



CANASIA FINANCIAL INC.

**NOTICE OF
ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
and
MANAGEMENT INFORMATION CIRCULAR**

January 4, 2018

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD AT THE OFFICES OF BURSTALL WINGER ZAMMIT LLP

1600, 333 - 7 AVENUE SW, CALGARY, ALBERTA

ON JANUARY 4, 2018 AT THE HOUR OF 11:00 A.M.

CANASIA FINANCIAL INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of holders of common shares ("**Common Shares**") of CanAsia Financial Inc. (the "**Corporation**") will be held at the offices of Burstall Winger Zammit LLP, Suite 1600, 333 - 7th Avenue SW, Calgary, Alberta on Thursday, January 4, 2018 at the hour of 11:00 a.m. (Calgary time), for the following purposes:

1. to receive and consider the consolidated financial statements of the Corporation for the financial years ended December 31, 2015 and December 31, 2016 together with the auditors' reports thereon;
2. to fix the number of directors to be elected at the Meeting at five (5);
3. to elect the board of directors of the Corporation for the ensuing year;
4. to appoint the auditor of the Corporation for the ensuing year and to authorize the board of directors of the Corporation to fix the auditor's remuneration;
5. to consider, and if thought appropriate, approve the Stock Option Plan of the Corporation wherein the maximum number of Common Shares available for issuance thereunder is ten (10%) percent of the issued and outstanding Common Shares of the Corporation at the time of grant; and
6. to transact such further and other business as may be properly brought before the Meeting or any adjournment thereof.

Every registered holder of Common Shares at the close of business on November 30, 2017 (the "**Record Date**") is entitled to receive notice of, and to vote their Common Shares at the Meeting.

The specific details of the matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying this Notice, which Management Information Circular forms part of this Notice.

Proxies, to be valid, must be deposited by hand or mail at the office of the registrar and transfer agent of the Corporation, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by facsimile at 1-866-249-7775, by internet voting at www.investorvote.com or by telephone at 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside of North America), not less than 48 hours, excluding Saturdays, Sundays, and statutory holidays in the Province of Alberta, preceding the Meeting or any adjournment thereof. Further instructions with respect to the voting by proxy are provided in the form of proxy and in the Management Information Circular accompanying this Notice.

Shareholders may beneficially own Common Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary ("**Non-Registered Shareholders**"). **Without specific instructions, intermediaries are prohibited from voting shares for their clients.** If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by your broker, intermediary or its agent is returned according to their instructions, sufficiently in advance of the deadline specified by the broker, intermediary or its agent, to ensure that they are able to provide voting instruction on your behalf.

DATED at Calgary, Alberta, this 1st day of December, 2017.

By Order of the Board of Directors

(signed) "James G. Louie"

James G. Louie
Chief Executive Officer

CANASIA FINANCIAL INC.

MANAGEMENT INFORMATION CIRCULAR SOLICITATION OF PROXIES

INTRODUCTION

THIS MANAGEMENT INFORMATION CIRCULAR ("MANAGEMENT INFORMATION CIRCULAR") IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF CANASIA FINANCIAL INC. (THE "CORPORATION" OR "CANASIA") of proxies from the holders of common shares in the capital of the Corporation (the "**Common Shares**") for the annual general and special meeting of the shareholders (the "**Shareholders**") of the Corporation (the "**Meeting**") to be held on Thursday, January 4, 2018 at 11:00 a.m. at the offices of Burstall Winger Zammit LLP, Suite 1600, 333 - 7th Avenue SW, Calgary, Alberta, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting ("**Notice of Meeting**").

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile, internet, email or other proxy solicitation services. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXY

The persons named (the "**Management Designees**") in the enclosed instrument of proxy ("**Instrument of Proxy**") have been selected by the directors of the Corporation (the "**Board**" or the "**Board of Directors**") and have indicated their willingness to represent as proxy the Shareholder who appoints them. A Shareholder has the right to designate a person (whom need not be a Shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the Shareholder's Common Shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a Shareholder personally attending at the Meeting and voting his Common Shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by facsimile at 1-866-249-7775, by internet voting at www.investorvote.com or by telephone at 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside of North America), not less than 48 hours, excluding Saturdays, Sundays, and statutory holidays in the Province of Alberta, preceding the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or at any adjournment thereof. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his Common Shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name ("**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Beneficial Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as non-objecting beneficial owners or "NOBOs". Those Beneficial Shareholders who have objected to their intermediary disclosing ownership information about themselves to the Corporation are referred to as objecting beneficial owners or "OBOs".

Pursuant to NI 54-101, the Corporation has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly to all Beneficial Shareholders. The Corporation is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of the proxy related materials in connection with the Meeting.

The Corporation will not be paying for intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO's intermediary assumes the costs of delivery.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker well in advance of the Meeting.**

VOTING OF PROXIES

Each Shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

The by-laws of the Corporation currently provide that a quorum of Shareholders is present at a meeting of Shareholders of the Corporation if at least two (2) holders of not less than ten (10%) percent of the outstanding shares of the Corporation entitled to vote at the Meeting are present in person or by proxy.

All references to Shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise

The Corporation has 98,168,052 Common Shares and 15,000,000 Series C Preferred Shares issued and outstanding as at November 30, 2017. Each Common Share is entitled to one vote at the Meeting. Every resolution to be put before the Meeting shall be determined by a majority of the votes cast, in each case, in person or by proxy, by holders of Common Shares on the resolution. Two persons present in person and holding or representing not less than ten (10%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value, of which 98,168,052 were issued and outstanding as at November 30, 2017 as fully paid and non-assessable.

The holders of the Common Shares are entitled to dividends, if as and when declared by the Board of Directors, to one vote per share at meetings of Shareholders of the Corporation and, upon liquidation, to share equally such assets of the Corporation as are distributable to the holders of the Common Shares.

Preferred Shares

The Corporation is authorized to issue an unlimited number of preferred shares which may be issued in one or more series, of which 15,000,000 series C preferred shares (the "**Series C Preferred Shares**") were issued and outstanding as at November 30, 2017 as fully paid and non-assessable.

The holders of the Series C Preferred Shares are entitled to preference over the Common Shares and over any other shares ranking junior to the Series C Preferred Shares with respect to payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation.

Principal Shareholders

To the knowledge of the directors and officers of the Corporation as of November 30, 2017, no person or company beneficially owns more than ten (10%) percent of the issued and outstanding Common Shares of the Corporation except as follows:

Name and Municipality of Residence	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned
Sicheng Zhang	Direct	29,000,000	29.54%

PARTICULARS OF MATTERS TO ACTED UPON

A. Financial Statements and Auditor's Report

The directors will place before the Meeting the audited financial statements for the financial years ended December 31, 2015 and December 31, 2016, together with the auditors' reports thereon (the "**Annual Financial Statements**"). The Annual Financial Statements have been sent to the Shareholders who have requested such financial statements in accordance with applicable securities laws and are also available on the System for Electronic Document Retrieval and Analysis ("**SEDAR**") of the Canadian Securities Administrators at www.sedar.com.

B. Fixing Number of Directors

Shareholders will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by Shareholders who vote in respect of the resolution.

The Board of Directors presently consists of five (5) directors, each of whose term of office shall expire at the termination of the Meeting unless such director is re-elected as a director at the Meeting. The directors elected at the Meeting will hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles and by-laws of the Corporation. Unless otherwise directed, it is the intention of the **Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at five (5) members.**

C. Election of Directors

Shareholders will be asked to elect five (5) directors for the ensuing year. It is the intention of the Management Designees, if named as proxy, to vote for the election of the nominees whose names are set forth below, unless the Shareholder who has given such proxy has directed that the Common Shares represented by such proxy be withheld from voting in respect of the election of directors of the Corporation. **Management of the Corporation does not contemplate that any of such nominees will be unable to serve as a director of the Corporation for the ensuing year but if that should occur for any reason prior to the Meeting or any adjournment thereof, the persons named in the form of proxy accompanying this Management Information Circular have the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee in their discretion.** Each director of the Corporation elected at the Meeting will hold office until the first annual meeting of the Shareholders of the Corporation held following his election unless he resigns or is removed as a director of the Corporation in accordance with the by-laws of the Corporation prior to such date.

The following information relating to the nominees as directors is based on information received by the Corporation from said nominees. The names and municipality of residence of the nominees, their position with the Corporation, their principal occupation during the last five years, the date upon which they became a director of the Corporation and the number of Common Shares beneficially owned, directly or indirectly, by them, or over which control or direction is exercised by them, as follows:

Name and Municipality of Residence	Current or Proposed Position with the Corporation	Principal Occupation	Date Elected/ Appointed Director	Common Shares Owned or Over Which Control or Direction is Exercised
James G. Louie ⁽¹⁾⁽²⁾ Calgary, Alberta Canada	President, Chief Executive Officer, Director and Interim Chief Financial Officer	President of Dynamax Engineering Ltd.	November 30, 2012	8,768,274

Name and Municipality of Residence	Current or Proposed Position with the Corporation	Principal Occupation	Date Elected/ Appointed Director	Common Shares Owned or Over Which Control or Direction is Exercised
Jay Leung ⁽¹⁾⁽²⁾ <i>Hong Kong, China</i>	Director	President of IMC Capital Corporation	March 25, 2015	4,287,500
V.E. Dale Burstall ⁽¹⁾⁽²⁾ <i>Calgary, Alberta Canada</i>	Director and Corporate Secretary	Partner at Burstall Winger Zammit LLP since 1994	March 25, 2015	50,000
Sicheng Zhang <i>Gzira, Malta</i>	Director	President, Sino Composite Co. Ltd.	October 26, 2017	29,000,000 ⁽³⁾
Yu-Chung Hsieh <i>Taipei, Taiwan</i>	Director	Manager, K Plus Capital LLC	October 26, 2017	Nil

Notes:

- (1) Current member of the Audit Committee.
- (2) Current member of the Compensation and Corporate Governance Committee.
- (3) Mr. Zhang also holds 15,000,000 Series C Preferred Shares.

As at the date hereof, the proposed directors named above and officers of the Corporation currently, directly or indirectly, exercise control or direction over 42,105,774 Common Shares or 42.89% of the issued and outstanding Common Shares.

Education and Experience

The following are brief descriptions of the qualifications of the Board of Directors:

James G. Louie, P.Eng.

Mr. Louie is the President of Dynamax Engineering Ltd., a company that offers oil and gas engineering services, a role he has held since 1976. He was a Director of Torch River Resources Ltd. (TSX Venture) and previously Tael Capital Inc. (TSX Venture), a capital pool company, from July 1999 until its amalgamation with Torch River Resources Ltd. in April 2004. Mr. Louie obtained a P.Eng certification from the Association of Professional Engineers, Geologists, and Geoscientists of Alberta in May 1971. Mr. Louie was granted a Bachelor of Science Degree in Chemical Engineering from the University of Calgary in May 1969 and obtained a graduate diploma from the University of Calgary in November 1978.

Jay Leung

Mr. Leung was a director of CanAsia from June 2008 until August 2012 and was elected again as a director on March 25, 2015. He started his career with Richardson Greenshields in Calgary and later become a partner of Inter-Asia Venture Management Ltd., an established early stage venture capital fund which incubated and built a number of business ventures in Asia. Mr. Leung is also the president of IMC Capital Corp., a private investment management company specializing in direct and secondary equity investment in Asia, a role he has held since 2003. From 2008 to 2012. Mr. Leung holds Canadian university degrees in Economics and Business Management. He is a Canadian citizen residing in Hong Kong.

V.E. Dale Burstall

Mr. Burstall received a Bachelor of Commerce degree from the University of Calgary and a Bachelor of Laws degree from the University of British Columbia, and has been a member of the Law Society of Alberta since 1986. Mr. Burstall has practiced as a securities and corporate lawyer dealing with both public and private companies for over 30 years, and has acted as an officer or director of several companies listed on either the TSX Venture or the Toronto Stock Exchange.

Sicheng Zhang

Mr. Zhang is the founder and current President of Sino Composite Co. Ltd. ("**Sino Composite**"), a company that specializes in providing comprehensive solutions in the composites industry worldwide. Mr. Zhang worked as an engineer in the Design Institute of Ministry of Railways and AKZO China BV before he founded Sino Composite in 1992. Actively cultivating global collaboration opportunities, Mr. Zhang has led Sino Composite to become one of the biggest composites players in China. Mr. Zhang has various business and investment footprints in Asia, Europe, United States and South America. Mr. Zhang holds a bachelor degree in Civil Engineering in Beijing Jiaotong University.

Yu-Chung Hsieh

A seasoned business strategist and financial advisor, Mr. Hsieh has served as strategic and financial advisor over the past 30 years and is experienced in corporate strategy, cross-border M&A transactions, and direct/indirect financing arrangements. Mr. Hsieh was working for Deloitte & Touche and Arthur Andersen as a Partner and Head of Corporate Finance. He now manages K Plus Capital LLC, a boutique financial advisory firm that focuses on helping middle range Chinese businesses grow and expand in the global markets. Mr. Hsieh received his MBA from Tunghai University in Taiwan, where he also serves as lecturer.

Cease Trade Orders

Other than as set forth below, no proposed director, within 10 years before the date of this Management Information Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) 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.

Mr. Burstall was a director of Ranger Canyon Energy Inc. until September 27, 2011, which was cease traded by the Alberta Securities Commission on May 21, 2009 and continues to be cease traded for failure to file financial statements, management discussion and analysis and certificates of annual filings for the year ended December 31, 2008 and subsequent periods. On or about April 2, 2014, the Alberta Securities Commission cease traded QSolar Limited ("**QSolar**") based on the fact that the entire board of directors and all of the executive officers resigned and QSolar discontinued operations. Pursuant to a court order dated on or about April 17, 2015, Dale Burstall, along with three other individuals, were appointed directors of QSolar in order to try to preserve the assets of QSolar. Mr. Burstall resigned as a director of QSolar effective June 18, 2015.

On May 5, 2016, the Alberta Securities Commission and other securities commissions cease traded CanAsia for failing to file annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the year ended December 31, 2015 and subsequent periods. On September 27, 2017, the Alberta Securities Commission and other securities commissions revoked CanAsia's cease trade order. At the time of the cease trade order, Messrs. Burstall, Louie and Leung were all directors of CanAsia. Mr. Burstall and Mr. Leung have been directors of CanAsia since March 25, 2015 and Mr. Louie has been a director of CanAsia since November 30, 2012.

Bankruptcies and Personal Bankruptcies

No proposed director is, as at the date of this Management Information Circular, or has been within 10 years before the date of this Management Information Circular, a director or executive officer of any company (including the Corporation) that (i) 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 (ii) has, within the 10 years before the date of this Management

Information 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.

Penalties and Sanctions

No proposed director has been subject to (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

D. Appointment of Auditor

The current auditors of the Corporation are Collins Barrow LLP (Edmonton), Chartered Accountants ("**Collins Barrow**"). Collins Barrow were first appointed auditors of the corporation effective November 2011.

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of Collins Barrow LLP, Chartered Accountants, to serve as auditors of the Corporation until the next annual meeting of the Shareholders or until a successor is appointed, and to authorize the directors to fix their remuneration.

E. Stock Option Plan

The TSX Venture Exchange Inc. (the "**TSXV**") requires that all listed companies adopt a stock option plan. The Corporation has a stock option plan (the "**Stock Option Plan**") that is designed to advance the interests of the Corporation by encouraging eligible participants to hold equity in the Corporation through the acquisition of Common Shares.

The Stock Option Plan provides that the Board of Directors may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase Common Shares. The Stock Option Plan permits the Board of Directors to grant up to ten (10%) percent of the issued number of Common Shares outstanding at the date of the stock option grant, as permitted by the policies of the TSXV. As at the date hereof, there are 9,816,805 Common Shares available under the Stock Option Plan. As of the date hereof, no options are outstanding under the Stock Option Plan.

Unless disinterested shareholder approval is obtained, the number of Common Shares reserved for issuance to any one person (other than consultants and employees performing investor relations activities) may not exceed five (5%) percent of the outstanding Common Shares. The number of Common Shares reserved for issuance to consultants and employees performing investor relations activities may not exceed two (2%) percent of the outstanding Common Shares. The Board of Directors determines the price per Common Share and the number of Common Shares that may be allotted to each director, officer, employee and consultant and all other terms and conditions of the options, subject to the rules of the TSXV. The price per Common Share set by the Board of Directors is subject to minimum pricing restrictions set by the TSXV.

Options may be exercisable for up to five years from the date of grant, but the Board of Directors has the discretion to grant options that are exercisable for a shorter period. Options under the Stock Option Plan are not transferable or assignable. If prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant, the option shall be limited to the number of Common Shares purchasable by the holder immediately prior to the time of his or her cessation of office or employment and the holder shall have no right to purchase any other Common Shares. Pursuant to the Stock Option Plan, options may be exercised 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship or consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Management of the Corporation believes that it would be in the best interest of the Corporation to adopt the Stock Option Plan to encourage the interest of directors, officers, employees and consultants of the Corporation and its affiliates in the growth and development of the Corporation and its affiliates by providing them with the opportunity through stock options to acquire an increased proprietary interest in the Corporation.

The Stock Option Plan is subject to the approval of the TSXV and the approval of the Shareholders, as required by the rules of the TSXV. Accordingly, the Shareholders will be asked at the Meeting to vote on a resolution to adopt the Stock Option Plan, for the ensuing year, in the form attached as Schedule "A" hereto. At the Meeting, the Shareholders will be asked to approve the following resolution:

"BE IT RESOLVED THAT:

- (a) The Stock Option Plan, substantially in the form set out as Schedule A to the Information Circular dated December 1, 2017 be and the same is hereby approved and authorized with such modifications as may be required by the TSX Venture Exchange;
- (b) The maximum number of Common Shares which may be issued under the Stock Option Plan shall be equal to ten percent (10%) of the then issued and outstanding Common Shares from time to time;
- (c) any one director or officer of the Corporation be authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Corporation or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing."

The foregoing resolution must be passed by a majority of the votes cast by the Shareholders who vote on the resolution at the Meeting. If the Stock Option Plan is not ratified by the Shareholders, the Corporation will have to consider other methods of compensating and providing incentives to directors, officers, employees, consultants and other personnel. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

STATEMENT OF EXECUTIVE COMPENSATION

The Canadian Securities Administrators (the "CSA") has implemented Form 51-102F6 - *Statement of Executive Compensation* ("**Form 51-102F6**"), which governs the disclosure of executive compensation for reporting issuers. The Form 51-102F6, defines "**Named Executive Officers**" as the Chief Executive Officer, the Chief Financial Officer and each of the Corporation's three most highly compensated officer other than the Chief Executive Officer and Chief Financial Officer, whose total compensation was more than \$150,000.

All dollar amounts set forth in this Management Information Circular are in Canadian dollars, except where otherwise indicated.

Compensation Discussion and Analysis

The Corporation's executive compensation program is comprised of the following components: base salary and long-term incentives. Together, these components support the Corporation's long-term growth strategy and the following objectives:

- to align executive compensation with shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

Base salary is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual salary adjustments take into account the market value of the role and the executive's demonstration of capability during the year.

The Corporation's stock option plan is designed to provide an incentive to the optionees to achieve the longer-term objectives of the Corporation. For more details, the full text of the Corporation's Stock Option Plan is attached to this Management Information Circular as Schedule "A".

Option Based Awards

Stock options are granted to provide an incentive to the directors and officers of the Corporation to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Board of Directors.

Composition of the Compensation and Corporate Governance Committee

The Board of Directors adopted a compensation and corporate governance charter in 2011 order to have a Compensation and Corporate Governance Committee that will be actively engaged in reviewing, among others, compensation issues that arise. Compensation of the President and Chief Executive Officer is, in the normal course, composed of several components, namely salary, fees for services and participation in the Corporation's incentive stock option plan.

Summary Executive Compensation

The following table sets forth the total compensation paid to or earned by the Names Executive Officers for the Corporation's fiscal years ended December 31, 2016, 2015 and 2014.

Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
James G. Louie ⁽¹⁾ President, Chief Executive Officer and Interim Chief Financial Officer	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	42,000	Nil	Nil	Nil	Nil	Nil	Nil	42,000
	2014	28,875	Nil	Nil	Nil	Nil	Nil	Nil	28,875
Jacob Sung Kyung Kim ⁽²⁾ Chief Financial Officer	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2014	38,500	Nil	Nil	Nil	Nil	Nil	Nil	38,500

Notes:

- (1) Mr. Louie was appointed as Interim Chief Financial Officer of the Corporation on May 1, 2016.
- (2) Mr. Kim resigned as Chief Financial Officer of the Corporation on April 30, 2016.

Incentive Plan Awards

Outstanding Option Based Awards and Share Based Awards

The following table sets forth for each Named Executive Officer all option based awards and share based awards outstanding at the end of the year ended December 31, 2016:

Name	Option Based Awards				Share Based Awards ⁽²⁾	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
James G. Louie	Nil	N/A	N/A	N/A	N/A	N/A
Jacob Sung Kyung Kim ⁽³⁾	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) This amount has been calculated based on the difference between the closing market price of the securities underlying the options at December 31, 2016 being \$0.025 and the exercise or base price of the option.
- (2) The Corporation has no share based awards.
- (3) Mr. Kim resigned as Chief Financial Officer, Corporate Secretary and a director of the Corporation on April 30, 2016.

Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer the value of option based awards and share based awards, which vested during the year ended December 31, 2016 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2016:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value Earned during the year (\$)
James G. Louie	Nil	Nil	Nil
Jacob Sung Kyung Kim ⁽¹⁾	Nil	Nil	Nil

Note:

- (1) Mr. Kim resigned as Chief Financial Officer, Corporate Secretary and a director of the Corporation on April 30, 2016.

Termination and Change of Control Benefits

There is no plan or arrangement in respect of compensation received or that may be received by the Named Executive Officers with a view to compensating such individuals in the event of termination of their employment or a change of responsibilities following a change of control. In addition, there are no plans in place with respect to any of the Corporation's directors or executive officers for termination of employment, change in responsibilities or under employment contracts.

Long-term Incentive Awards

Save as disclosed herein, the Corporation made no long-term incentive awards to any Named Executive Officers during the most recently completed financial year. There are no pension plan benefits in place for any Named Executive Officer.

Director Compensation

Other than the right to participate in the Stock Option Plan and to be granted options, directors of the Corporation did not receive any compensation for services rendered in such capacity. Named Executive Officers who also act as directors do not receive any compensation for services rendered in such capacity other than as paid by the Corporation to such executive officers in their capacity as executive officers.

Outstanding Option Based Awards and Share Based Awards

The following table sets forth for each of the Corporation's directors, other than directors who are also Named Executive Officers, the value of option based awards and share based awards which vested during the year ended December 31, 2016 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2016:

Name	Option-based Awards			Share-based Awards ⁽²⁾		
	Number of securities underlying unexercised options (#)	Option exercise price (\$) ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jay Leung	Nil	N/A	N/A	N/A	N/A	N/A

Name	Option-based Awards			Share-based Awards ⁽²⁾		
	Number of securities underlying unexercised options (#)	Option exercise price (\$) ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
V.E. Dale Burstall	Nil	N/A	N/A	N/A	N/A	N/A
Thomas Feasby ⁽³⁾	Nil	N/A	N/A	N/A	N/A	N/A

Note:

- (1) This amount has been calculated based on the difference between the closing market price of the securities underlying the options at December 31, 2016 being \$0.025 and the exercise or base price of the option.
(2) The Corporation has no share based awards.
(3) Mr. Feasby resigned as a director of the Corporation on May 1, 2016.

Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer the value of option based awards and share based awards, which vested during the year ended December 31, 2016 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2016:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value Earned during the year (\$)
Jay Leung	Nil	Nil	Nil
V.E. Dale Burstall	Nil	Nil	Nil
Thomas Feasby ⁽¹⁾	Nil	Nil	Nil

Note:

- (1) Mr. Feasby resigned as a director of the Corporation on May 1, 2016.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2016:

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (A)	Weighted-average exercise price of outstanding options, warrants and rights (B)	Number of securities remaining available for future issuance under equity compensation (excluding securities reflected in column (A)) (C)
Equity compensation plans approved by security holders	Nil	N/A	9,816,805
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	Nil		9,816,805

CORPORATE GOVERNANCE

Corporate Governance

The Board of Directors believes that good corporate governance improves corporate performance and benefits all Shareholders. CSA have adopted National Policy 58-201 - *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), which prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

The Board of Directors is committed to sound corporate governance practices which are both in the interest of its Shareholders and which contribute to effective and efficient decision making. The Board of Directors has adopted a compensation and corporate governance committee charter.

Board of Directors

The Board of Directors is currently comprised of five (5) members: James G. Louie, Jay Leung, V.E. Dale Burstall, Sicheng Zhang, and Yu-Chung Hsieh. Jay Leung, Sicheng Zhang and Yu-Chung Hsieh, are independent as defined pursuant to NI 58-101 and National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). James G. Louie is not independent by virtue of being the Chief Executive Officer of the Corporation and V.E. Dale Burstall is not independent by virtue of being legal counsel to the Corporation.

NI 58-101 suggests that the Board of Directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the board of directors, reasonably interfere with the exercise of a director's independent judgment.

The Board of Directors facilitates independent supervision of management through meetings of the Board of Directors and through informal discussions among independent members of the Board of Directors and management. In addition, the Board of Directors have free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers. The Board believes that it functions independently of management. The Board transacts business as required, without management present. When conflicts do arise, interested parties are precluded from voting on matters in which they may have an interest. The Board of Directors has adopted a Board of Directors charter.

Committee Chairs

Every chair of a Board of Directors committee shall have, among others, the following responsibilities: (i) planning committee meetings, establishing the agenda of these meetings and coordinating the activities of the Corporate Secretary as regards the affairs of the committee; and (ii) chairing all of the meetings of the committee, ensuring the proper and efficient conduct hereof, ensuring that all members are able to express their opinions on the topics being discussed and making sure that the decisions or recommendations made by the committee are clear.

The chair of a committee shall report to the Board of Directors in matters relating to his mandate and to the work of his committee.

Orientation and Continuing Education

The Corporation has not implemented a formal orientation and continuing education program. At present, new directors are given an outline of the nature of the Corporation's business, its corporate strategy and current issues with the Corporation. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and will be advised by counsel to the Corporation of their legal obligations as directors of the Corporation. Several of the Corporation's directors have attended workshop courses hosted by the Toronto Stock Exchange and professional accounting associations.

The introduction and education process will be reviewed on an annual basis by the Board of Directors and will be revised as necessary.

Ethical Business Conduct

The Corporation does not have a formal code of business conduct or policy in place for its directors, officers, employees and consultants. The Board believes that the Corporation's size facilitates informal review of and discussions with employees and consultants. The Board monitors ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board of Directors are responsible for collectively developing and implementing principles and systems for the management of corporate governance and for identifying qualified candidates and recommending nominees for director and board committee appointments.

Other Board of Directors Committees

The Corporation has no standing committees at this time other than the Audit Committee and the Compensation and Corporate Governance Committee.

Compensation and Corporate Governance Committee

The Corporation is committed to ensuring that its business is conducted in compliance with applicable governmental laws, rules and regulations and in an honest and ethical manner. As such, the Corporation has a Compensation and Corporate Governance Committee.

The Compensation and Corporate Governance Committee is currently comprised of three (3) members: James G. Louie, Jay Leung, and V.E. Dale Burstall. Jay Leung is independent. Mr. Louie is not independent by virtue of being the Chief Executive Officer of the Corporation and Mr. Burstall is not independent by virtue of being legal counsel to the Corporation.

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Corporation's size, its stage of development and the limited number of individuals on the Board of Directors, the Board of Directors consider a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors do not formally assess the performance or contribution of individual Board of Directors members or committee members.

AUDIT COMMITTEE

The audit committee (the "**Audit Committee**") is a committee of the Board established for the purpose of overseeing the accounting and financial reporting process of the Corporation and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the Corporation's internal accounting standards and practices, financial information, accounting systems and procedures, which procedures are set out below in the Corporation's audit committee mandate.

Audit Committee Charter

The Board has developed a written audit committee charter (the "**Charter**"). A copy of the Charter is attached hereto as Schedule "B" to this Management Information Circular.

Composition of the Audit Committee

The Audit Committee is currently comprised of three (3) members: James G. Louie, Jay Leung, and V.E. Dale Burstall. Jay Leung is independent as defined pursuant to NI 58-101 and NI 52-110. Mr. Louie is not independent by virtue of being the Chief Executive Officer of the Corporation, and Mr. Burstall is not independent by virtue of being legal counsel to the Corporation. All of the members of the current Audit Committee are "financially literate" for the purposes of NI 52-110.

The Audit Committee is responsible for, and assists the Board of Directors in fulfilling its responsibility for: (i) the oversight and supervision of the audit of financial statements of the Corporation; (ii) the management of the relationship with the auditor of the Corporation; (iii) meeting with the auditor as required in connection with the audit services provided by the auditor; (iv) the oversight and supervision of the accounting and financial reporting practices and procedures of the Corporation; (v) the oversight and supervision of the adequacy of the Corporation's internal accounting controls and procedures; and (vi) the oversight and supervision of the quality and integrity of the Corporation's financial statements.

Relevant Education and Experience

James G. Louie (see "Education and Experience" beginning on page 5 hereinabove)

Jay Leung (see "Education and Experience" beginning on page 5 hereinabove)

V.E. Dale Burstall (see "Education and Experience" beginning on page 5 hereinabove)

Pre-Approval Policies and Procedures

The Audit Committee reviews and pre-approves any engagement for non-audit services to be provided by the external auditors or its affiliates, together with estimated fees, and considers the impact on the independence of the external auditor.

External Auditor Service Fees

The following table provides information about the fees billed to the Corporation for professional services rendered by Collins Barrow during the 2015 and 2016 fiscal year:

	<u>2015</u>	<u>2016</u>
Audit Fees	\$11,000	\$11,000
Audit Related Fees ⁽¹⁾⁽²⁾	\$5,750	\$3,750
Total ⁽³⁾	\$16,750	\$14,750

Notes:

- (1) Audit fees consist of fees for the audit of the Corporation's annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings or engagements.
- (2) Includes Tax Fees and All Other Fees.
- (3) These fees only represent professional services rendered and do not include any out-of-pocket disbursements or fees associated with filings made on the Corporation's behalf. These additional costs are not material as compared to the total professional services fees each year.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

As the Corporation is a venture issuer on the TSXV, it relies on the exemption in section 6.1 of NI 52-110 (Venture Issuers), which exempts venture issuers from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as described elsewhere herein, none of the directors, executive officers, or proposed nominees for election as directors of the Corporation, nor any of their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any Shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction since the commencement of the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation. V.E. Dale Burstall is a partner with Burstall Winger Zammit LLP which provides legal services to the Corporation.

MANAGEMENT CONTRACTS

Other than as set forth herein, during the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. All of the directors and officer may receive options pursuant to the Plan.

ADDITIONAL INFORMATION

Financial information in respect of the Corporation and its affairs is provided in the Corporation's annual audited comparative financial statements for the year ended December 31, 2016 and the related management's discussion and analysis.

Under NI 51-102, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis by email at louiejd@shaw.ca. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements. Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

SCHEDULE "A"
STOCK OPTION PLAN

CANASIA FINANCIAL INC.
Stock Option Plan

1. **Purpose of Plan**

The purpose of the CanAsia Financial Inc. (the "Corporation") Stock Option Plan (the "Plan") is to assist the Corporation in attracting, retaining and motivating directors, officers, employees and consultants of the Corporation and its subsidiaries and to closely align the personal interests of such directors, officers, employees and consultants with those of the shareholders of the Corporation by providing them with the opportunity, through options, to acquire Class "A" common shares ("Common Shares") in the capital of the Corporation.

2. **Administration**

The Plan shall be administered by the Board of Directors of the Corporation which shall have full and final authority and discretion, subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations deemed necessary or advisable for the administration of the Plan, subject to the rules and policies of any exchange or quotation system upon which the Corporation's Common Shares are listed or quoted including the TSXV. The Board of Directors may delegate any or all of its authority and discretion with respect to the administration of the Plan to a Compensation Committee (as defined in National Policy 58-201) of directors. When used hereinafter, Board of Directors shall be deemed to include the Compensation Committee acting on behalf of the Board of Directors.

3. **Number of Shares Under Plan**

The maximum number of unissued Common Shares that may be subject to options granted and outstanding ("Optioned Shares") under the Plan at any time shall be 10% of the number of the issued and outstanding Common Shares as at the closing of the initial public offering of the Corporation ("Outstanding Common Shares"), provided that:

- (a) in no event shall options be granted to an individual to purchase in excess of five percent of the then outstanding Common Shares of the Corporation in any 12 month period;
- (b) in no event shall (i) the number of Common Shares reserved for issuance under stock options granted to Insiders (as defined in TSXV Policy 1.1); or (ii) options be granted to Insiders (as defined in TSXV Policy 4.4), in either case, that permit the purchase of in excess of ten percent of the then outstanding shares in any 12 month period;
- (c) no more than two percent of the issued Common Shares of the Corporation may be granted to any one Consultant (as defined in TSX-V Policy 4.4) in any 12 month period;
- (d) no more than an aggregate of two percent of the issued Common Shares of the Corporation may be granted to an Employee (as defined in TSXV Policy 4.4) conducting Investor Relations Activities (as defined in TSXV Policy 4.4), in any 12 month period; and
- (e) if option rights granted to an individual under the Plan in respect of certain Optioned Shares expire or terminate for any reason without having been exercised, such Optioned Shares may be made available for other options to be granted under the Plan.

4. **Eligibility**

Options may be granted under the Plan to such directors, officers and technical consultants to the Corporation or its subsidiaries as the Board of Directors may from time to time designate as participants (the

"Participants") under the Plan. Subject to the provisions of the Plan, the total number of Optioned Shares to be made available under the Plan and to each Participant, the time or times and price or prices at which options shall be granted, the time or times at which such options are exercisable and any conditions or restrictions on the exercise of options shall be in the full and final discretion of the Board of Directors.

5. **Terms and Conditions**

All options under the Plan shall be granted upon and subject to the terms and conditions hereinafter set forth.

(a) **Exercise Price**

The exercise price to each Participant for each Optioned Share shall be as determined by the Board of Directors provided that:

- (i) the exercise price shall not be less than the greater of the initial public offering share price and the Discounted Market Price (as defined in TSXV Policy 1.1) of the Common Shares and
- (ii) disinterested Shareholder approval will be obtained for any reduction in the exercise price if the participant is an Insider (as defined in TSXV Policy 1.1) of the Corporation at the time of the proposed amendment.

(b) **Option Agreement**

All options granted under the Plan shall be evidenced by means of an agreement (the "Option Agreement") between the Corporation and each Participant in a form as may be approved by the Board of Directors, such approval to be conclusively evidenced by the execution of the Option Agreement by any director of the Corporation other than the Participant. The Corporation shall represent in each Option Agreement that the Participant is a bona fide director, officer, employee or consultant of the Corporation or its subsidiaries.

(c) **Length of Grant**

All options granted under the Plan shall expire not later than the fifth anniversary of the date such options were granted and may be exercised by the Participant as to such varying percentages, on a cumulative basis, during the terms thereof as the Board of Directors shall determine.

(d) **Non-Assignability of Options**

An option granted under the Plan shall not be transferable or assignable (whether absolutely or by way of mortgage, pledge or other charge) by a Participant other than to a Participant's Registered Retirement Savings Plan or wholly-owned corporation or by will or other testamentary instrument or the laws of succession and may be exercisable during the lifetime of the Participant only by such Participant.

(e) **Right to Postpone Exercise**

Each Participant, upon becoming entitled to exercise an option in respect of any Optioned Shares in accordance with the Option Agreement, shall thereafter be entitled to exercise the option to purchase such Optioned Shares at any time prior to the expiration or other termination of the Option Agreement or the option rights granted thereunder in accordance with such agreement.

(f) **Exercise and Payment**

Any option granted under the Plan may be exercised by a Participant or the legal representative of a Participant giving notice to the Corporation specifying the number of Common Shares in respect

of which such option is being exercised, accompanied by payment (by cash or certified cheque payable to the Corporation) of the entire exercise price (determined in accordance with the Option Agreement) for the number of Common Shares specified in the notice. In the event that:

- (i) such Participant exercises a portion or the entirety of his options prior to the completion of the Corporation's Qualifying Transaction, the Common Shares to be granted to that Participant pursuant to his options will be deposited in escrow and will remain in escrow until the Qualifying Transaction has been completed and the Final Exchange Bulletin has been issued;
- (ii) such Participant exercises a portion or the entirety of his options following the completion of the Qualifying Transaction and issuance of the Final Exchange Bulletin, the Corporation shall promptly deliver to such Participant or the legal representative of such Participant, as the case may be, a share certificate in the name of such Participant or the legal representative of such Participant, as the case may be, representing the number of Common Shares specified in the notice.

(g) Rights of Participants

The Participants shall have no rights whatsoever as shareholders in respect of any of the Optioned Shares (including, without limitation, any right to receive dividends or other distributions therefrom, voting rights, warrants or rights under any rights offering) other than in respect of Optioned Shares for which Participants have exercised their option to purchase and which have been issued by the Corporation.

(h) Third Party Offer

If at any time when an option granted under the Plan remains unexercised with respect to any Optioned Shares, an offer to purchase all of the Common Shares of the Corporation is made by a third party, the Corporation shall use its best efforts to bring such offer to the attention of the Participants as soon as practicable and the Corporation may, at its option, require the acceleration of the time for the exercise of the option rights granted under the Plan and of the time for the fulfilment of any conditions or restrictions on such exercise.

(i) Alterations in Shares

In the event of a share dividend, share split, issuance of Common Shares or instruments convertible into Common Shares (other than pursuant to the Plan) for less than market value, share consolidation, share reclassification, exchange of Common Shares, recapitalization, amalgamation, merger, consolidation, corporate continuance, reorganization, liquidation or the like of or by the Corporation, the Board of Directors may make such adjustment, if any, of the number of Optioned Shares, or of the exercise price, or both, as it shall deem appropriate to give proper effect to such event, including to prevent, to the extent possible, substantial dilution or enlargement of rights granted to Participants under the Plan. In any such event, the maximum number of Common Shares available under the Plan may be appropriately adjusted by the Board of Directors. If because of a proposed merger, amalgamation or other corporate continuance or reorganization, the exchange or replacement of Common Shares in the Corporation for those in another corporation is imminent, the Board of Directors may, in a fair and equitable manner, determine the manner in which all unexercised option rights granted under the Plan shall be treated including, for example, requiring the acceleration of the time for the exercise of such rights by the Participants and of the time for the fulfilment of any conditions or restrictions on such exercise. All determinations of the Board of Directors under this paragraph (i) shall be full and final.

(j) Change of Control

In the event of the sale by the Corporation of all or substantially all of the property and assets of the Corporation as an entirety prior to the expiry time of Options, such Options may be exercised,

as to all or any of the Common Shares in respect of which such Options have not previously been exercised (including in respect of the right to purchase Common Shares not otherwise vested at such time), by a Participant at any time up to and including, but not after, thirty (30) days following the date of the completion of such sale or prior to the expiry time of such Options, whichever is earlier.

In the event the Corporation's common shareholders receive a "take-over bid" as defined in the Securities Act (Alberta), as amended, or any successor legislation thereto, pursuant to which the offeror as a result of such take-over bid, if successful, would beneficially own in excess of 30% of the outstanding Common Shares of the Corporation, Options may be exercised, as to all or any of the Common Shares in respect of which such Options have not previously been exercised (including in respect of Common Shares not otherwise vested at such time), by a Participant at any time prior to the thirtieth (30th) day following the date of the take-over bid offer.

(k) Termination

If a Participant is dismissed as an officer or employee of, or consultant to, the Corporation or one of its subsidiaries for cause, all unexercised option rights of that Participant under the Plan shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.

(l) Retirement or Resignation

If a Participant ceases to be a director, officer, Management Company Employee, or consultant to the Corporation or of one of its subsidiaries as a result of:

- (i) retirement at the normal retirement age prescribed by the Corporation pension plan, if any; or
- (ii) resignation;

such Participant shall have the right for a period of 30 days (or until the normal expiry date of the option rights of such Participant if earlier) from the date of ceasing to be a director, officer, employee or consultant to exercise the option under the Plan with respect to all Optioned Shares of such Participant to the extent they were exercisable on the date of ceasing to be a director, officer, employee or consultant. Upon the expiration of such 30 day period all unexercised option rights of that Participant shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.

(m) Disabled Participant

If a Participant ceases to be an officer or employee of, or consultant to, the Corporation or of one of its subsidiaries as a result of disability or illness preventing the Participant from performing the duties routinely performed by such Participant, such Participant shall have the right for a period of 90 days (or until the normal expiry date of the option rights of such Participant if earlier) from the date of ceasing to be an officer or employee to exercise the option under the Plan with respect to all Optioned Shares of such Participant to the extent they were exercisable on the date of ceasing to be an officer or employee. Upon the expiration of such 90 day period all unexercised option rights of that Participant shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.

(n) Deceased Participant

In the event of the death of any Participant, the legal representatives of the deceased Participant shall have the right for a period of 180 days (or until the normal expiry date of the option rights of such Participant if earlier) from the date of death of the deceased Participant to exercise the deceased Participant's option with respect to all of the Optioned Shares of the deceased Participant to the extent they were exercisable on the date of death. Upon the expiration of such period all

unexercised option rights of the deceased Participant shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to the deceased Participant under the Plan.

(o) **Investor Relations Participant**

In the event that an employee who is engaged in Investor Relations Activities ceases to be employed by the Corporation or its subsidiaries such employee shall have the right for a period of 30 days (or until the normal expiry date of the option rights of such Participant if earlier) from the date of ceasing to be an employee to exercise the option under the Plan with respect to all Optioned Shares of such Participant to the extent they were exercisable on the date of ceasing to be an employee. Upon the expiration of such 30 day period all unexercised option rights of that Participant shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.

(p) **Representation to TSXV**

For any options granted to Employees, Consultants or Management Company Employees, the Corporation represents and warrants that such optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

6. **Amendment and Discontinuance of Plan**

The Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time, provided that no such action may in any manner adversely affect the rights under any options earlier granted to a Participant under the Plan without the consent of that Participant.

7. **No Further Rights**

Nothing contained in the Plan nor in any option granted hereunder shall give any Participant or any other person any interest or title in or to any Common Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever other than as set forth in the Plan and pursuant to the exercise of any option, nor shall it confer upon the Participants any right to continue as an officer or employee of the Corporation or of its subsidiaries.

8. **Compliance with Laws**

The obligations of the Corporation to sell Common Shares and deliver share certificates under the Plan are subject to such compliance by the Corporation and the Participants as the Corporation deems necessary or advisable with all applicable corporate and Common Shares laws, rules and regulations.

SCHEDULE "B"
AUDIT COMMITTEE CHARTER

CANASIA FINANCIAL INC.
Audit Committee Charter

MANDATE

The Audit Committee (the "Audit Committee") is a committee of the board of directors (the "Board") of CanAsia Financial Inc. (the "Corporation"), to which the Board has delegated its responsibility for the oversight of the nature and scope of the annual audit, the oversight of management's reporting on internal accounting standards and practices, the review of financial information, accounting systems and procedures, financial reporting and financial statements, and has charged the Audit Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The Audit Committee of the Corporation shall:

1. assist the Board in its oversight role with respect to:
 - a. the quality and integrity of financial information;
 - b. the external auditor's performance, qualifications and independence;
 - c. the performance of the Corporation's internal audit function, if applicable;
 - d. the Corporation's compliance with legal and regulatory requirements; and
2. prepare such reports of the Audit Committee required to be included in the Annual Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP OF THE AUDIT COMMITTEE

1. The Audit Committee shall consist of three or more Directors appointed by the Board. Each of the members of the Audit Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities.
2. Each member of the Audit Committee shall be financially literate within the meaning of applicable securities laws and as such qualification is interpreted by the Board in its business judgment. Each of the members of the Audit Committee shall also satisfy the applicable independence and financial literacy requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed, and applicable securities regulatory authorities.
3. The members of the Audit Committee must also possess the following collective skills or attributes: (1) relevant experience in supervising audit engagements for public companies in Canada and China; and (2) Canadian financial reporting expertise.
4. Each Audit Committee member must receive a general orientation on the local customs in China and business risks inherent in operating in the local environment in China.
5. The Board shall designate one member of the Audit Committee as the Committee Chair.
6. Any members of the Audit Committee may be removed or replaced at any time by the Board of Directors and will cease to be a member of the Audit Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Audit Committee by appointment from among its members. If and whenever a vacancy exists on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following the appointment as a member of the Audit Committee,

each member will hold such office until the Audit Committee is reconstituted.

MEETINGS, STRUCTURE AND OPERATIONS

1. Audit Committee members may participate in a meeting of the Audit Committee (a "Meeting") by electronic means, telephone or other communication facilities as permit all persons participating in the Meeting to hear each other, and a member participating in such a Meeting by such means is deemed to be present at the Meeting.
2. At all Meetings of the Audit Committee, every question shall be decided by a majority of votes cast.
3. The affirmative vote of a majority of the members of the Audit Committee participating in any Meeting of the Audit Committee is necessary for the adoption of any resolution.
4. The Committee Chair will preside at all Meetings of the Audit Committee, unless the Committee Chair is not present in which case the members of the Audit Committee that are present will designate from among such members a Committee Chair for purposes of the Meeting.
5. The Audit Committee shall meet as often as it determines, but not less frequently than quarterly/or by resolution. Minutes of the Audit Committee will be taken at each Meeting. If the Chief Financial Officer (the "CFO") is not a member of the Audit Committee, the CFO will attend Meetings of the Audit Committee, unless otherwise excused from all or part of any such Meeting by the Committee Chair.
6. The Audit Committee shall report to the Board on its activities after each of its Meetings at which time minutes of the prior Audit Committee Meeting shall be tabled for the Board.
7. The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.
8. The Audit Committee is expected to establish and maintain free and open communication with management and the external auditor. The Audit Committee shall hold separate Meetings with each of management and the external auditor at least once per year, and at such other times as such parties consider appropriate.
9. At least one member of the Audit Committee, other than the CFO, if the CFO is also a member of the Audit Committee, shall visit one of the Corporation's primary operational sites at least once per year.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board, the external auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with Canadian IFRS accounting principles and applicable laws. The Board in its oversight role is responsible for ensuring that management fulfills its responsibilities. The external auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian IFRS accounting principles.

SPECIFIC DUTIES

Oversight of the External Auditor

1. Make recommendations to the Board for the appointment and replacement of the external auditor.
2. Responsibility for the compensation and oversight of the work of the external auditor (including resolution of disagreements between management and the external auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The external auditor shall report directly to the Audit Committee.

3. Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the external auditor.
4. Evaluate the qualifications, performance and independence of the external auditor, including (i) reviewing and evaluating the lead partner on the external auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
5. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (at least every 5 years).

Financial Reporting

1. Review and discuss with management and the external auditor:
 - a. prior to the annual audit the scope, planning and staffing of the annual audit,
 - b. the annual audited financial statements,
 - c. the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
 - d. approval of any reports for inclusion in the Corporation's annual report, as required by applicable legislation,
 - e. the Corporation's quarterly financial statements, including the results of any external auditor's review of the quarterly financial statements and any matters required to be communicated by the external auditor under applicable review standards,
 - f. significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
 - g. any significant changes in the Corporation's selection or application of accounting principles,
 - h. any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
 - i. other material written communications between the external auditor and management, such as any management letter or schedule of unadjusted differences.
2. Discuss with the external auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.
3. The Audit Committee will review all significant accounting and financial reporting issues, especially complex, unusual and related party transactions.
4. Review the financial statements, prospectuses, management's discussion and analysis, annual information form and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and will periodically access the accuracy of those procedures.

Internal Control

1. Review and consider controls the Corporation has in place for annual and financial interim reporting, and

controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation in order to determine if such controls are adequate.

2. Evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation.
3. Ensure that the external auditors discuss with the Audit Committee any event or matter which suggest the possibility of fraud, illegal acts or deficiencies in internal controls.

Other Responsibilities

1. Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
2. Ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis.
3. Review the policies and procedures in effect for considering officers' expenses and perquisites.
4. Perform other oversight functions as requested by the Board.
5. Review and update this Charter and receive approval of any changes to this Charter from the Board.

FUNDING FOR THE EXTERNAL AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

1. The Audit Committee shall have the appropriate authority and resources in order to discharge its responsibilities.
2. The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the external auditor for the purpose of issuing an audit report.
3. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

1. Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.
2. Any proposed audit and permitted non-audit services to be provided by the external auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Charter. The CFO shall act as the primary contact to receive and assess any proposed engagements from the external auditor.
3. Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.
4. In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled Meeting.

LIMITATION ON AUDIT COMMITTEE MEMBERS' DUTIES

1. Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard required by law.