grant Letter**), to receive a payment in fully paid Common Shares or, at the option of the Corporation, in cash on the date when the RSU is fully vested, which date shall be no later than December 31 of the third calendar year following the service year applicable to the participant RSU award. In the event that the date when the RSU of a Participant is fully vested falls within ten business days of the expiration of a blackout period applicable to such Participant, then such date shall be extended to the close of business on the tenth business day following the expiration of the applicable blackout period.

Subject to the foregoing, the Corporation Board, in its sole discretion, determines any and all conditions to the vesting of RSU granted to a Participant, which vesting conditions may be based on either or both of time and performance criteria as the Corporation Board may determine in its sole discretion, except as provided for in the Restricted Share Unit Grant Letter or as otherwise determined by the Corporation Board:

(i) in the event of the death of the Participant, all unvested RSUs credited to the Participant will vest on the date of the Participant's death. The Common Shares represented by the RSUs held by the Participant shall be issued or acquired in the open market by a broker who is independent of the Corporation (the **Broker**), or cash will be paid, as determined by the Corporation Board, to or for the benefit of the Participant's estate as soon as practicable;

(ii) in the event of the disability of the Participant, all RSUs credited to the Participant which have not vested prior to the date on which the Participant is determined to be totally disabled will vest on the earlier of: (a) the 60th day following the date on which the Participant is determined to be totally disabled; and (b) the vesting date otherwise applicable, and the Common Shares represented by RSUs held by the Participant shall be issued or acquired in the open market by the Broker, or cash will be paid, as determined by the Corporation Board, to or for the benefit of the Participant as soon as practicable;

(iii) if a Participant shall cease to be employed by, or provide services to, the Corporation or an affiliate (and is not or does not continue to be a director or employee thereof) as a result of termination without cause, all unvested RSUs credited to the Participant shall vest on the date of termination, and the Shares represented by RSUs held by the Participant shall be issued or acquired in the open market by the Broker, or cash will be paid, as determined by the Corporation Board, to or for the benefit of the Participant as soon as practicable; and

(iv) if a Participant shall: (i) cease to be a director of the Corporation or an Affiliate (and is not or does not continue to be an employee thereof) for any reason other than death or disability; or (ii) cease to be employed by, or provide services to, the Corporation or an affiliate (and is not or does not continue to be a director or employee thereof) for any reason other than death, disability or termination without cause, all RSUs held by such participant shall be forfeited and cancelled as of the date of termination, and the Participant shall have no entitlement to receive any payment in respect of such forfeited RSUs, or any other amount in respect of such forfeited RSUs, by way of damages, payment in lieu or otherwise.

The payment obligation in respect to any vested RSUs, net of any applicable taxes and other source deductions required to be withheld, will be settled, on the redemption of the RSU, with the issue of fully paid Common Shares from treasury or by having the Broker acquire the Common Shares in the open market on behalf of the Participant, in the event the Corporation elects not to issue Common Shares from treasury. If, after the issuance of Common Shares or purchase of Common Shares by the Broker, an amount remains payable in respect of the vested RSUs being redeemed, such remaining amount shall be paid in cash to the Participant. In the event that the Corporation or an affiliate elects to satisfy its payment obligation in cash, on the Participant's entitlement date, the RSU shall be redeemed and paid by the Corporation or any affiliate that is the employer of the Participant to the Participant. The Market Value of the vested RSU so redeemed shall, after deduction of any applicable taxes and other source deductions required to be withheld, be paid in cash. For greater certainty, no amount will be paid to, or in respect of, a Participant under the RSU Plan or pursuant to any other arrangement, and no additional RSUs will be granted to a Participant to compensate the Participant for any downward fluctuations in the price of a Common Share nor will any other form of benefit be conferred upon, or in respect of, a Participant for such a purpose.

The expiry date, with respect to any RSU, shall be the date specified in the applicable Restricted Share Unit Grant Letter as the date on which the RSU will be terminated and cancelled or, if later or no such date is specified in the Restricted Share Unit Grant Letter, December 31 of the third (3rd) calendar year following the end of the service year of the Participant. No RSU and no other right or interest of a Participant is assignable or transferable but shall thereafter enure to the benefit of and be binding upon the Participant's beneficiary.

The Corporation Board has overall authority for interpreting, applying, amending and terminating the RSU Plan without Shareholder approval, provided that subject to any additional requirements of the rules of the TSXV, the following amendments to the RSU Plan or units issued thereunder shall not be made without the prior approval of the TSXV and approval of the Shareholders (such approval to exclude, in certain circumstances, the votes of Insiders in accordance with the rules of the TSXV): (i) an amendment of the number of securities under the RSU Plan; (ii) a change in the definition of "Participant" which would have the potential of narrowing, broadening or increasing insider participation; (iii) amendments to the limits on non-employee director participation according to the RSU Plan; (iv) amendments to section 5.03 of the RSU Plan regarding amendment and termination of such plan, and (v) amendments of the RSU Plan that would permit RSUs, or any other right or interest of a Participant under the plan, to be assigned or transferred, other than for normal estate settlement purposes.

If the amendments to the Plans are approved as sought by the Corporation, the aggregate number of Common Shares available for issuance from treasury pursuant to the RSU Plan and the DSU Plan, on a combined basis, will increase from 450,000 Common Shares to 2,650,000 Common Shares. The number of Common Shares issuable to Insiders of the Corporation, at any time, under the Plans, if the amendments are approved, will not exceed twenty percent (20%) of the total number of Common Shares issued and outstanding at the date of grant.

The Corporation's disinterested Shareholders will be asked to consider the proposed amendments to the Plans (including the RSU Plan), and, if deemed appropriate, pass an ordinary resolution, the complete text of which is attached as Schedule A to the Circular. The Insiders entitled to receive a benefit under the Plans (including the RSU Plan) shall not be entitled to vote on said disinterested shareholder resolution. Accordingly, the resolution attached as Schedule A will only come into force if it is passed by a majority of the votes cast by the disinterested Shareholders present or represented by proxy at the Meeting.

12. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current and former directors, executive officers or employees of the Corporation is, as of the date of the Circular, or has been indebted to the Corporation or its subsidiaries.

13. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no informed person of the Corporation and no proposed nominee for election as a director of the Corporation or any associates or affiliates of the foregoing persons has had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction material to the Corporation since the commencement of the Corporation's last financial year.

14. SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* (the **CBCA**) provides, in effect, that a registered holder or beneficial owner of shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a **Proposal**) and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The CBCA further provides, in effect, that the Corporation must set out the Proposal in its management information circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management information circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the notice of meeting that was sent to the Shareholders in connection with the previous annual meeting of Shareholders of the Corporation.

The foregoing is a summary only. Shareholders should carefully review the provisions of the CBCA relating to Proposals and consult with a legal advisor.

15. APPOINTMENT OF INDEPENDENT AUDITORS

The management of the Corporation proposes that Deloitte LLP (**Deloitte**) be appointed as independent auditors of the Corporation to hold office until the next annual meeting of Shareholders or until their successor is appointed and that the directors be authorized to fix their remuneration.

Except where authority to vote on the appointment of the independent auditor of the Corporation is withheld, persons named in the accompanying Form of Proxy will vote FOR the appointment of Deloitte LLP, as independent auditors of the Corporation to hold office until the next annual meeting of Shareholders or until their successors are appointed, at such remuneration as may be determined by the Corporation Board.

16. CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 - *Corporate Governance Guidelines*, National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, and Policy 3.1 - *Directors, Officers, Other Insiders & Personnel and Corporate Governance* of the TSXV set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

Corporation Board

The Corporation Board is currently comprised of seven (7) directors, all of whom are independent directors, within the meaning of National Instrument 52-110 - *Audit Committee* (**NI 52-110**) except for Mr. Rory Olson who is not an independent director within the meaning of NI 52-110 because he is the President and Chief Executive Officer of the Corporation.

The Corporation Board has adopted a *Corporation Board Charter*, effective November 13, 2018 (the **Board Charter**) and it reviews and assesses annually the adequacy of the Board Charter.

The Corporation Board fixes its own procedure at meetings and for the calling of meetings. Meetings of the Corporation Board are held quarterly, or more frequently, as required. Independent directors may meet before or after each board meeting or more often if required. Directors are expected to attend all meetings of the Corporation Board and review, in advance, the meeting materials. The majority of the Corporation Board constitutes a quorum for the transaction of business at a meeting. For any meeting at which the Chair is absent, the Chair of the meeting will be the President and Chief Executive Officer.

Board mandate

The Corporation Board is responsible for the stewardship of the Corporation and is responsible for acting in its best interest. The mandate of the Board is to supervise the management of the business and affairs of the Corporation generally, as well as establish strategic direction and objectives.

The Corporation Board ensures that a strategic planning process is in place and approves, on at least an annual basis, a business plan which takes into account, among other things, the longer-term opportunities and risks of the business. It also approves the Corporation's annual operating and capital budgets and reviews operating and financial results in relation to the Corporation's business plan and budgets.

Nomination of directors and executive officers

The Corporation may use various sources in order to identify the candidates for the Corporation Board, including its own contacts and the references of other directors, officers, advisors of the Corporation and executive placement agencies. The Corporation Board identifies individuals qualified to become board members, approves the nominations of directors to the Board and its committees and assesses annually the effectiveness and contribution of the Corporation Board, the Board Chair and each committee of the

Corporation Board and their respective Chairs and individual directors. The Corporation Board, on the recommendation of the GHRC, appoints the executive officers of the Corporation, including the Chief Executive Officer and the Chief Financial Officer, develops the corporate goals and objectives of each executive officer and evaluates the performance of each executive officer in relation to such goals and objectives. The Corporation Board establishes appropriate limits on the authority delegated to the executive officers and management personnel to manage the business and affairs of the Corporation.

Evaluation of the Corporation Board

The Corporation Board shall, on an annual basis, evaluate and review its performance as a whole, as well as the performance of each individual director while taking into account i) in the case of the Corporation Board as a whole, the Board Charter and ii) in the case of an individual director, the applicable position description and the competencies and skills each individual director is expected to contribute to the Corporation Board.

Compensation

Subject to the oversight and recommendation of the GHRC, the Corporation Board determines the directors' remuneration for board and committee service, ensures that the Corporation's compensation policy for directors reflects realistically the time spent, responsibilities involved in being an effective director. The Corporation Board approves the Corporation's compensation and benefits policy for executive officers and ensure itself that such policy creates and reinforces good conduct, ethical behavior and promotes reasonable risk taking.

Orientation and continuing education

The Corporation Board provides a comprehensive orientation program for new directors and continuing education opportunities for all directors.

Corporation Board committees

The Corporation has two committees: an Audit Committee and a Governance, Human Resources and Compensation Committee (GHRC). The Audit Committee is described below under the heading "Audit Committee Information" and the GHRC is described above under the subheading "Executive Compensation – Compensation Governance".

In addition, in June 2019, the Corporation formed an Advisory Board with Messrs. Kelly Hoggan and Joe Paresi joining as its members. Mr. Hoggan is the Founder and Chief Executive Officer of H4 Solutions, a consultancy that advises clients in the transportation sector with particular expertise in aviation security and operations. Mr. Hoggan served at the U.S. Transportation Security Administration (TSA). Mr. Paresi is the Founder, Chairman and Chief Executive Officer of Integrated Defense and Security Solutions specialized in computed tomography (CT) X-ray screening. Mr. Paresi is a long-time industry expert. The Corporation granted 26,752 RSUs to each member of its Advisory Board under its RSU Plan to purchase Corporation Shares at a price of $2.99 per share until April 30, 2021.

Members of other boards of directors

Mr. James C. Cherry is a director of Cogeco Inc., Cogeco Communications Inc. and Logistec Corporation, reporting issuers located in Canada.

Ethical business conduct

The Corporation Board adopted a *Code of Ethics* and an *Insider Trading Policy* with the purpose of promoting integrity, deterring wrongdoing and encouraging and promoting a culture of ethical business conduct, and it oversees compliance with these policies by directors, executive officers and other management personnel and employees.

Risk management

The Corporation Board identifies and assesses the principal risks of the Corporation's business and ensures the implementation of appropriate systems to manage these risks. It also ensures the integrity of the Corporation's internal control system and management information systems.

The Corporation Board reviews and oversees compliance with the Corporation's *Policy on Corporate Disclosure and Confidentiality of Information* (the **Disclosure Policy**) by directors, executive officers and other management personnel and employees, reviews and approves the Corporation's internal and external policies for communicating and disseminating information and oversees the Corporation's disclosure controls and procedures, the whole in accordance with the Disclosure Policy.

Diversity on Corporation Board and among Senior Management

The Corporation recognizes and appreciates the benefits of having diversity on its Board and in its senior management. The Corporation respects and values, among other things, differences in gender, age, ethnic origin, religion, education, sexual orientation, political belief and disability. At the same time, the Corporation also recognizes that Board and senior management appointments must be based on performance, ability and potential. This is why the Corporation ensures that a merit-based competitive process is followed for director and senior management appointments, while taking diversity considerations into account when identifying, evaluating and recommending director nominees and senior management appointments and broadening recruitment efforts to attract and interview diverse candidates, when applicable.

The Corporation has not currently adopted a written policy relating to the identification and nomination of: (i) women; (ii) Aboriginal peoples; (iii) persons with disabilities; and (iv) members of visible minorities (collectively, the **Designated Groups**) on the Board or in senior management positions, as it does not believe that doing so will necessarily result in the identification and selection of the most qualified candidates for these roles.

The Corporation Board is responsible for assessing the effectiveness of the process for identifying, evaluating and recommending director nominees. Similarly, with respect to senior management appointments, the Corporation Board is responsible for assessing the effectiveness of the process for identifying, evaluating and appointing senior management, on recommendation of the GHRC.

As of the date of the Circular, for each of the four Designated Groups, the Corporation has not adopted a target number or percentage, or a range of target numbers or percentages, for the members of the group to hold position on the Board or to be members of senior management by a specific date, as it believes that imposing targets based on specific selection criteria would limit the Corporation's ability to ensure that the overall composition of the Board and senior management meets the needs of the Corporation and its Shareholders. However, the Corporation is mindful of the benefit of diversity in the workplace and on the Board and, also, of the need to maximise the its effectiveness and the effectiveness of the Board and the Board's decision-making abilities. The Board is committed to a merit-based system for Board composition, with an aim to retain the most qualified candidates for the applicable position. At the same time, the Board is also committed to equality of opportunity and to taking concrete steps to increase the representation of members from the designated groups within senior management and on the Board.

As of the date of the Circular, the Corporation has a total of seven directors and five members of senior management (one of which is also a director of the Corporation). None of the directors and members of senior management have identified themselves as being a member of the four Designated Groups, except for one director who identifies as a member of a visible minority.

17. AUDIT COMMITTEE INFORMATION

Audit Committee charter

The Audit Committee is responsible for overseeing the accounting and financial reporting practices of the Corporation and audits of the Corporation's financial statements. The Audit Committee's responsibilities also include the selection, recommendation and oversight of the independent auditors of the Corporation, as well as the oversight of its internal audit process and system of internal controls over financial reporting and disclosure. The Audit Committee is also responsible for the pre-approval of all non-audit services to be provided to the Corporation by its independent auditors. The Audit Committee shall review and confirm the independence of the independent auditors by obtaining statements from the independent auditors describing all relationships with the Corporation, including with respect to any non-audit services.

The Audit Committee charter sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Corporation Board. A copy of the charter is attached to the Circular as Schedule F.

Composition of the Audit Committee

Name	Independent(1)	Financially literate(1)
Marc-André Aubé	Yes	Yes
Karna Gupta	Yes	Yes
Neil Hindle(2)	Yes	Yes

Notes:

(1) As such terms are defined in NI 52-110.

(2) Mr. Hindle acts as Chair of the Audit Committee.

Relevant education and experience

Mr. Aubé is a Chartered Financial Accountant and also holds an MBA and an engineering degree and has experience in various industry sectors, including in finance with Caisse de dépôt et placement du Québec and Scotia Capital Inc.

Mr. Gupta holds an MBA and is a technology executive with over 35 years of global industry experience.

Mr. Hindle became a Chartered Accountant in 1980 and holds a Bachelor of Commerce degree and a Graduate Diploma in Public Accounting.

Auditor fees

The following are the aggregate fees incurred by the Corporation for services provided by its external auditors during fiscal 2018 and 2019.

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees	Total
October 31, 2019	$147,500	$190,500	$35,515	$5,900	$379,415
October 31 2018	$128,400	$250,000	Nil	$47,080	$425,480

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

18. OTHER MATTERS

Management of the Corporation knows of no amendments or changes to the matters referred to in the Notice of Meeting, nor of any matters which are not known to management to be discussed other than those referred to in the Notice. However, if any amendments, changes, or other matters should properly come before the Meeting, the enclosed Form of Proxy gives discretionary authority to the persons named therein to vote on these matters as they may deem advisable.

19. ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in VOTI's comparative annual financial statements for the year ended October 31, 2018 and the related management's discussion and analysis (the **MD&A**). Shareholders who wish to obtain a copy of the audited consolidated financial statements and MD&A of VOTI may contact the Corporation as follows:

By phone: (514) 782-1566
By email: IR@votidetection.com
By mail: 790, rue Bégin, Saint-Laurent, Québec, H4M 2N5

20. DIRECTORS' APPROVAL

The contents of the Circular and the sending thereof have been approved by the Corporation Board on March 23, 2020.

BY ORDER OF THE CORPORATION BOARD

(s) Philip Murray

Philip Murray, Chairman
Montréal, Québec

SCHEDULE A

VOTI DETECTION INC.
(the **Corporation**)

ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS

AMENDED CORPORATION INCENTIVE PLANS

APRIL 28, 2020

WHEREAS, by resolution dated March 12, 2020, the board of directors of the Corporation approved, subject to disinterested shareholder and TSX Venture Exchange approvals, amendments to the Corporation's stock option plan (**SOP**), deferred share unit plan (**DSU Plan**) and restricted share unit plan (**RSU Plan** and collectively with the SOP and the DSU Plan, the **Plans**) to (i) increase the aggregate number of common shares (**Common Shares**) reserved for issuance to insiders under the Plans on a combined basis from 10% to up to 20% of the number of issued and outstanding Common Shares at any time, and (ii) reserve an additional 2,200,000 Common Shares for issuance pursuant to the RSU Plan and the DSU Plan, on a combined basis, thereby increasing the total number of Common Shares reserved for issuance under the RSU Plan and DSU Plan, on a combined basis, from 450,000 Common Shares to 2,650,000 Common Shares (the **Amended Plans**); and

WHEREAS pursuant to the policies of the TSX Venture Exchange, it is necessary to obtain the approval of the disinterested shareholders of the Corporation with respect to the foregoing Amended Plans;

RESOLVED as an ordinary resolution of the disinterested shareholders:

1. THAT the Amended Plans be and are hereby confirmed, ratified and approved, subject to final approval from the TSX Venture Exchange; and

2. THAT any director or officer of the Corporation be and is hereby authorized for and on behalf of the Corporation to do such things and to sign, execute and deliver all such documents that such director or officer may, in his or her discretion, determine to be necessary or useful in order to give full effect to the intent and purpose of this resolution.

SCHEDULE B

VOTI DETECTION INC.
(the **Corporation**)

ORDINARY RESOLUTION OF SHAREHOLDERS

APPROVAL OF UNALLOCATED OPTIONS

APRIL 28, 2020

WHEREAS the rules of the TSX Venture Exchange provide that all unallocated options under a security-based compensation arrangement which does not have a fixed maximum aggregate of issuable securities must be approved by a majority of shareholders every year;

RESOLVED as an ordinary resolution of the shareholders:

1. THAT all unallocated options, rights or other entitlements under the Corporation's stock option plan are hereby confirmed, ratified and approved and the Corporation is authorized to continue granting options under its stock option plan until the next meeting of the shareholders.

2. THAT any director or officer of the Corporation be and is hereby authorized for and on behalf of the Corporation to do such things and to sign, execute and deliver all such documents that such director or officer may, in his or her discretion, determine to be necessary or useful in order to give full effect to the intent and purpose of this resolution.

SCHEDULE C

VOTI DETECTION INC.

AUDIT COMMITTEE CHARTER

EFFECTIVE NOVEMBER 13, 2018

I. PURPOSE

The purpose of the Audit Committee is to assist the Board of Directors (the "**Board**") of VOTI Detection Inc. (the "**Corporation**") in its oversight of:

A. the integrity of the financial statements and related information;

B. compliance with applicable legal and regulatory requirements;

C. the independence, qualifications, appointment and performance of the external auditor;

D. disclosure, internal controls and internal audit procedures;

E. enterprise risk management processes, credit worthiness, treasury and financial policies; and

F. whistle blower, complaint procedures and ethics policies.

II. DUTIES AND RESPONSIBILITIES

The Audit Committee shall perform the functions customarily performed by audit committees and any other functions assigned by the Board. However, management shall be responsible for the preparation, presentation, and integrity of the Corporation's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Corporation and for implementing and maintaining internal control over financial reporting. The independent auditors are responsible for auditing the Corporation's financial statements and for reviewing the Corporation's unaudited interim financial statements. The Corporation's internal auditor will report to the Chief Financial Officer (the "**CFO**") on a day to day basis but will also have a direct reporting line to the Chair of the Committee. In particular, the Audit Committee shall have the following duties and responsibilities:

A. FINANCIAL REPORTING AND CONTROL

1. On a periodic basis, review and discuss with management and the external auditor the following:

    a. major issues regarding accounting principles and financial statement presentation, including any significant changes in the Corporation's selection or application of accounting principles, and issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted;

    b. analyses prepared by management and/or the external auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including the impact of selecting one of several generally accepted accounting principles (GAAP) on the financial statements when such a selection has been made in the current reporting period;

    c. the effect of regulatory and accounting developments, as well as off-balance sheet arrangements, on the financial statements of the Corporation;

    d. the type and presentation of information to be included in earnings press releases (including any use of pro-forma or non-GAAP information);

e. any corporate governance issues which could significantly affect the financial statements;

f. all matters required to be communicated to the Audit Committee under generally accepted auditing standards.

2. Meet to review and discuss with management and the external auditor, report and, where appropriate, provide recommendations to the Board on the following prior to its public disclosure:

a. the annual and interim consolidated financial statements and the related "Management's Discussion and Analysis", Annual Information Forms, earnings press releases, the whole in accordance with the Disclosure Policy, and the integrity of the financial reporting of the Corporation;

b. any audit issues raised by the external auditor and management's response thereto, including any restrictions on the scope of the activities of the external auditor or access to requested information and any significant disagreements with management;

c. to the extent not previously reviewed by the Audit Committee, all financial statements included in any prospectus or offering memoranda and all other financial reports required by regulatory authorities and/or requiring approval by the Board.

3. Review and discuss reports from the external auditor on:

a. all critical accounting policies and practices used by the Corporation;

b. all material selections of accounting policies when there is a choice of policies available under GAAP that have been discussed with management, including the ramifications of the use of such alternative treatment and the alternative preferred by the external auditor;

c. other material written communications between the external auditor and management, and discuss such communication with the external auditor; and

d. ensure that adequate procedures are in place for the review of public disclosure of financial information extracted or derived from the financial statements and periodically assess the adequacy of those procedures.

B. OVERSIGHT OF THE EXTERNAL AUDITOR

1. Recommend to the Board the external auditor to be nominated of the purpose of preparing the external auditor's report as well as the external auditor's compensation for doing so.

2. Oversee the work of the external auditor and any other auditor preparing or issuing an audit report or performing other audit services or attest services for the Corporation or any consolidated subsidiary of the Corporation, where required, and review, report and, provide recommendations to the Board on the appointment, terms and review of engagement, removal, independence and proposed fees of the external auditor.

3. Approve in advance all audit, review or attest engagement fees and terms for all audit, review or attest services to be provided by the external auditor to the Corporation and any consolidated subsidiary and any other auditor preparing or issuing an audit report or performing other audit services or attest services for the Corporation or any consolidated subsidiary of the Corporation, where required.

4. Pre-approve all engagements for permitted non-audit services provided by the external auditor to the Corporation and any consolidated subsidiary and to this effect may establish policies and procedures for the engagement of the external auditor to provide to the Corporation and any consolidated subsidiary permitted non-audit services, which shall include approval in advance by the Audit Committee of all

audit/review and permitted non-audit services to be provided by the external auditor to the Corporation and any consolidated subsidiary.

5. Establish policies for the hiring of partners, employees and former partners and employees of the external auditor in order to protect the independence of the auditors.

6. At least annually, consider, assess, and report to the Board on:

   a. the independence of the external auditor, including that the external auditor's performance of permitted non-audit services does not impair the external auditor's independence;

   b. obtaining from the external auditor a written statement (i) delineating all relationships between the external auditor and the Corporation; (ii) assuring that lead audit partner rotation is carried out, as required by law; and (iii) delineating any other relationships that may adversely affect the independence of the external auditor; and

   c. the evaluation of the lead audit partner, taking into account the opinions of management.

7. At least annually, obtain and review a report by the external auditor describing:

   a. the external auditor's internal quality-control procedures;

   b. any material issues raised by the most recent internal quality-control review, or peer review of the external auditor firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditor firm, and any steps taken to deal with any such issues.

8. Resolve any disagreement between management and the external auditor regarding financial reporting.

9. Review the annual audit plan with the external auditor.

10. At least quarterly and when required, meet with the external auditor in the absence of management.

C. OVERSIGHT OF THE CORPORATION'S INTERNAL CONTROL SYSTEM

1. Review and discuss with management and the external auditor, monitor, report and, where appropriate, provide recommendations to the Board on the following:

   a. the Corporation's systems of internal controls over financial reporting;

   b. compliance with the policies and practices of the Corporation relating to business ethics;

   c. compliance by Directors, Officers and other management personnel with the Disclosure Policy; and

   d. the relationship of the Audit Committee with other committees of the Board, management and the Corporation's consolidated subsidiaries' audit committees.

2. Review and discuss with the Chief Executive Officer (the "**CEO**") and CFO the Corporation the process for the certifications to be provided in the Corporation's public disclosure documents.

3. Review, monitor, report, and, where appropriate, provide recommendations to the Board on the Corporation's disclosure controls and procedures.

4. Establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, including procedures

for confidential, anonymous submissions by employees regarding questionable accounting or auditing matters.

D. OVERSIGHT OF THE CORPORATION'S RISK MANAGEMENT

1. Review, monitor, report and, where appropriate, provide recommendations to the Board on the Corporation's major business, operational, and financial risk exposures and the guidelines, policies and practices regarding risk assessment and risk management including the following:

    a. the Corporation's processes for identifying, assessing and managing risks;

    b. the Corporation's major financial risks, including derivative and tax risks, and operational risk exposures and the steps the Corporation has taken to monitor and control such exposures;

    c. the Corporation's major security risks and security trends, including cybersecurity risks, that may impact the Corporation's operations and business;

    d. the Corporation's business continuity plans, including work stoppage and disaster recovery plans;

    e. the Corporation's environmental risks, and environment trends that may impact the Corporation's operations and business.

2. Review, monitor, report and, where appropriate, provide recommendations to the Board on the Corporation's compliance with internal policies and the Corporation's progress in remedying any material deficiencies related to:

    a. security policies, including the physical safeguarding of corporate assets and security of networks and information systems;

    b. environmental policy and environmental management systems.

3. When appropriate, ensure that the Corporation's subsidiaries establish an environmental policy and environmental management systems, and review and report thereon to the Board.

4. Review with management the credit worthiness, liquidity and important treasury matters including financial plans of the Corporation.

5. Review all related party transactions and actual or potential conflicts of interest.

E. COMPLIANCE WITH LEGAL AND ACCOUNTING REQUIREMENTS

1. Review and discuss with management, legal counsel and the external auditor, monitor, report and, when appropriate, provide recommendations to the Board on the adequacy of the Corporation's processes for complying with laws, regulations and applicable accounting standards.

2. Review, on a periodic basis with legal counsel, the Corporation's legal compliance with respect to: (a) the legal and regulatory matters which may have a material effect on the Corporation and/or its financial statements, including with respect to pending or threatened material litigations; and (b) corporate compliance policies and codes of conduct.

F. WHISTLEBLOWER, ETHICS AND INTERNAL CONTROLS COMPLAINT PROCEDURES

Ensure that the Corporation has in place adequate procedures for:

1. The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters.

2. The confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The CEO or CFO will report to the Audit Committee, and the Audit Committee will review such reports, on any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls. Where the CEO or the CFO is named in a complaint, the Board Chair or Lead Director (as applicable) will speak directly with the Audit Committee Chair.

III. EVALUATION OF THE AUDIT COMMITTEE AND REPORT TO BOARD

1. The Audit Committee shall evaluate and review with the Board, on an annual basis, the performance of the Audit Committee as a whole as well as the performance of each individual member while taking into account: (i) in the case of the Audit Committee as a whole, the present Charter, and (ii) in the case of an individual member, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Audit Committee.

2. The Audit Committee shall report to the Board periodically on the Audit Committee's activities.

IV. OUTSIDE ADVISORS

The Audit Committee shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Audit Committee in the performance of its functions. The Corporation shall provide appropriate compensation for such advisors as determined by the Audit Committee.

V. MEMBERSHIP

The Audit Committee shall consist of such number of directors, in no event to be less than three, as the Board may from time to time by resolution determine. The members of the Audit Committee shall meet the independence test and other membership requirements (including the financial literacy requirements) under applicable laws, rules and regulations and listing requirements as determined by the Board.

VI. AUDIT COMMITTEE CHAIR

The Audit Committee Chair shall be appointed by the Board. The Audit Committee Chair leads the Audit Committee in all aspects of its work and is responsible to effectively manage the affairs of the Audit Committee and ensure that it is properly organized and functions efficiently. More specifically, the Audit Committee Chair shall:

A. Provide leadership to enable the Audit Committee to act effectively in carrying out its duties and responsibilities as described elsewhere in this Charter and as otherwise may be appropriate;

B. In consultation with the Board Chair, the Lead Director and the CEO, ensure that there is an effective relationship between management and the members of the Audit Committee;

C. Chair meetings of the Audit Committee;

D. In consultation with the Board Chair, the Lead Director, the Corporate Secretary and the Executive Officers, determine the frequency, dates and locations of meetings of the Audit Committee;

E. In consultation with the CEO and CFO review the annual work plan and the meeting agendas to ensure all required business is brought before the Audit Committee to enable it to efficiently carry out its duties and responsibilities;

F. Ensure, in consultation with the Board Chair, that all items, requiring the Audit Committee's approval, are appropriately tabled;

G. Ensure the proper flow of information to the Audit Committee and review, with the Executive Officers and the Corporate Secretary the adequacy and timing of materials in support of management's proposals;

H. Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Audit Committee at the next meeting of the Board following any meeting of the Audit Committee; and

I. Carry out any special assignments or any functions as requested by the Board.

VII. TERM

The members of the Audit Committee shall be appointed or changed by resolution of the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are so appointed.

VIII. PROCEDURES FOR MEETINGS

Meetings of the Audit Committee may be called by any member of the Audit Committee or the Corporation's external auditor. Audit Committee shall fix its own procedure at meetings and for the calling of meetings. The Audit Committee will meet at least each quarter and otherwise as necessary. The Audit Committee shall meet separately in an executive session, in the absence of management and the external auditor, at each regularly scheduled meeting. The Audit Committee will also meet with the external auditor without management being present.

IX. QUORUM AND VOTING

Unless otherwise determined from time to time by resolution of the Board, two members of the Audit Committee shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Audit Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by members of the Audit Committee, except where only two members are present, in which case any question shall be decided unanimously.

X. SECRETARY

Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Audit Committee.

XI. VACANCIES

Vacancies at any time occurring shall be filled by resolution of the Board.

XII. RECORDS

The Audit Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate.

XIII. REVIEW OF CHARTER

The Committee will, from time to time, review and assess the adequacy of this Charter and recommend any proposed changes for consideration. The Board may amend this Charter, as required.