



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON AUGUST 13, 2020
MANAGEMENT INFORMATION CIRCULAR**

July 15, 2020

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NOTICE OF ANNUAL AND SPECIAL MEETING

When 10:00 am (Toronto time)
Thursday, August 13, 2020

Where Hilton Hotel Markham – Butternut Holly Room
8500 Warden Avenue
Markham, Ontario
L6G 1A5

Purpose of the Meeting

1. Receipt of the 2019 consolidated financial statements
2. Election of directors
3. Appointment of auditors
4. Approval of a new Omnibus Equity Incentive Plan
5. Consideration of other business that may properly come before the meeting

Management Information Circular

The management information circular, which is attached to this notice, is being sent to you because you owned common shares of Baylin on July 9, 2020, which is the record date for the meeting. The circular includes important information about the purpose of the meeting and who can vote and how to vote.

Information for Registered Shareholders

If you are not attending the meeting in person and would like to vote by proxy, we must receive your vote by 5:00 pm (Toronto time) on August 11, 2020. You can vote your proxy in the following ways:

- Mail your signed proxy using the business reply envelope accompanying your proxy
- Call by telephone at 1-866-732-8683
- On the Internet at www.investorvote.com
- Fax your signed proxy to 1-866-249-7775

Information for Non-Registered Shareholders

Non-registered shareholders will receive a voting instruction form with their physical copy of this notice. In order to vote, but not attend the meeting, the voting instruction form must be completed, signed and returned in accordance with the directions on the form.

Attendance

In order to accommodate shareholders who would like to participate in the meeting but prefer not to attend in person, we are making arrangements for you to participate by phone. You may do so by calling one of these numbers or logging into the Audience URL on the day and time of the meeting, entering the confirmation number and identifying yourself to the operator, who will then connect you to the meeting.

Phone – 647 427 7450 (Toronto) or North America toll free – 1 888 231 8191

Audience URL -

https://produceredition.webcasts.com/starthere.jsp?ei=1290181&tp_key=4b3f9fc7f4

Confirmation number - 4464778

Please remember, if you wish to vote, you must send in your proxy in advance or attend the meeting in person. You cannot vote by phone.

The board of directors has approved the circular and authorized us to send it to you.

(signed) “*Jeffrey C. Royer*”

Jeffrey C. Royer

Chairman of the Board of Directors

Toronto, Ontario
July 15, 2020

MANAGEMENT INFORMATION CIRCULAR

In this Management Information Circular (**Circular**), “we”, “us”, “our”, the “Company” or “Baylin” refers to Baylin Technologies Inc. and, where applicable, our subsidiaries. “You” and “your” refers to holders (**Shareholders**) of common shares (**common shares**) of the Company.

Background

This Circular is provided in connection with our Annual and Special Meeting of Shareholders to be held on August 13, 2020 (or any adjournment or postponement of the meeting, the **Meeting**). **Your proxy is being solicited by management of Baylin for the items described in the Notice of Annual and Special Meeting.** We pay all costs associated with soliciting your proxy. The solicitation is usually done by mail but we may also solicit your proxy by phone, electronically or in person.

As a Shareholder, you have the right to attend and vote at the Meeting as set out in this Circular. Please read it, as it gives you information you will need to know in order to cast your vote. We also encourage you to read our annual consolidated financial statements for the year ended December 31, 2019 and related management’s discussion and analysis, which has been sent to Shareholders other than those who have requested that those documents not be sent to them. You can also find the documents on SEDAR at www.sedar.com or on our website at www.baylintech.com

Purpose of the Meeting

The Meeting will cover the following matters.

1. Financial Statements

Management will present the annual financial statements for the year ended December 31, 2019 and you will have an opportunity to ask questions about them. There is no vote on this matter.

2. Election of Directors

There are seven nominees proposed for election at the Meeting. You can find more information about them starting on page 10.

3. Appointment of Auditors

The board of directors recommends the re-appointment of RSM Canada LLP as our auditors.

4. Approval of Omnibus Equity Incentive Plan

The board of directors has approved a new Omnibus Equity Incentive Plan, which is designed to provide the Company with additional flexibility to structure and grant equity incentives than under current plans. The board of directors recommends approval of the Omnibus Equity Incentive Plan, a copy of which is attached as Appendix B to the Circular.

5. Considering Other Business

We will consider any other items of business that are properly brought before the Meeting. At the date of this Circular, we are not aware of any items to be brought forward. If other items are properly brought forward, you or your proxyholder can vote your common shares on those items

as you or your proxyholder sees fit. The individuals named in the form of proxy intend to vote on any such items in accordance with their judgment.

VOTING INFORMATION

Who Can Vote

We are authorized to issue an unlimited number of common shares. At the date of this Circular, there were 40,882,313 common shares outstanding. Each common share carries one vote.

You are entitled to receive notice of and to vote at the Meeting (or any adjournment or postponement of the Meeting) if you were a shareholder of record at the close of business on July 9, 2020.

There will be a valid quorum for the Meeting if the holders of 25% of the common shares are present in person or represented by proxy at the start of the Meeting irrespective of the number of persons actually present at the Meeting.

A simple majority of the votes cast at the Meeting will constitute approval of each of the items of business.

The directors and officers of the Company are not aware of any person or company that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to any class of voting securities of the Company, except as shown in the table.

Principal Security Holders	Number of Common shares Owned or Controlled	Percentage of Issued and Outstanding Common shares
2385796 Ontario Inc. and Jeffrey C. Royer ⁽¹⁾	20,023,964	49.0%

(1) The Company's Chairman, Mr. Jeffrey C. Royer, exercises control and direction over 2385796 Ontario Inc., which is beneficially owned by an associate of Mr. Royer. 2385796 Ontario Inc. and the associate own 19,056,224 common shares. The balance of the common shares, 967,740, are beneficially owned by a family trust.

The Company is not relying on the notice and access delivery procedures outlined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators to distribute copies of proxy-related materials in connection with the Meeting.

How to Vote

Registered Shareholders

You are a registered shareholder (**Registered Shareholder**) if your name appears on your share certificate or on the register maintained by our transfer agent, Computershare Investor Services Inc. (**Computershare**). Your proxy form indicates whether you are a Registered Shareholder. If you are, you may vote your common shares at the Meeting in person or by proxy.

1. Voting in Person

If you wish to vote in person, you do not need to complete and return the form of proxy. Instead, please register with Computershare when you arrive at the Meeting. You will need identification

in order to register and enter the Meeting. Your vote will be taken and counted at the Meeting. Voting in person will automatically cancel any proxy you may have completed earlier.

2. Voting by Proxy

Registered Shareholders have the following options to vote by proxy.

- **By Mail**

Complete, date and sign the enclosed form of proxy and return it to our transfer agent, Computershare, in the envelope provided so that it is received by 5:00 pm (Toronto time) on August 11, 2020.

- **By Telephone** (only available to Registered Shareholders resident in Canada or the United States)

Call 1-866-732-8683 and follow the instructions. You will need your 15-digit control number (located on the front of the form of proxy) to identify yourself to the system. If you are voting by telephone, all required information must be entered by 5:00 pm (Toronto time) on August 11, 2020. If you vote by telephone, you cannot appoint anyone other than the directors named on your proxy form as your proxyholder.

- **On the Internet**

Go to www.investorvote.com and follow the instructions on screen. You will need your 15-digit control number (located on the front of the form of proxy) to identify yourself to the system. If you are voting through the Internet, all required information must be entered by 5:00 pm (Toronto time) on August 11, 2020.

- **By Fax**

Complete, date and sign the enclosed form of proxy and return it by fax to 1-866-249-7775 so that it is received by 5.00 pm (Toronto time) on August 11, 2020.

Signing the enclosed form of proxy gives authority to any one of Jeffrey C. Royer, Barry J. Reiter or Randy Dewey (with power of substitution), each of whom is a director of Baylin, to vote your common shares at the Meeting. **You may appoint someone other than those directors to attend and act on your behalf at the Meeting and to vote your common shares by writing the name of the person that you wish to appoint (who need not be a Shareholder) in the blank space provided on the form of proxy.**

It is important to ensure that any other person you appoint attends the Meeting and is aware that he or she has been appointed to vote your common shares. Proxyholders should present themselves to a representative of our transfer agent, Computershare, when they arrive at the Meeting.

The persons named on the form of proxy must vote or withhold from voting your common shares in accordance with your directions, or you can let your proxyholder decide for you. **In the absence of any direction, proxies received by management will be voted in favour of (i) the election of the nominee directors to the board of directors, (ii) the appointment of the auditors and authorizing the directors to set their remuneration, and (iii) the adoption of the Omnibus Equity Incentive Plan.**

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Annual and Special Meeting of Shareholders and with respect to other matters that may properly come before the Meeting.

At the date of this Circular, management does not know of any such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the person named in your form of proxy will vote on them in accordance with their best judgment.

3. Revoking Your Proxy

If you are a Registered Shareholder and wish to revoke your proxy, you may do so by:

- completing a proxy form that is dated later than the proxy form you are changing and
 - mailing it to our transfer agent, Computershare, so that it is received at the address indicated on the proxy by 5:00 pm (Toronto time) on August 11, 2020; or
 - faxing it to 1-866-249-7775 so that it is received by 5:00 pm (Toronto time) on August 11, 2020;
- voting again by telephone or on the Internet before 5:00 pm (Toronto time) on August 11, 2020; or
- preparing a written statement revoking your proxy (signed by you or your duly authorized attorney) and delivering it to (i) our Corporate Secretary at Suite 205, 60 Columbia Way, Markham, Ontario L3R 0C9 so that it is received by 5:00 pm on August 12, 2020 (or, if the Meeting is adjourned, the last business day before the adjourned Meeting) or (ii) to the Chair of the Meeting, before the start of the Meeting (or, if the Meeting is adjourned, the start of the adjourned Meeting).

You may also revoke your proxy in any other manner permitted by law.

Non-Registered or Beneficial Shareholders

Information in this section is very important to non-registered or beneficial owners of common shares. You are a non-registered or beneficial owner (**Beneficial Shareholder**) if your common shares are held in the name of an intermediary, such as a bank, trust company, securities broker, depository (such as CDS Clearing and Depository Services Inc.) or other intermediary, or a trustee or administrator of a self-administered RRSP, RRIF, RESP and similar plans. Canadian securities laws require intermediaries to seek voting instructions from Beneficial Shareholders. Accordingly, you will receive from your intermediary a voting instruction form for the number of common shares you hold.

1. Voting in Person

A Beneficial Shareholder who receives a voting instruction form from the intermediary cannot use that voting instruction form to vote common shares directly at the Meeting. To vote your common shares in person at the Meeting, your intermediary must appoint you as proxyholder. In order to be appointed as proxyholder, insert your name in the space provided on the voting instruction form and follow the return instructions provided by your intermediary. Do not fill in the voting directions as your vote will be taken at the Meeting.

The voting instruction form must be returned to your intermediary well in advance of the Meeting in order to have the common shares voted. When you arrive at the Meeting, please register with our transfer agent, Computershare. Since we have limited access to the names of our non-registered Beneficial Shareholders, if you attend the Meeting, we may have no record of your shareholdings or your entitlement to vote. Accordingly, unless you complete the voting instruction form as indicated above and your intermediary has appointed you as proxyholder, you may be unable to vote at the Meeting.

2. Voting Instruction

Beneficial Shareholders who do not wish to vote in person at the Meeting may still vote their common shares. You can do so by following the instructions on the voting instruction form provided by your intermediary.

Each intermediary has its own procedures, which should be carefully followed to ensure that your common shares are voted at the Meeting. The persons named on the voting instruction form must vote or withhold from voting your common shares in accordance with your directions, or you can let your proxyholder decide for you. **In the absence of any direction, proxies received by management will be voted in favour of (i) the election of the nominee directors to the board of directors, (ii) the appointment of the auditors and authorizing the directors to set their remuneration, and (iii) the adoption of the Omnibus Equity Incentive Plan.**

The persons named in the voting instruction form will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Annual and Special Meeting of Shareholders and with respect to other matters that may properly come before the Meeting.

As of the date of this Circular, management does not know of any such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the voting instruction form will vote on them in accordance with their best judgment.

If you are a Beneficial Shareholder and have not received a package containing a voting instruction form or form of proxy, please contact your intermediary.

3. Revoking Your Voting Instruction

If you are a Beneficial Shareholder and wish to revoke your voting instruction, please contact your intermediary well in advance of the Meeting.

Delivery of Proxy-Related Materials

We will send proxy-related materials to the intermediaries and not directly to Beneficial Shareholders.

The Company does not intend to pay for intermediaries to deliver proxy-related materials and Form 54-101F7 (request for voting instructions) to “objecting beneficial owners”. Accordingly, the objecting beneficial owners will not receive these materials unless the objecting beneficial owner’s Intermediary assumes the cost of delivery.

Additional Voting Information

Our transfer agent, Computershare, counts and tabulates the votes.

For general enquiries, you can contact the transfer agent:

- by mail at:

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

- by telephone – within Canada and the United States, at 1-800-564-6253, and from all other countries, at 1-416-263-9200;
- by fax, at 1-888-453-0330; or
- by e-mail, to service@computershare.com.

Attendance at Meeting

In order to accommodate Shareholders who would like to participate in the meeting but prefer not to attend in person, we are making arrangements for you to participate by phone. You may do so by calling one of these numbers or logging into the Audience URL on the day and time of the Meeting, entering the confirmation number and identifying yourself to the operator, who will then connect you to the Meeting.

Phone – 647 427 7450 (Toronto) or North America toll free – 1 888 231 8191

Audience URL -

https://produceredition.webcasts.com/starthere.jsp?ei=1290181&tp_key=4b3f9fc7f4

Confirmation number - 4464778

Please remember, if you wish to vote, you must send in your proxy in advance or attend the Meeting in person. You cannot vote by phone.

BUSINESS OF THE MEETING

Financial Statements

Management will present the annual financial statements for the year ended December 31, 2019 and you will have an opportunity to ask questions about them. There is no vote on this matter.

Election of Directors

At the date of this Circular, there are seven directors on our board of directors (**Board**). The Board is authorized to determine the number of directors to be elected at a meeting of Shareholders and has fixed that number at seven.

The Corporate Governance and Compensation Committee (**CGCC**) of the Board has reviewed the nominees and confirmed that they, individually and collectively, have the competencies, skills, qualifications and experience necessary for the Board to fulfil its mandate. Management does not believe that any of the nominees will be unable to serve as a director, but if that should occur for any reason before the Meeting, the persons whose names are printed in the accompanying form of proxy or voting instruction form may vote for another nominee in their discretion. Each director

will hold office until the next annual meeting of shareholders or until a successor is elected or appointed.

The board of directors recommends that you vote **FOR** the election of each of the nominees.

Nominees

 <p>JEFFREY C. ROYER, 65 Ontario, Canada Director Since: September 2013 (Non-Independent)</p>	<p>Mr. Royer is a private investor with interests in telecommunications, broadcasting, medical device manufacturing, hospitality, professional sports and real estate. Mr. Royer has been a Director of Shaw Communications Inc. since 1995 and is a member of its Audit Committee. Mr. Royer serves as a director of various subsidiaries of Baylin and has served as a director of more than 30 private companies and not-for-profit organizations. Mr. Royer is a General Partner of the Arizona Diamondbacks Baseball Club. Mr. Royer received his Bachelors of Arts in Economics from Lawrence University.</p>				
	Board/Committee Membership		2019 Attendance (Total)		
	CHAIRMAN OF THE BOARD				
	Board		11 of 11	100%	
	Executive Strategy Committee		4 of 4	100%	
	Areas of Expertise		Public Board Membership During the Last Five Years		
	CEO and Executive Leadership		Baylin Technologies Inc.		
	Risk Management		Shaw Communications Inc.		
	Strategic Planning				
	Governance and Board Management				
Accounting, Audit and Financial Expertise					
Securities Held⁽¹⁾⁽²⁾					
Common Shares	Restricted Shares	Deferred Share Units⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy⁽⁴⁾	
20,023,964	Nil	Nil	20,023,964	Yes	
Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--



JANICE DAVIS, 58
Michigan, USA
Director Since: May 2019
(Independent)

Ms. Davis is a senior executive who brings over 30 years of global experience from automotive, aerospace, and telecommunication industries. She is recognized for her strategic ability to identify operational inefficiencies and work collaboratively to implement solutions that deliver financial improvement. Prior to retirement, she served as the Executive Vice President, Business Transformation and Chief Supply Chain Officer at Shaw Communications Inc, leading a company-wide digital and organizational transformation. Prior to joining Shaw, Ms. Davis was Vice President and Chief Procurement Officer at Bombardier Aerospace, as well as Global Director of Electrical and Electronics Purchasing and Global Director of Supply Chain Strategy at Ford Motor Company. Ms Davis holds a Bachelors degree in Business and Supply Chain Management from Michigan State University and an MBA in Finance from Wayne State University. Ms Davis has served on the board of the Institute for Supply Management and the University of Calgary Haskayne Centre for Advanced Supply Chain Management and Logistics and, since August 2019, has been a director of Builders FirstSource, Inc, a Fortune 500 company.

Board/Committee Membership	2019 Attendance (Total)		
Board	10 of 10*	100%	
Executive Strategy Committee	4 of 4	100%	
Corporate Governance and Compensation Committee	2 of 2*	100%	
Areas of Expertise	Public Board Membership During the Last Five Years		
Executive Leadership	Baylin Technologies Inc.		
Operations Management	Builders FirstSource, Inc.		
Strategic Planning			

Securities Held⁽¹⁾

Common Shares	Restricted Shares	Deferred Share Units ⁽⁴⁾	Total of Common Shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾
10,799	Nil	20,303	31,102	Yes

Options Held

Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--

* Only includes meetings held since Ms. Davis became a director in May 2019.

 <p>RANDY L. DEWEY, 52 Ontario, Canada Director Since: September 2013 (<i>Non-Independent</i>)</p>	<p>Mr. Dewey was appointed President and Chief Executive Officer of Baylin on April 1, 2015. Mr. Dewey currently sits on the board of directors for Baylin and various of its subsidiaries and (BY) Medimor Ltd. He was the President of Navistone Financial, a management consulting firm, from January 2008 to March 2015. During that time, from March 2010 to January 2012, Mr. Dewey was also the Chief Executive Officer of SuomiTV Finland, a media and broadcast corporation. He served as Executive Vice President of Jameson Bank from August 2008 to February 2010. From 2003 to 2008 Mr. Dewey was the Vice President and General Manager of Dofasco Automotive, a Tier 1 automotive systems supplier. Mr. Dewey was also the Managing Director of IHDG, the largest manufacturer, distributor and marketer of wall coverings in the world from 1999 to 2003. He received a college diploma in Technology in 1991 from Lambton College in Ontario and a BBA and MBA (Finance) with honours from Baker Center of Graduate Studies in Michigan. Randy has continued his executive education at Wharton School of Business, Queen's University, Ivey School of Business and Rotman School of Management.</p>				
	Board/Committee Membership		2019 Attendance (Total)		
	Board		11 of 11	100%	
	Executive Strategy Committee*		4 of 4	100%	
	Areas of Expertise		Public Board Membership During the Last Five Years		
	CEO and Executive Leadership		Baylin Technologies Inc.		
Strategic Planning					
Financial Services					
Governance and Board Management					
Securities Held⁽¹⁾					
Common Shares	Restricted Shares ⁽³⁾	Deferred Share Units ⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾	
267,756	16,067	Nil	283,823	Yes	
Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value ⁽⁶⁾
*****	August 24, 2020	250,000	\$3.57	250,000	Nil

* As a guest only.



BARRY J. REITER, 71
Ontario, Canada
Director Since: November
2013
(Independent)

Mr. Reiter is a senior partner of Bennett Jones LLP, and acts as the Chair of both the Corporate Governance & Director Protection Group and the Technology, Media & Entertainment Group. His practice focuses on corporate governance, finance and development. Mr. Reiter regularly advises boards, standing and special board committees, directors, management and in-house counsel on governance and director protection issues. Formerly a law professor at the Faculty of Law, University of Toronto, Mr. Reiter holds a Bachelor of Civil Law from Oxford University, an LLB from Osgoode Hall Law School and a Bachelor of Arts from York University.

Mr. Reiter is an experienced director and has served on and chaired boards and a variety of board committees. His current board roles include RIMES Technologies and StarTech.com (Advisory Council), and his former board roles include 724 Solutions Inc., Algorithmics Inc., Alliance Atlantis Communications Inc., Avotus Corporation, Battery Technologies Inc., Craig Wireless Systems Ltd., Delta Hotels, Eco Waste Solutions Inc., Efos Inc., HKMB HUB International (Industry Advisory Council), Executive Committee of Ontario Chapter of Institute of Corporate Directors, Lava Systems Inc., Lorus Therapeutics Inc., MOSAID Technologies Incorporated, NexgenRx Inc., Pharos Life Corporation, RBC Technology Ventures Inc., SkyPower Corporation, Syncapse Corp. and Telepanel Systems Inc. These positions have provided Mr. Reiter with hands-on experience with board issues including board composition, development, evaluation, succession, protection and compensation, major corporate transactions, friendly and hostile takeover bids and proxy contests.

Chair of the Corporate Governance and Compensation Committee	2019 Attendance (Total)	
Board	10 of 11	91%
Executive Strategy Committee	3 of 4	75%
Corporate Governance and Compensation Committee	3 of 3	100%
Areas of Expertise	Public Board Membership During the Last Five Years	
Executive Leadership	Baylin Technologies Inc.	
Legal and Regulatory	NexgenRx Inc.	
Risk Management		
Strategic Planning		
Executive Compensation and Human Resources		
Governance and Board Management		

Securities Held ⁽¹⁾				
Common shares	Restricted Shares	Deferred Share Units ⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾
66,105	Nil	131,319	197,424	Yes

Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--

 <p>DAVID J. SASKA, 55 Pennsylvania, United States Director Since: May 2018 <i>(Independent)</i></p>	<p>Mr. Saska is a senior executive and technology leader with demonstrated expertise planning, designing, building, and operating exponentially growing networks and managing a fast-paced technology evolution. He previously served as the VP of Radio Access Network Engineering for AT&T where he worked for 25 years. Mr. Saska has a strong understanding of the relationship between technology and strategic business interests with a P&L mindset that has proven valuable in making multimillion-dollar investment decisions to grow the business while also driving annual expense savings. He has been a key resource for managing through several successful corporate acquisitions bringing teams and networks together.</p> <p>Mr. Saska holds a Bachelor of Science in Electrical Engineering from Pennsylvania State University and continued his post graduate studies at Johns Hopkins University. Mr. Saska also serves on the Board of Quadgen Wireless Solutions.</p>				
	Board/Committee Membership		2019 Attendance (Total)		
	Board	10 of 11	91%		
	Executive Strategy Committee	4 of 4	100%		
	Audit Committee	6 of 6	100%		
Corporate Governance and Compensation Committee	3 of 3	100%			
Areas of Expertise		Public Board Membership During the Last Five Years			
Executive Leadership Wireless Network Design Strategic Planning		Baylin Technologies Inc.			
Securities Held⁽¹⁾					
Common shares	Restricted Shares	Deferred Share Units ⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾	
Nil	Nil	24,647	24,647	Yes	
Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--

 <p>DONALD E. SIMMONDS, 65 Ontario, Canada Director Since: November 2013 <i>(Independent)</i></p>	<p>Mr. Simmonds is an International Advisor to selected corporate entities. He is the former Chairman and Chief Executive Officer of CTS (now known as YesTV), a CRTC regulated Canadian television broadcaster. He was a founder of the Lenbrook Group in 1977, a private business incubation company perhaps best known for having created Clearnet Communications, one of Canada's leading wireless networks that was sold in 2001 to Telus Mobility. In 2008, Mr. Simmonds, along with his brothers and late father, was inducted into the Canadian Telecommunications Hall of Fame.</p>				
	Board/Committee Membership		2019 Attendance (Total)		
	Board	10 of 11	91%		
	Executive Strategy Committee	3 of 4	75%		
	Audit Committee	6 of 6	100%		
	Areas of Expertise		Public Board Membership During the Last Five Years		
	Financial Services		Baylin Technologies Inc.		
	Accounting, Audit and Financial Expertise				
	CEO and Executive Leadership				
Governance and Board Management					
Securities Held⁽¹⁾⁽⁵⁾					
Common shares	Restricted Shares	Deferred Share Units ⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾	
51,303	Nil	84,010	135,313	Yes	
Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--



HAROLD M. WOLKIN, 68
Ontario, Canada
Director Since: November
2013
(Independent)

Mr. Wolkin is an accomplished investment banker and financial analyst with over 30 years of experience. In 1983, Mr. Wolkin joined BMO Nesbitt Burns as a senior research analyst. Mr. Wolkin went on to serve as managing director in the Diversified Industries Group of BMO Capital Markets from August 1983 to January 2008. He represented BMO Nesbitt Burns as a lead underwriter for a number of Canada's largest equity offerings from 1992 to 2008. He was also responsible for the origination and the successful marketing of a large number of initial public offerings and equity financings for a wide range of issuers.

Most recently, Mr. Wolkin served as Executive Vice-President and Head of Investment Banking for Dundee Capital Markets. Since 2004, he has also served on a number of public company boards and not-for-profit organizations. He currently serves as a director of Diamond Estates Wines & Spirits Inc. and Plymouth Realty Capital Corp. which trade on the TSX Venture Exchange. He was also President of the CFA Society of Toronto.

Mr. Wolkin has been a member of the Chartered Financial Institute since 1980 and is a certified chartered financial analyst. He received a Bachelor of Arts in Economics from York University and a Masters of Arts in Economics and Finance from the University of Toronto. Mr. Wolkin is also a graduate and a member of the Institute of Corporate Directors.

Board/Committee Membership	2019 Attendance (Total)	
Vice Chairman of the Board	11 of 11	100%
Executive Strategy Committee	4 of 4	100%
Chair of the Audit Committee	6 of 6	100%
Areas of Expertise	Public Board Membership During the Last Five Years	
Financial Services	Baylin Technologies Inc.	
Accounting, Audit and Financial	Diamond Estates Wines & Spirits Inc.	
Executive Leadership	Cipher Pharmaceuticals Inc.	
Governance and Board Management	Ceres Global Ag Corp.	
	Whiteknight Acquisitions III Inc.	

Securities Held ⁽¹⁾				
Common shares	Restricted Shares	Deferred Share Units ⁽⁴⁾	Total of Common shares, Restricted Shares and DSUs	Compliant with Director Share Ownership Policy ⁽⁴⁾
389,930	Nil	141,873	531,803	Yes

Options Held					
Date Granted	Expiry Date	Number Granted	Exercise Price	Total Unexercised	Unexercised Value
--	--	Nil	--	--	--

- (1) Equity ownership as at July 1, 2020.
- (2) The Company's Chairman, Mr. Jeffrey C. Royer, exercises control and direction over 2385796 Ontario Inc., which is beneficially owned by an associate of Mr. Royer. 2385796 Ontario Inc. and the associate own 19,056,224 common shares. The balance of the common shares, 967,740, are beneficially owned by a family trust.
- (3) The Company issued restricted common shares ("**Restricted Shares**") to certain members of management as bonus compensation in connection with strategic acquisitions completed by the Company in 2018. Each Restricted Share is subject to certain vesting conditions and restrictions on transfer, with half of such Restricted Shares becoming freely tradeable one year subsequent to the grant date and half of such Restricted Shares becoming freely tradeable two years subsequent to the grant date.
- (4) The Company's DSU Plan forms part of its long-term incentive compensation arrangements for directors. The DSU Plan forms part of the director share ownership policy, which requires each director, within five years of being elected as a director, to own common shares of the Company equivalent to at least five times his or her Annual Retainer. See "Statement of Executive Compensation" for further information.
- (5) Mr. Simmonds holds these shares beneficially through Blythe Investments Inc., a company over which Mr. Simmonds exercises control and direction.
- (6) At December 31, 2019.

Cease Trade Orders and Bankruptcies

To the knowledge of the Company, none of the proposed directors is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including Baylin) that, while that person was acting in that capacity, or after that person ceased to act in that capacity but resulting from an event that occurred while that person was acting in that capacity, was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, in each case, for a period of more than 30 consecutive days.

Except as set out below, to the knowledge of the Company, none of the proposed directors (i) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including Baylin) 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 (ii) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

In May 2012, Mr. Reiter became a director of Syncapse Corp. ("**Syncapse**"), a private social media marketing management company. Mr. Reiter resigned from Syncapse shortly before the appointment of a receiver in July 2013. The assets of Syncapse were subsequently sold under receivership.

Penalties or Sanctions

To the knowledge of the Company, none of the proposed directors 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 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.

Majority Voting Policy

As required by the TSX, the Board has adopted a majority voting policy. The policy applies at uncontested elections, meaning an election of directors where the number of nominees for election is equal to the number of directors to be elected, as determined by the Board. Under the policy, if the number of common shares instructed to be withheld for any nominee is equal to or more than the number of "for" votes cast in favour of that nominee, the Board will consider that nominee not to have received the support of Shareholders, even though elected as a matter of corporate law. The nominee must immediately submit his or her resignation to the Board, to take effect upon acceptance by the Board. The Corporate Governance and Compensation Committee will then consider the resignation and make a recommendation to the Board. The Board must determine whether or not to accept the resignation within 90 days after the meeting. The Board will accept the resignation absent exceptional circumstances and the Company will announce the decision publicly promptly after it has been made.

Advance Notice Requirements for Director Nominations

The Company's by-laws provide that shareholders seeking to nominate candidates for election as directors must provide timely notice in writing. To be timely, a shareholder's notice must be received at the principal executive office of the Company (i) in the case of an annual meeting of shareholders, not later than the close of business on the 30th day and not earlier than the opening of business on the 65th day prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement (**Notice Date**) of the date of the annual meeting was made, notice by a shareholder may be made not later than the close of business on the 10th day following the Notice Date and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made. The by-laws also prescribe the proper written form for a shareholder's notice. These provisions may preclude shareholders from making nominations for directors at an annual or special meeting of shareholders.

Appointment of the Auditors

RSM Canada LLP (**RSM**), Chartered Professional Accountants, Licensed Public Accountants, were first appointed as our auditors in August 2018 and were reappointed at our annual meeting in 2019.

The board of directors, on the recommendation of the Audit Committee, recommends that you vote **FOR** RSM's reappointment and authorize the board to fix their remuneration.

The auditors will serve until the next annual meeting of Shareholders.

Approval of the Omnibus Equity Incentive Plan

The Board approved the Omnibus Equity Incentive Plan (**Omnibus Plan**), a copy of which is attached as Schedule B to this circular, on July 15, 2020. The Plan must be ratified and confirmed by a simple majority of votes cast at the Meeting.

Going forward, the Omnibus Plan will replace the Company's Stock Option Plan, Deferred Share Unit Plan and Employee Share Compensation Plan (**Existing Compensation Plans**). Grants of awards made under the Existing Compensation Plans will continue to be governed by those plans. If the Omnibus Plan is approved at the Meeting, new awards will be governed by the Omnibus Plan; until the Omnibus Plan is approved, there will not be any grants of awards under the Omnibus Plan.

For more information concerning the Existing Compensation Plans, including the number of securities currently awarded and available for grant, see "Equity Based Compensation Plans" starting on page 31.

The Board has determined that the adoption of the Omnibus Plan is in the best interests of the Company and is fair to the Company and the Shareholders. In reaching that determination, the Board expects the Omnibus Plan will encourage participants to take into account the long-term financial performance of the business and align their interests with those of the shareholders, will provide the flexibility to structure a wide variety of incentives to Participants and will allow long-term compensation to be tied to performance-based vesting.

The following is a description of the key terms of the Omnibus Plan, which is qualified in its entirety by the full text of the Omnibus Plan. Capitalized terms used in this section and not otherwise defined have the meaning attributed to them in the Omnibus Plan.

Key Terms of the Omnibus Equity Incentive Plan

Eligible Person. Any employee, officer or director of, or consultant to, the Company or any other Participating Company is an “Eligible Person” and considered eligible to receive an Award under the Omnibus Plan. Only non-employee directors, however, are eligible to receive Deferred Share Units.

Award Types. The Omnibus Plan permits a variety of Awards, including Deferred Share Units, Options, Performance Share Units, Restricted Share Units and Restricted Shares.

Size of the Omnibus Plan. The maximum number of common shares that may be issued under the Omnibus Plan, the Existing Compensation Plans, the Employee Purchase Plan and any Security Based Compensation Arrangements may not exceed 10% of the common shares issued and outstanding from time to time.

Evergreen Nature. The Omnibus Plan is considered to be an “evergreen” plan as the common shares covered by Awards that are exercised or settled or that expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised will be available for subsequent grant under the Omnibus Plan and the number of common shares available for issuance will not be reduced. Also, the number of common shares available for issuance will increase if the number of common shares outstanding increases.

Additional Limits on Plan Size. The Omnibus Plan includes the following additional limitations on common shares issuable under it: (i) the maximum number of common shares issuable under the Omnibus Plan, the Existing Compensation Plans, the Employee Purchase Plan and any other Security Based Compensation Arrangement to Insiders at any time may not exceed in the aggregate 10% of the common shares issued and outstanding from time to time and (ii) the maximum number of Common Shares issued under the Omnibus Plan, the Existing Compensation Plans, the Employee Purchase Plan and any other Security Based Compensation Arrangement to Insiders within any one-year period may not exceed in the aggregate 10% of the common shares issued and outstanding from time to time.

Plan Administration. The Omnibus Plan is administered by the Board, which has the sole and absolute discretion to administer and interpret the Omnibus Plan, subject to any mandatory requirements of the TSX. The Board may delegate its authority to the Corporate Governance and Compensation Committee or other committee of the Board. As part of its authority, the Board may (a) determine the Eligible Persons who will receive Awards (an Eligible Person who receives an Award, is a “Participant”), and (b) grant Awards and determine their terms, including (i) the number of Awards to be granted, (ii) the timing of grants, including the Date of Grant, (iii) the Option Exercise Price, (iv) the Performance Goals, Performance Measures, Performance Periods and Performance Vesting Conditions, (v) restrictions on transfer, (vi) any other vesting schedule, terms, limitations, restrictions and conditions applicable to Awards, (vii) approving the form of any Award Agreement (not inconsistent with this Plan) to evidence an Award and (viii) the waiver or amendment of any terms of Awards, including accelerating the vesting of any Awards, changing the Performance Vesting Conditions or, subject to TSX approval, substituting other property on the payment or settlement of any Awards.

Description of Awards

1. Options and Stock Appreciation Rights

Each Option entitles a Participant to acquire one common share from treasury at an exercise price set at the time of grant. The Board will determine the term of each Option, which may not exceed seven years, and the vesting period, which is generally expected to be three years, with one-third of the Options vesting annually. The exercise price of each Option may not be less than the volume-weighted average trading price of the common shares on the TSX for the five trading days immediately preceding the date of the grant.

The Omnibus Plan also permits the Board to grant an option holder the right to exercise an Option on a cashless exercise basis. If the holder of an Option elects a cashless exercise, it will receive the number of common shares determined in accordance with the following formula:

$$X = \frac{Y (A - B)}{A}$$

where X = the number of common shares to be issued to the Participant
Y = the number of common shares underlying the surrendered Options
A = the Fair Market Value of the common shares (if greater than the Option Exercise Price)
B = the Option Exercise Price

The Board may also grant Stock Appreciation Rights in tandem with Options. SARs entitle the holder to surrender the associated Option in exchange for a cash payment for each SAR being surrendered equal to the amount by which the Fair Market Value of the common shares exceeds the Option Exercise Price. The Company, in its discretion, may deliver common shares as an alternative to the cash payment.

If the Option Expiry Date would fall within a Blackout Period, the Option Expiry Date will automatically be extended to the date that is 10 business days after the date when the Blackout Period ends.

2. Performance Share Units

An PSU is an Award that entitles the Participant to receive, in the discretion of the Board, one common share or the equivalent value in cash or a combination of shares (which may be newly issued common shares from treasury or common shares acquired in the market) and cash for each PSU granted. PSUs are subject to Performance Vesting Conditions, which are Performance Goals established by the Board as conditions to the vesting of PSUs. Performance Goals are based on Performance Measures, which take into account financial or operational matters, shareholder returns and individual performance criteria.

3. Restricted Share Units and Restricted Shares

An RSU is an Award that entitles the Participant to receive, in the discretion of the Board, one common share or the equivalent value in cash or a combination of shares (which may be newly issued common shares from treasury or common shares acquired in the market) and cash. It is generally conditional on continuous employment over a period of time. The vesting period will not be more than three years unless specified otherwise in the terms under which the RSUs are granted.

A Restricted Share is a newly issued common share that is generally subject to a restriction on transfer, which may not be more than three years unless specified otherwise.

4. Deferred Share Units

A DSU is an Award attributable to a person's duties as a non-employee director that, on settlement, entitles the director to receive one common share for each DSU or the cash equivalent or a combination of shares (which may be newly issued common shares from treasury or common shares acquired in the market) and cash. DSUs vest at the time of grant unless specified otherwise and are settled after termination of the director's service with the Company. Participants must elect annually to take at least 50% and may take up to 100% of their annual base compensation in DSUs. The number of DSUs to which each director is entitled is determined by the Fair Market Value of the common shares. Fair Market Value is the (i) volume-weighted average trading price of the common shares on the TSX for the five trading days immediately preceding the date of the grant and (ii) if the relevant date occurs during a Blackout Period, the volume-weighted average trading price of the common shares on the TSX for the five trading days after the last day of the Blackout Period, except that, in the case of DSUs, which are paid to directors on a non-discretionary basis on the first business day of each month, in which case the number of DSUs is determined under clause (i). Once the recipient has ceased to be a director, it may elect to settle DSUs by giving notice to the Company at any time up to December 15 of the year after the year in which the recipient ceased to be a director, and the Company will settle the DSUs within 30 days after receipt of the notice.

5. Other Awards

Under the Omnibus Plan, the Board has the discretion to grant other types Awards that may derive their value from the common shares or a business unit or division of the Company or one of its subsidiaries. The granting of these types of Awards is subject to TSX approval.

Dividends. Subject to approval of the Board, if the Company pays a dividend on the common shares, holders of DSUs, PSUs and RSUs will be credited with additional DSUs, PSUs or RSUs, respectively, equal to the amount of the dividend based on the Fair Market Value of the common shares at the time the dividend is paid. The additional DSUs, PSUs and RSUs will be subject to the same vesting conditions as apply to the related DSUs, PSUs and RSUs, respectively.

Effect of Termination on Awards

1. Termination of Employment for Cause

Any unvested Awards and vested Options will terminate and the Participant will cease to have any rights in relation to those Awards.

2. Termination of Employment Without Cause

Any unvested Awards will terminate and the Participant will cease to have any rights in relation to those Awards. In the case of vested Options, the Participant will have the lesser of (i) 60 days after termination and (ii) the remaining term of the Options to exercise those Options.

3. Voluntary Resignation

Any unvested Awards will terminate and the Participant will cease to have any rights in relation to those Awards. In the case of vested Options, the Participant will have the lesser of (i) 60 days after resignation and (ii) the remaining term of the Options in which to exercise those Options.

4. Retirement

Any unvested Awards (other than Options) will terminate and the Participant will cease to have any rights in relation to those Awards. In the case of Options, (i) any unvested Options will automatically vest on Retirement and (ii) the Option Expiry Date of vested Options (including those vested under clause (i)) will be the earlier of (1) the date specified in the applicable Option Agreement and (2) one year after Retirement.

5. Death or Disability

Any unvested Awards (other than Options) will vest on a proportionate basis based on the date of death or Disability. In the case of Options, (i) any unvested Options will automatically vest on death or Disability and (ii) the Option Expiry Date of vested Options (including those vested under clause (i)) will be the earlier of (1) the date specified in the applicable Option Agreement and (2) one year after death or Disability.

Change of Control. The Board has broad powers in the case of a prospective Change of Control to protect Participants by terminating the Omnibus Plan and accelerating the vesting of Awards or modifying the terms of Awards to permit Participants to participate in the Change of Control transaction.

Transfers of Awards. The Omnibus Plan limits the ability of Participants to transfer their Awards.

Amendments and Termination. (1) The Board may amend, suspend or terminate the Omnibus Plan and any Award Agreement and outstanding Awards, or any part of the Omnibus Plan or any Award Agreement or Award, at any time and for any purpose, without notice to or approval of any person, including the shareholders of the Company, except where required by law, including the rules, regulations and policies of the TSX.

(2) Without limiting (1), the Board may make the following types of changes or amendments to the Omnibus Plan or any Award Agreement or Award without seeking shareholder approval:

(a) amendments of a “housekeeping” or administrative nature, including any amendment to cure any ambiguity, error or omission in the Omnibus Plan or any Award Agreement or to correct or supplement any provision of the Omnibus Plan or any Award Agreement that is inconsistent with any other provision of the Omnibus Plan or other Award Agreement;

(b) amendments necessary to comply with applicable laws or regulations, including the rules, regulations and policies of the TSX;

(c) amendments necessary for the Omnibus Plan or any Awards to comply with or to qualify for favourable treatment under applicable tax laws or regulations;

(d) amendments to, or waivers of, the vesting provisions or other conditions of the Omnibus Plan or any Award;

(e) amendments to the termination or early termination provisions of any Award (including any Award held by an Insider) that does not entail an extension beyond the original expiry date of that Award;

(f) amendments to change any restrictions on the entitlement to or eligibility for Awards;

(g) amendments to or the addition of a cashless exercise provision;

- (h) amendments to or the addition of a financial assistance provision;
 - (i) amendments or changes to the process by which any Participant is entitled to exercise any Award, including to the form of notice of exercise of any Award, and the place where those notices are to be delivered; and
 - (j) amendments necessary to suspend or terminate the Omnibus Plan or any Award Agreement or Award.
- (3) Shareholder approval will be required for the following amendments:
- (a) amendments to the number of common shares issuable under the Omnibus Plan, including an increase to a fixed maximum percentage of common shares or a change from a fixed maximum percentage of common shares to a fixed maximum number of common shares;
 - (b) amendments to remove or increase the insider participation limits in section 3.5 of the Omnibus Plan;
 - (c) amendments to reduce the Option Exercise Price of an Option, other than under section 16.1 of the Omnibus Plan;
 - (d) amendments to extend the term of an Award held by an Insider beyond the original expiry date, except as provided in subsection 6.3(2) of the Omnibus Plan;
 - (e) amendments to the amendment provisions in section 15.1 of the Omnibus Plan; and
 - (f) amendments required to be approved by shareholders under applicable law or regulations, including the rules, regulations and policies of the TSX.

Clawback. The Board has the power to require reimbursement of any of any amount paid to a Participant in respect of an Award, to reduce the value of any unvested Award or to terminate an outstanding Award in various circumstances, including where the Participant has breached a confidentiality, non-competition or non-solicitation obligation or has engaged in conduct that causes material financial or reputational harm to the Company.

TSX Approval

The Toronto Stock Exchange has conditionally approved the Omnibus Plan, subject to receipt from the Company of, among other things, evidence of Shareholder approval.

Omnibus Plan Resolution

The Board recommends that Shareholders vote **FOR** the following resolution with respect to the Omnibus Plan (**Omnibus Plan Resolution**) at the Meeting:

WHEREAS:

1. On July 15, 2020, the Board of Directors of Baylin Technologies Inc. (the “Company”) approved the adoption of an Omnibus Equity Incentive Plan (the “Omnibus Plan”) for the benefit of employees, officers and directors of, and consultants to, the Company and its other participating companies;
2. The Omnibus Plan does not have a fixed maximum number of common shares issuable under the Omnibus Plan; and

3 The rules of the Toronto Stock Exchange provide that all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum number of securities issuable, be approved every three years.

RESOLVED THAT:

1. the Omnibus Plan, in the form attached to the management information circular of the Company dated July 15, 2020, is approved, ratified and confirmed;

2. the Company has the ability to continue granting options, rights and other entitlements under the Omnibus Plan until August 13, 2023, which is the date that is three years from the date of the shareholders' meeting at which shareholder approval is being sought; and

3. any director or officer of the Company be and is hereby authorized on behalf of the Company to do such things and to sign, execute and deliver all documents that such director or officer may, in their discretion, determine to be necessary to give full effect to the intent and purpose of this resolution.

The Board has determined that the Omnibus Plan is in the best interests of the Company and its Shareholders and recommends that Shareholders vote **IN FAVOUR OF** the Omnibus Plan Resolution. The Omnibus Plan Resolution must be passed by the majority of the votes cast by Shareholders present or represented by proxy who are entitled to vote at the Meeting.

The Company has been advised that the directors and senior officers of the Corporation intend to vote all common shares held by them or over which they exercise control or direction in favour of the Omnibus Plan Resolution. **Unless otherwise instructed, the named proxyholders will vote FOR the approval of the Omnibus Plan Resolution.**

APPROACH TO CORPORATE GOVERNANCE

General

We recognize that good corporate governance plays an important role in our overall success and in enhancing shareholder value. This section describes our approach to corporate governance.

Role of the Board

The Board is responsible for providing independent, effective leadership in supervising the management of the business and affairs of the Company. Its responsibilities include:

- adopting a strategic planning process;
- identifying risks and ensuring procedures are in place to manage risks;
- reviewing and approving annual operating plans and budgets;
- ensuring senior management fosters a culture of integrity; and
- adopting key corporate policies designed to ensure legal and ethical compliance in the conduct of the Company's business.

We have adopted a written position description for the Lead Director.

The Chairman's responsibilities include facilitating the effective operation and management of, and providing strong leadership to, the Board, establishing procedures to govern the effective and efficient conduct of the Board's work, setting Board meeting agendas, chairing Board and Shareholder meetings, and communicating with senior management on any matters arising from the Board and the shareholders that require management's attention.

The Lead Director's responsibilities include providing leadership to ensure that the Board works effectively and independently. The Lead Director focuses on governance processes in support of these objectives and acts as a liaison between the Board and management.

The primary functions of the Chief Executive Officer are to lead the day-to-day management of our business and affairs and to lead in implementation of the resolutions and policies of the Board. His key responsibilities include ensuring the development of an annual strategic plan and budget, setting our operational direction, interaction with the Chairman, Lead Director and the other directors, communicating with shareholders and other stakeholders, including investors and market participants, and considering and addressing strategic acquisition opportunities.

Corporate Governance Policies and Practices

Baylin is committed to strong corporate governance policies and practices. We continue to review and develop our policies having regard to best practices and corporate governance guidelines of Canadian securities regulators to ensure that our corporate governance practices are comprehensive, relevant, effective and transparent. We have adopted several policies in support of these objectives, including those related to business conduct and ethics, corporate disclosure, confidentiality, insider trading and whistleblowers, certain of which can be found on our website.

Independence of Directors

A majority of our directors are independent. Under National Instrument 52-110 – *Audit Committees (NI 52-110)*, an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director's independent judgment. Based on information provided by the proposed nominees for election as directors, the Board has determined that, of the seven nominees, five of them are independent.

Meetings of Independent Directors

The Board believes that it is able to exercise independent judgment in carrying out its responsibilities. The independent directors meet on their own without the non-independent directors and members of management as part of each regularly scheduled meeting of the Board. The views of the independent directors carry significant weight. The independent directors can also hold separate meetings in their discretion.

Orientation and Continuing Education

To maintain reasonable assurance that each new director will become as effective as possible in the shortest time, the CGCC has implemented an orientation program under which a new director meets with the Chairman, Lead Director and members of the senior executive team. A new director is given a manual that reviews Board policies and procedures and includes our current strategic plan and other reports and materials relating to key business issues.

The chair of each committee is responsible for coordinating orientation and continuing director development programs relating to the committee's mandate. Each of the committee chairs is also responsible for maintaining learning processes that focus on topics relevant to each committee's mandate.

Code of Conduct

The Board has adopted a written code of conduct (**Code of Conduct**) that applies to our directors, officers and employees. The Company's policy is that all its activities should be conducted in

accordance with the highest standards of fairness, honesty and integrity and in compliance with applicable legal requirements. The Code of Conduct sets out standards relating to (i) business ethics and practices, such as protecting the Company's assets and using them for legitimate business purposes only, maintaining the confidentiality of the Company's information, avoiding conflicts of interest, and accepting or giving gifts and other benefits, (ii) the work environment, such as maintaining a discrimination and harassment free workplace and a safe working environment, and (iii) compliance with legal and regulatory requirements.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Company may have a material interest. This includes ensuring that directors, officers and employees are thoroughly familiar with the Code of Conduct and, in particular, the rules concerning standards and procedures relating to conflicts of interest. The Code of Conduct includes the requirement for directors, officers and employees to sign an acknowledgement that they will comply with the Code of Conduct.

The CGCC, together with the Board, oversees and maintains the Code of Conduct. The Code of Conduct has been filed with the Canadian securities regulatory authorities on the SEDAR website at www.sedar.com and is available on our website.

Assessments

The Board does not undertake annually formal assessments of Board effectiveness but conducts them on a regular basis as circumstances warrant. Nevertheless, effectiveness is assessed informally on an ongoing basis, based upon the ability of the directors to fulfill their duties and responsibilities in a timely and efficient manner. It is expected that the contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the reasons for which the individual was nominated for appointment to the Board. The Chairman of the Board encourages discussion among the Board as to evaluation of the effectiveness of the Board as a whole and of each individual director. All directors are free to make suggestions for improvement of the practice of the Board at any time and are encouraged to do so. The Board undertook a formal Board and individual review in 2018, and expects to do so again in 2020 or 2021.

These practices allow the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden or delay. In accordance with its charter, the Audit Committee is required to assess its charter annually and submit any proposed changes to the CGCC or the Board. The CGCC is expected, on an annual basis, to evaluate and make recommendations to the Board with respect to the size, composition and operation of the Board, the committees and their respective members. The Company will continue to develop its approach to corporate governance in light of its own circumstances and considering what are recognized as best practices in this area.

Director Tenure

The Board has not implemented a limit to the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Company based on their experience with, and understanding of, the Company's history, policies and objectives. The Board believes that the imposition of term limits on a board member implicitly discounts the value of continuity of board members and runs the risk of excluding experienced and potentially valuable board members as a result of an arbitrary determination. On an ongoing basis, we work to establish a balance between ensuring that there are fresh ideas and viewpoints and not losing the insight,

experience and other benefits of continuity contributed by longer serving directors. There has been considerable transition in directors over the past few years.

Diversity

We believe that having a diverse Board can offer a breadth and depth of perspectives that enhance its performance. We value diversity of abilities, experience, skill sets, perspective, education, gender, background, race and national origin. Recommendations concerning director nominees are expected to be based on merit and past performance, as well as expected contribution to the Board's performance and, accordingly, diversity is taken into consideration.

We do not currently have a formal policy for the representation and nomination of women on the Board or our senior management. We have not adopted formal targets for gender or other diversity representation in part due to the need to consider a balance of criteria for each individual appointment. Currently, we have one director who is a woman and the Board is looking for diversity within the executive team.

The composition of the Board is shaped by the selection criteria established by the CGCC. This is achieved, among other things, by ensuring that diversity considerations are taken into account in Board vacancies, monitoring the level of female representation on the Board, and continuing to broaden recruiting efforts to attract and interview qualified women candidates.

Board Committees

The Board has established three committees: the Audit Committee, Corporate Governance and Compensation Committee, and Executive Strategy Committee.

Audit Committee

The Audit Committee has three members, each of whom is independent and financially literate, as required by NI 52-110. Each of the members has an understanding of accounting principles used to prepare financial statements and experience as to the general application of those accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. For additional details regarding the relevant education and experience of each member of the Audit Committee, comprised of Messrs. Wolkin (Chair), Saska and Simmonds, see "Election of Directors – Nominees".

Additional information concerning the Audit Committee, including its charter, can be found in our Annual Information Form dated March 11, 2020, which is available under the Company's profile on SEDAR at www.sedar.com.

Corporate Governance and Compensation Committee

The CGCC has three members – Barry Reiter (Chair), Janice Davis and David Saska, each of whom is an independent director. For additional details regarding the relevant education and experience of each member of the CGCC, see "Election of Directors – Nominees".

The CGCC is responsible for reviewing, overseeing and evaluating our corporate governance, compensation and nominating policies. Its duties include reviewing the performance goals and objectives of senior management, the Company's compensation philosophy and the Company's succession plan, assessing the operation of the Board and its committees to ensure effective, independent decision making, identifying and reviewing candidates for nomination to the Board, and supervising investigations.

Executive Strategy Committee

The Executive Strategy Committee was established to oversee strategic initiatives of the Company and to supervise the management of the business and affairs of the Company on an expeditious and focused basis. This includes carrying out the duties and responsibilities of the Board in accordance with its written mandate, subject to the limitations of applicable law.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Review

Background

In mid-2019, we retained a Global Governance Advisors (**GGA**) to conduct competitive market compensation reviews for our senior executives and directors. The purpose of the reviews was to ensure that we are providing a competitive and reasonable compensation structure that will attract, motivate and retain key talent.

GGA Recommendations

In its review of senior management compensation, GGA made several recommendations, including:

- (a) establishing compensation objectives that (i) attract, motivate, retain and reward a knowledgeable and driven management team encourage them to attain and exceed performance expectations, (ii) are based on a pay-for-performance philosophy, (iii) are designed to reward individuals based on corporate, divisional and individual performance and (iv) are fair and reasonable to both executives and shareholders and in line with the market;
- (b) providing competitive compensation levels compared against a selected peer group;
- (c) implementing a performance-based short-term incentive plan with corporate, divisional and individual performance measures with a balanced scorecard for all corporate executives; and
- (d) moving towards annual grants of long-term incentives in order to maintain an adequate level of retention on an ongoing basis.

GGA also made various recommendations related to director compensation, including:

- (a) establishing compensation objectives that (i) are fair and reasonable, (ii) reflect the complexities, risks, skill sets and values of the directors, (iii) attract, retain and motivate high quality individuals, (iv) reward each director based on individual commitments and (v) are affordable;
- (b) continuing use of a flat fee structure; and
- (c) continuing use of DSUs (and not options) to compensate directors.

Moving Forward

The CGCC is considering these recommendations, together with further input from management. Before moving forward, the CGCC will need to be satisfied that any plan satisfies the objectives of pay-for-performance and retention, as well as taking into account the Company's recent financial performance and other relevant factors.

Compensation Discussion and Analysis

The following discussion describes the significant elements of our current executive compensation program, with particular emphasis on the process for determining compensation payable to the Chief Executive Officer and the Chief Financial Officer and each of the other three most highly compensated executive officers (collectively, **Named Executive Officers** or **NEOs**).

The NEOs of the Company are:

- Randy Dewey, President and Chief Executive Officer;
- Michael Wolfe, Chief Financial Officer;
- Minya Gavrilovic, Chief Operating Officer and Chief Technology Officer;
- Mike Moon, President, Asia Pacific; and
- John Restivo, President, Advantech Wireless.

Based on recommendations made by the CGCC, the Board makes decisions regarding the compensation of our senior executive officers, including salaries, bonuses and equity incentive compensation, as well as approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer and our other executive officers. The Board solicits input from our Chief Executive Officer and the CGCC regarding the performance of the Company's other executive officers. Finally, the Board also administers our incentive compensation and benefit plans with the assistance of the CGCC.

Our intention is to adopt industry best practices and to provide competitive and appropriate compensation to our executives, with the overall objectives of achieving:

- alignment between the interests of the Company's executives and its shareholders;
- enhanced shareholder value;
- corporate performance objectives in the short and long term; and
- the strategic goals of the Company.

Compensation Objectives

The objectives of our compensation program are to retain, motivate and reward our executive officers for their performance and contribution to our Company's short- and long-term success, and to align the interests of our executive officers with those of our shareholders. The compensation of each executive officer is determined based on a number of factors, including the executive officer's qualifications and experience, role, responsibilities and contributions, as well as the Company's financial condition and available resources. While the Company operates in several international markets, compensation for all positions across our Company also reflects the local compensation practices for the position and level of responsibility in each relevant market.

In addition to base salary, our annual incentive plan is designed to motivate and reward our executive officers to achieve the Company's short-term corporate targets, which are aligned with the Company's strategic goals and may vary from year to year. Our long-term incentive plans are designed to focus our executive officers on achieving targets that are aligned with the Company's strategic goals and increasing shareholder value, and combine both corporate and personal objectives. The NEOs are also entitled to receive benefits and executive perquisites in accordance with our Company policies.

Elements of Compensation Program

The following sections describe the different components of our executive compensation program, which consists primarily of three elements: base salary, annual (short-term) incentive plans and long-term incentive plans.

1. Base Salary

A primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to an executive officer is determined based on the scope of his or her responsibilities and prior experience, while taking into account competitive market compensation for similar positions and overall market demand for such executives at the time of hire. While the Company operates in several international markets, the base salary for all positions across our Company also reflects the local compensation practices for the position and level of responsibility in each relevant market.

Base salaries are reviewed annually and increased for merit reasons, based on the executive officer's success in meeting or exceeding Company and individual objectives. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of the executive officer's role or responsibilities, as well as for market competitiveness.

2. Annual Incentive Plan

Under our annual incentive plan, executive officers are eligible to receive bonuses that may be paid in cash or common shares. Our annual incentive plan has been designed to motivate and reward executive officers. Annual cash bonuses, calculated as a percentage or multiple of base salary, are awarded based on the achievement of certain pre-determined corporate revenue and earnings targets, and are subject to adjustment at the discretion of the Board. The plan is in place to compensate the executive officers for achieving targeted results of the Company, and to link their compensation directly to the performance of the Company. The performance measure targets and the bonus range for each executive officer are recommended by the CGCC and approved by the Board for each financial year. We do not publicly disclose the specific performance targets (i.e. the dollar or percentage increase targeted) because disclosure of such information, which reflects our confidential business plans and internal stretch targets, could result in competitive harm.

3. Long-term Incentive Plans

Under our long-term incentive plans, executive officers are eligible to receive stock options and other equity-based awards under our equity-based compensation plans. Stock options and other equity-based awards are awarded based on the executive officer's continued employment and sustained performance and contribution to our Company. We believe that stock options and other equity-based awards align the interests of our management with our long-term corporate strategies and the creation of shareholder value.

Equity-based awards are granted by the Board, upon the recommendation of the CGCC and in consultation with our Chief Executive Officer. In recommending the awards, the CGCC takes into consideration each proposed recipient's position, scope of responsibility, historical and recent performance, previous grants, the value of the awards in relation to other elements of the proposed recipient's total compensation and shareholdings, and market information. The CGCC

determines the grant size and terms to be recommended to the Board in respect of the Chief Executive Officer.

4. Equity-based Compensation Plans

Our existing equity-based compensation plans are:

- Stock Option Plan;
- Deferred Share Unit Plan;
- Employee Share Compensation Plan; and
- Employee Purchase Plan.

The Stock Option Plan, the Deferred Share Unit Plan, the Employee Share Compensation Plan and the Employee Purchase Plan were all approved and adopted at the Company's annual general meeting held on May 15, 2014 and the Stock Option Plan was re-confirmed (as amended) at the annual general and special meeting of the shareholders held on May 9, 2017 in accordance with the policies of the TSX.

If the Omnibus Plan Resolution is passed at the Meeting, the Omnibus Plan will replace the Company's Stock Option Plan, Deferred Share Unit Plan and Employee Share Compensation Plan (**Existing Compensation Plans**). Grants of awards made under the Existing Compensation Plans will continue to be governed by those plans. If the Omnibus Plan is approved, new awards will be governed by the Omnibus Plan. The Company's Employee Purchase Plan will remain in effect.

Stock Option Plan

Under the Stock Option Plan, directors, officer and employees of the Company and its subsidiaries and consultants are entitled to be granted options to acquire common shares. The Stock Option Plan is administered by the Board, which may delegate this responsibility to a committee of the Board.

As at July 1, 2020, the Company was authorized to issue options to acquire up to 4,088,231 common shares (representing 10% of the issued and outstanding common shares), options to acquire up to 1,942,500 common shares had been granted and were outstanding (representing approximately 4.8% of the issued and outstanding common shares) and, based on the current number of issued and outstanding common shares, options to acquire up to 2,145,731- common shares remain available for issuance under the Stock Option Plan (representing approximately 5.2% of the issued and outstanding common shares).

The maximum aggregate number of Common shares that may be reserved for issuance for all purposes under the Stock Option Plan is 10% of the issued and outstanding common shares at the time of grant. The Stock Option Plan is considered an "evergreen" plan because options that are exercised or that expire or are otherwise terminated without being exercised become available to be re-granted in the future and the number of options that may be granted increases if the number of outstanding common shares increases. The aggregate number of Common shares issued upon exercise of options granted under the Stock Option Plan and any other security based compensation arrangements to the insiders of the Company within a one-year period may not exceed 10% of the common shares then outstanding.

All stock options granted have an exercise price determined and approved by the Board at the time of grant, which may not be less than the fair market value of the common shares at such time. For purpose of the Stock Option Plan, the fair market value of the common shares means

the weighted average closing price of the common shares on the TSX for the five trading day period ending on the last trading day before the day on which the stock option is granted, unless the grant is made during a black-out period (a period self-imposed by the Company during which designated employees cannot trade the securities of the Company), in which case it is the weighted average closing price of the common shares on the TSX for the five trading day period following the last day of such black-out period.

Unless otherwise determined by the Board in its discretion at the time stock options are granted, one-third of the stock options vest cumulatively on each anniversary of the applicable grant date. Subject to the discretion of the Board and as set out below, stock options expire no later than seven years after the date of grant, unless the expiry date falls within a black-out period or within nine business days after the end of such blackout period, in which case such expiration date will be automatically extended to that date which is the tenth business day after the end of such black-out period.

Unless otherwise determined by the Board in its discretion at the time the stock options are granted, a participant in the Stock Option Plan may elect to exercise stock options by surrendering such options in consideration for an amount equal to the amount by which the aggregate fair market value of the common shares issuable under such stock options exceeds the aggregate exercise price in respect of such stock options (**Intrinsic Value**). The Company will satisfy payment of the Intrinsic Value by (i) remitting to the relevant taxation authorities any source deductions the Company is required to withhold and remit in connection with such surrender, and (ii) at the sole discretion of the Company, either (a) delivering to the participant cash in an amount equal to the amount by which the Intrinsic Value exceeds any source deductions, or (b) issuing to the participant such number of common shares (rounded down to the nearest whole number) having a fair market value equal to the amount by which the Intrinsic Value exceeds any source deductions.

Unless otherwise determined by the Board in its discretion at any time prior to or after the following events and in any stock option agreement, the right to exercise vested stock options will expire on the earliest to occur of the following: (i) seven years from the date of grant, (ii) 365 days from the date of the optionee's death, (iii) 45 days from the date of the optionee's voluntary resignation or involuntary termination not for cause and (iv) immediately, in the case of termination of the optionee's employment or term in office for cause (together with any unvested options). In the event of the optionee's approved retirement or permanent disability, the unvested stock options will continue to vest in accordance with the vesting schedule and the vested stock options (including those that vest following retirement or declaration of permanent disability) will be exercisable for three years following retirement or declaration of permanent disability. In the event of the optionee's death, the unvested stock options will vest immediately.

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Stock Option Plan and any stock options granted pursuant to the Stock Option Plan, in accordance with applicable legislation, without obtaining the approval of the Company's shareholders, including (i) to make amendments of a "housekeeping" nature, including amendments to the Stock Option Plan necessary to comply with applicable laws or the requirements of any regulatory authority or stock exchange and to correct any ambiguity, (ii) to change the vesting provisions of the Stock Option Plan or any stock option agreements or (iii) to make any other amendment that does not require shareholder approval under applicable laws or stock exchange rules. The assignment or transfer of stock options, or any other benefits under the Stock Option Plan, is not permitted other than by the terms of the Stock Option Plan.

The annual burn rate associated with the Stock Option Plan was 1.63%, 2.93% and 5.17% for the years ended December 31, 2019, 2018 and 2017, respectively. The burn rate is calculated by

dividing the number of stock options granted under the Stock Option Plan during the applicable year divided by the weighted average number of common shares outstanding for that year.

Deferred Share Unit Plan

Under the DSU Plan, each “eligible director” is required to take at least 50%, and entitled to take up to 100%, of his or her annual retainer in the form of DSUs rather than cash. The DSU represents a right to receive a common share or the fair market value of a common share when the DSU is redeemed after the holder of the DSU has ceased to be a director.

The DSU Plan is administered by the Board, which may delegate this responsibility to a committee of the Board. As at July 1, 2020, there were effectively 10,632 DSUs available for issuance under the DSU Plan (representing approximately 0.03% of the issued and outstanding common shares).

The maximum number of common shares reserved for issuance upon redemption of DSUs under the DSU Plan is 500,000. The number of DSUs to be granted is determined at the time of grant by dividing the amount of the retainer to be paid to the director (and taken in DSUs) by the fair market value of the common shares on the date of the grant. For purpose of the DSU Plan, the fair market value of the common shares means the weighted average closing price of the common shares on the TSX for the five trading day period ending on the last trading day before the day on which the DSU is granted, unless the grant is made during a black-out period (a period self-imposed by the Company during which designated employees cannot trade the securities of the Company), in which case it is the weighted average closing price of the common shares on the TSX for the five trading day period following the last day of such black-out period. Unless otherwise determined by the Board in its sole discretion, DSUs granted to a participant vest immediately upon being granted.

The aggregate number of common shares issued upon exercise of DSUs granted under the DSU Plan and any other security based compensation arrangements to the insiders of the Company within a one-year period may not exceed 10% of the common shares then outstanding. The number of common shares issuable to any one participant under all security based compensation arrangements of the Company (including the DSU Plan) within a one-year period cannot exceed 5% of the common shares then outstanding.

Generally, a participant in the DSU Plan is entitled to redeem DSUs by filing one or more notices of redemption on or before December 15 of the first calendar year commencing after the date that such participant ceases to be a director of the Company (**Termination Date**). If the participant fails to file a notice of redemption by December 15, the participant will be deemed to have filed a notice of redemption to redeem all DSUs. The Company will settle DSUs under the DSU Plan, in its discretion, by (i) delivering common shares purchased by the Company on the open market, (ii) issuing common shares from treasury, (iii) delivering cash or (iv) any combination of the foregoing.

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the DSU Plan and any DSUs granted pursuant to the DSU Plan, in accordance with applicable legislation, without obtaining the approval of the Company’s shareholders, including (i) to make amendments of a “housekeeping” nature, including amendments to the DSU Plan necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange and to correct any ambiguity, (ii) to change the period for payment of vested DSUs, vesting or other payment provisions of the DSU Plan or (iii) to make any other amendment that does not require shareholder approval under applicable laws or stock exchange rules. The assignment or transfer of DSUs, or

any other benefits under the DSU Plan, is not permitted other than by operation of law or the other terms of the DSU Plan.

The annual burn rate associated with the DSU Plan was 0.17%, 0.15% and 0.34% for the years ended December 31, 2019, 2018 and 2017, respectively. The burn rate is calculated by dividing the number of units issued under the DSU Plan during the applicable year divided by the weighted average number of common shares outstanding for that year.

Employee Share Compensation Plan

The purpose of the Employee Share Compensation Plan (**ESC Plan**) is to advance the interests of the Company by (i) increasing the proprietary interests of the employees in the Company, (ii) aligning the interests of the employees with the interests of the Company's shareholders generally, (iii) encouraging retention of key employees, (iv) furnishing the employees with an additional incentive in their efforts on behalf of the Company and (v) reducing the cash required to fund employee bonuses when deemed necessary by the Board.

The ESC Plan provides for the issuance from treasury of common shares to employees of the Company. Common shares will be issued at a price equal to the volume weighted average trading price of the common shares on the TSX for the five consecutive trading days immediately preceding the date of the award.

There are a total of 1,000,000 common shares reserved for issuance under the ESC Plan (representing approximately 2.5% of the issued and outstanding common shares). As at July 1, 2020, 468,258 common shares were issued under the Employee Share Compensation Plan (representing approximately 1.1% of the issued and outstanding common shares).

If any employee participant ceases to be an employee of the Company for any reason, the employee's right to be issued common shares pursuant to the ESC Plan will terminate immediately. The assignment or transfer of common shares is not permitted other than by operation of law or the other terms of the ESC Plan.

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the ESC Plan, in accordance with applicable legislation, without obtaining the approval of the Company's shareholders, including (i) to make amendments of a "housekeeping" nature, including amendments to the ESC Plan necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange and to correct any ambiguity, (ii) to amend the vesting provisions or (iii) to make any other amendment that does not require shareholder approval under applicable laws or stock exchange rules.

The annual burn rate associated with the ESC Plan was 0.32%, 0.31% and 0.67% for the years ended December 31, 2019, 2018 and 2017, respectively. The burn rate is calculated by dividing the number of common shares awarded under the ESC Plan during the applicable year divided by the weighted average number of Common shares outstanding for that year.

Employee Purchase Plan

The purpose of the Employee Purchase Plan (**EPP**) is to permit employees to use payroll deductions, with the possibility of matching amounts from the Company, to purchase common shares..

The Board will determine the number of common shares that may be issuable under the EPP, but the maximum number of common shares reserved for issuance from treasury under the EPP is

limited to 500,000 common shares (representing approximately 1.2% of the issued and outstanding common shares).

During each contribution period (which may last up to one year), the employee and the Company will make contributions, which will be held by a trustee. The Board will establish the applicable share price for the subsequent contribution period on the basis of the weighted average trading prices of the common shares on the TSX for the five consecutive trading days preceding the first day of that contribution period. The share price will remain the same for the whole contribution period. The Company will then use the contributions to purchase common shares from treasury at the share price or arrange for common shares to be purchased as market purchases.

An employee participant's participation in the EPP will automatically terminate on the occurrence of various events, including disability, retirement, termination of employment or death. Following any such event, the participant's common shares will either be transferred to an account of the participant or sold, with the net proceeds being distributed to the participant. Participants may also voluntarily withdraw their common shares that are subject to the EPP subject to any applicable hold period requirements that may be established by the CGCC.

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the EPP, in accordance with applicable legislation, without obtaining the approval of the Company's shareholders, including (i) to make amendments of a "housekeeping" nature, including amendments to the EPP necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange and to correct any ambiguity, (ii) to change the vesting provisions or (iii) to make any other amendment that does not require shareholder approval under applicable laws or stock exchange rules.

As at July 1, 2020, 35,092 purchase rights had been granted and 35,092 common shares had been issued under the EPP, leaving 464,908 common shares available for issuance (representing approximately 0.09% of the issued and outstanding common shares). The annual burn rate associated with the EPP was 0%, 0.19% and 0% for the years ended December 31, 2019, 2018 and 2017, respectively. The burn rate is calculated by dividing the number of purchase rights and common shares granted under the EPP during the applicable year divided by the weighted average number of common shares outstanding for that year.

Compensation Risk

While there has been no formal consideration by the Board or the CGCC of the implications of risks associated with the Company's compensation policies and practices, the current structure of the Company's executive compensation program is designed to discourage the taking of inappropriate or excessive risks by our executive officers. In particular, we believe the following elements of our executive compensation program correlate to the long-term performance of our Company:

- compensation with a well-balanced mix of base salary, annual (short-term) incentive and long-term incentive;
- the use of performance measures, such as revenue growth and net income, that are aligned with our corporate growth strategy and the creation of shareholder value;
- the use of a sliding scale of bonus amounts for annual incentive bonuses (as opposed to an all-or-nothing proposition); and
- policies and practices that are generally applied on a consistent basis to all executive officers.

Summary Compensation Table

Set out below is a summary of compensation paid during the year ended December 31, 2019 to the Named Executive Officers.

Name and Principal Position	Year	Salary ⁽¹⁾	Share-based Awards	Option-based Awards ⁽²⁾	Non-equity Incentive Plan Compensation		Pension Value	All Other Compensation	Total Compensation
					Annual incentive plans	Long-term Incentive Plans			
Randy Dewey President and CEO	2019	\$425,000	\$125,666	\$148,635	\$416,599	nil	nil	\$135,049	\$1,250,850
	2018	\$425,000	nil	nil	\$250,000	nil	nil	\$135,049	\$810,049
	2017	\$427,916	nil	nil	\$250,000	nil	nil	\$129,240	\$807,155
Michael Wolfe CFO ⁽³⁾	2019	\$285,000	\$15,080	\$38,809	\$70,537	nil	nil	\$51,507	\$460,933
	2018	\$250,000	nil	\$87,321	\$15,000	nil	nil	\$45,181	\$397,503
	2017	\$94,602	nil	\$19,405	nil	nil	nil	\$17,097	\$131,104
Mike Moon President, Asia Pacific	2019	\$384,145	nil	\$58,214	\$117,250	nil	nil	\$52,378	\$611,987
	2018	\$379,343	nil	\$130,982	\$94,131	nil	nil	\$39,588	\$644,044
	2017	\$369,844	nil	\$29,107	\$65,041	il	nil	\$15,473	\$479,465
Jerry Kirshman COO and President, Americas/EMEA ⁽⁴⁾	2019	\$412,142	nil	\$59,635	\$242,930	nil	\$5,594	\$23,578	\$743,879
	2018	\$375,864	nil	\$175,857	\$129,608	nil	\$11,276	\$40,755	\$733,360
	2017	\$312,704	nil	\$97,039	nil	nil	\$6,949	\$25,042	\$441,735
John Restivo President, Advantech Wireless ⁽⁵⁾	2019	\$398,048	\$35,186	\$98,571	nil	nil	\$11,941	\$38,736	\$582,482
	2018	\$291,619	\$38,427	\$126,571	nil	nil	\$8,749	\$28,379	\$493,744
Minya Gavrilovic , Chief Operating Officer and Chief Technology Officer, Baylin ⁽⁶⁾	2019	\$54,924	nil	\$4,131	nil	nil	nil	\$4,943	\$63,998

(1) Amounts represent the annual base salary paid for the applicable year ended December 31. Each of the NEOs is paid in the local currency of his principal place of employment. The values of compensation in this Summary Compensation Table have been converted to Canadian dollars, where applicable, for presentation purposes.

(2) The fair value of the stock options was estimated at the grant date using the Black Scholes option pricing model, taking into account the terms and conditions on which the stock options were granted.

(3) Mr. Wolfe was appointed Chief Financial Officer on July 31, 2017.

(4) Mr. Kirshman was appointed Chief Operating Officer and President, Americas/EMEA, on March 15, 2017 and ceased to be employed with the Company such on June 18, 2019. Amounts shown include termination payments.

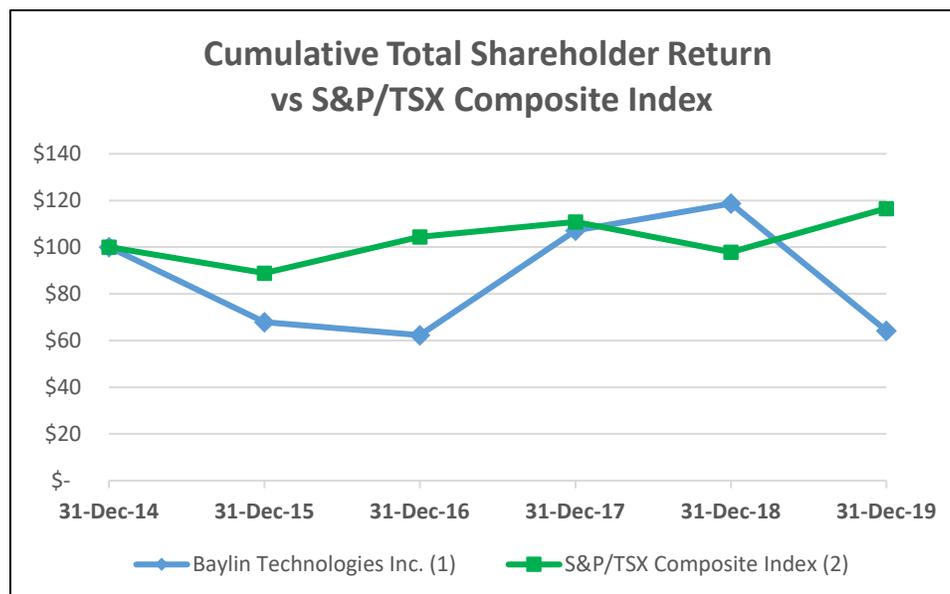
(5) John Restivo was appointed President, Advantech Wireless on April 3, 2018.

(6) Mr. Gavrilovic was appointed Chief Operating Officer and Chief Technology Officer on November 6, 2019.

Performance Graph

The following graph compares the total cumulative shareholder value for each \$100 invested in Common shares from December 31, 2014 to December 31, 2019, with the cumulative total value

of the S&P/TSX Composite Index over the same period. The stock price performance on the graph below is not necessarily indicative of future price performance.



Notes:

- (1) Assumes \$100 invested in Common shares on December 31, 2014.
- (2) The S&P/TSX Composite Index returns assume dividend reinvestment.

As evidenced by the graph, the common shares lagged the S&P/TSX Composite Index up to December 31, 2019. In 2017, the value per common share increased by approximately 72% compared to an increase in the S&P/TSX Composite Index of 6% over the same period. In 2018, the value per common share increased by approximately 10.8% compared to a decrease in the S&P/TSX Composite Index of 11.6% over the same period. However, in 2019, the value per common share fell by 46% compared with an increase of the S&P/TSX Composite Index of 19%. The common share price may be affected by a number of factors beyond the control of the Company, including general and industry-specific economic and market conditions. The CGCC evaluates performance of the Named Executive Officers by reference to the overall direction and success of the Company rather than by any short-term fluctuations in the trading price of the common shares.

As described under “Incentive Plans Awards”, a significant portion of the total direct compensation that Named Executive Officers receive in any year is comprised of variable compensation provided under the Stock Option Plan. This plan is intended to drive and reward superior performance during the current year as well as over the long term.

Aside from base salaries, executive compensation is related to the annual financial performance of the Company, shareholder return or a combination thereof. The Company believes that strong annual financial performance will lead to long-term shareholder value. As such, the Company anticipates that total executive compensation will trend over time with shareholder return.

In 2019, executive management received annual incentive plan compensation for achieving specific objectives, including identifying attractive acquisition targets, successfully closing the acquisitions and integrating the acquired companies.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

Set out below are the outstanding share-based awards and option-based awards that have been granted to the NEOs at December 31, 2019.

Name and Principal Position	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Randy Dewey President and Chief Executive Officer	250,000	\$3.57	May 21, 2024	nil	55,015	\$47,137	\$47,137
Michael Wolfe Chief Financial Officer	200,000	\$2.00	August 8, 2022	\$12,000	5,164	\$7,493	\$2,693
Minya Gavrilovic Chief Operating Officer and Chief Technology Officer, Baylin ⁽²⁾	250,000	\$1.98	March 30, 2022	\$20,000	nil	n/a	\$97,783
Jerry Kirshman Chief Operating Officer and President, Americas/EMEA ⁽³⁾	nil	n/a	n/a	n/a	nil	n/a	n/a
Mike Moon President, Asia Pacific	300,000	\$2.00	August 8, 2022	\$18,000	nil	n/a	n/a
John Restivo President, Advantech Wireless	200,000	\$3.34	May 17, 2023	nil	8,997	nil	\$18,534

(1) This number represents the in-the-money value of all unexercised options as at December 31, 2019 in Canadian dollars. An option is in-the-money if the market price of the common shares exceeds the exercise price. The actual value of the options will depend on the price of the common shares at the time of exercise.

(2) Mr. Gavrilovic was appointed Chief Operating Officer and Chief Technology Officer on November 6, 2019.

(3) Mr. Kirshman ceased to be employed with the Company on June 18, 2019.

Incentive Plan Awards – value vested or earned during the year

The following table sets out information concerning all the options held by the NEOs and outstanding as of December 31, 2019.

Name	Option-based awards – value vested during the year ⁽¹⁾ (\$)	Share-based awards – value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Randy Dewey President and Chief Executive Officer	\$0	\$47,137	\$976,549
Michael Wolfe Chief Financial Officer	\$4,000	\$2,963	\$407,044
Minya Gavrilovic Chief Operating Officer and Chief Technology Officer, Baylin ⁽²⁾	\$6,667	\$96,783	\$59,867
Jerry Kirshman Chief Operating Officer and President, Americas/EMEA ⁽³⁾	\$11,600	n/a	\$684,244
Mike Moon President, Asia Pacific	\$6,000	n/a	\$553,773
John Restivo President, Advantech Wireless	\$0	\$18,534	\$448,725

(1) The “value vested during the year” is calculated based on the difference between the closing price for the common shares on the TSX as of the date of vesting (or the most recent closing price on the TSX) and the exercise price of the options, multiplied by the number of vested options.

(2) Minya Gavrilovic was appointed Chief Operating Officer and Chief Technology Officer on November 6, 2019.

(3) Mr. Kirshman ceased to be an employee of the Company on June 18, 2019.

Employment Agreements, Termination and Change of Control Benefits

We have written employment agreements with each of our NEOs. This summarizes their entitlements to payments on resignation or other termination of employment, a change of control of the Company or a change in responsibilities following a change of control.

Randy Dewey’s employment agreement provides that (i) on termination without cause, he will be entitled to 12 months of his annual base salary and allowances, (ii) if he resigns for good reason within six months after a change of control, he will be entitled to 12 months of his annual base salary and allowances and (iii) on a change of control, subject to the discretion of the CGCC, he will be entitled to a special bonus equal to up to three times his annual base salary to be paid in cash and immediate vesting of any unvested options previously granted to him.

Michael Wolfe’s employment agreement provides that, on termination without cause, he will be entitled to six months of his annual base salary, increasing by one month each year to a maximum of 12 months of his annual base salary after six years of employment. On a change of control, subject to the discretion of the Board, all previously unvested options granted to Mr. Wolfe will immediately vest and be exercisable in accordance with the terms of their grant.

Minya Gavrilovic’s employment agreement provides that (i) on termination without cause, he will be entitled to 12 months of his annual base salary and plus his proportionate share of any bonus

to which he would have been entitled, (ii) if he resigns for good reason within six months after a change of control, he will be entitled to 12 months of his annual base salary plus his proportionate share of any bonus to which he would have been entitled and (iii) on a change of control, subject to the discretion of the Board, he will be entitled to a special bonus equal to up to one times his annual base salary to be paid in cash and immediate vesting of any unvested options previously granted to him.

Mike Moon’s employment agreement provides that, on termination without cause, he will be entitled to six months of his annual base salary. On a change of control, subject to the discretion of the Board, all previously unvested options granted to Mr. Moon will immediately vest and be exercisable in accordance with the terms of their grant.

John Restivo’s employment agreement provides that, on termination without cause, he will be entitled to 12 months of his annual base salary plus anticipated bonuses based on the previous year’s rate. On a change of control, all previously unvested options granted to Mr. Restivo will immediately vest and be exercisable in accordance with the terms of their grant.

Estimated Payment to NEOs on Termination

The following table provides details regarding the payments to each NEO on a termination without cause, assuming a triggering event occurred on December 31, 2019.

Name and principal Position	Severance Payment	
	Termination without Cause	Termination without Cause following Change of Control
Randy Dewey President and Chief Executive Officer	\$512,608	Up to an additional \$1,275,000
Michael Wolfe Chief Financial Officer	\$190,000	\$190,000
Jerry Kirshman Chief Operating Officer and President, Americas/EMEA ⁽¹⁾	n/a	n/a
Minya Gavrilovic Chief Operating Officer and Chief Technology Officer	\$360,000	Up to an additional \$360,000
Mike Moon President, Asia Pacific	\$181,250	\$181,250
John Restivo President, Advantech Wireless	\$468,000	\$468,000

(1) Mr. Kirshman ceased to be employed by the Company on June 8, 2019. Mr. Kirshman’s total compensation for 2019, which includes termination amounts, is shown under “Statement of Executive Compensation – Summary Compensation Table”.

Director Compensation

The directors’ compensation program is designed to attract and retain qualified individuals to serve on the Board. Each non-executive director (i.e. a director who is not also an officer or employee of the Company) except for the Chairman and Vice Chairman receives:

- an annual retainer of \$30,000, up to 50% of which is payable in cash and at least 50% of which is payable in DSUs (see “Statement of Executive Compensation – Compensation Discussion and Analysis – Deferred Share Unit Plan”); and

- reimbursement of reasonable expenses incurred in the director's capacity as a director of the Company.

In addition, the Chair of the Audit Committee receives a separate annual fee of \$10,000, the Chair of the CGCC receives a separate annual fee of \$10,000, the Lead Director receives a separate annual fee of \$10,000 and the Vice Chairman is entitled to receive an annual Vice Chairman fee of \$35,000. Effective April 1, 2020, the Vice Chairman agreed to waive payment of the remainder of the annual fee. The Chairman of the Board is entitled to receive an annual fee of \$150,000, to fulfill the position of Chairman of the Board and to provide related strategic leadership and guidance to the Board and management of the Company. See "Interest of Informed Persons in Material Transactions – Related Party Transactions" below.

For the year ended December 31, 2019, all the non-executive directors elected to receive their compensation for 2019 exclusively in DSUs.

Directors may also be reimbursed for individual travel and other ancillary expenses incurred in connection with attending meetings of the Board and committee meetings.

Within five years of being elected as a director, each director is required to own common shares equivalent to at least five times his or her annual retainer. As of the date of this Circular, all applicable directors are in compliance.

The following table sets forth all compensation provided to the directors during the year ended December 31, 2019, except to Randy Dewey, which is disclosed under NEO compensation:

Name	Fees Earned	Option-based Awards	Share-based Awards (DSUs)	Non-equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
Jeffrey C. Royer	\$150,000	nil	nil	nil	nil	nil	\$150,000
Janice Davis ⁽¹⁾	nil	nil	\$20,000	nil	nil	nil	\$20,000
Stockwell Day ⁽²⁾	nil	nil	\$12,500	nil	nil	nil	\$12,500
David Geleman ⁽³⁾	nil	nil	nil	nil	nil	nil	nil
Barry J. Reiter	nil	nil	\$40,000	nil	nil	nil	\$40,000
David J. Saska	nil	nil	\$30,000	nil	nil	nil	\$30,000
Donald E. Simmonds	\$3,750	nil	\$26,250	nil	nil	nil	\$30,000
Harold M. Wolkin	nil	nil	\$75,000	nil	nil	nil	\$75,000

(1) Ms Davis was appointed as a director of the Company effective May 14, 2019.

(2) Mr. Day ceased to be a director of the Company effective May 14, 2019.

(3) In connection with the Advantech Acquisition, the Company entered into a consulting agreement with the SpaceBridge Inc. pursuant to which it agreed to provide the services of its principals, David and Stella Geleman, for two years following closing. In consideration for these services, SpaceBridge was entitled to receive a fee of \$2,500,000, payable as to one-half in cash and the balance in 385,802 common shares issued at a price of \$3.24 per common share, in each case, payable in quarterly instalments. SpaceBridge is owned and controlled by Mr. David Geleman, a director of the Company. See "Interest of Informed Persons in Material Transactions – Related Party Transactions".

Director Incentive Plan Awards

Outstanding Option-Based Awards

There were no outstanding option-based awards outstanding to the directors under incentive plans of the Company as at December 31, 2019, other than to Randy Dewey, which is disclosed

under NEO compensation.

Outstanding Share-Based Awards

The following table sets out information concerning share-based awards under incentive plans of the Company as at December 31, 2019 to each of the directors, other than to Randy Dewey, which is disclosed under NEO compensation.

Name	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeffrey C. Royer	nil	n/a	n/a
Janice Davis ⁽¹⁾	nil	n/a	\$16,183
Stockwell Day ⁽²⁾	nil	n/a	\$132,580
David Gelerman ⁽³⁾	nil	n/a	n/a
Barry Reiter	nil	n/a	\$205,557
David Saska	nil	n/a	\$25,132
Donald Simmonds	nil	n/a	\$147,420
Harold Wolkin	nil	n/a	\$251,139

(1) Ms Davis was appointed as a director of the Company effective May 14, 2019.

(2) Mr. Day ceased to be a director of the Company effective May 14, 2019.

(3) In connection with the Advantech Acquisition, the Company entered into a consulting agreement with SpaceBridge Inc pursuant to which SpaceBridge agreed to provide the services of its principals, David and Stella Gelerman, for two years following closing. In consideration for these services, SpaceBridge was entitled to receive a fee of \$2,500,000, payable as to one-half in cash and the balance in 385,802 common shares issued at a price of \$3.24 per common share, in each case, payable in quarterly instalments. SpaceBridge is owned and controlled by Mr. David Gelerman, a director of the Company. See "Interest of Informed Persons in Material Transactions – Related Party Transactions".

Value Vested or Earned During the Year

The following table sets out the value of all option-based awards and share-based awards that vested during the year ended December 31, 2019 for each of the directors and their non-equity incentive plan compensation, except to Randy Dewey, which is disclosed under NEO compensation.

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
Jeffrey C. Royer	nil	nil	\$150,000
Janice Davis ⁽¹⁾	nil	\$20,000	nil
Stockwell Day ⁽²⁾	nil	\$12,500	nil
David Gelerman ⁽³⁾	nil	nil	nil
Barry J. Reiter	nil	\$40,000	nil
David J. Saska	nil	\$26,250	\$3,750
Donald E. Simmonds	nil	\$30,000	nil
Harold M. Wolkin	nil	\$75,000	nil

(1) Ms. Davis was appointed as a director of the Company effective May 14, 2019.

(2) Mr. Day ceased to be a director of the Company effective May 14, 2019.

(3) In connection with the Advantech Acquisition, the Company entered into a consulting agreement with SpaceBridge Inc. pursuant to which SpaceBridge agreed to provide the services of its principals, David and Stella Gelerman, for two years following closing. In consideration for these services, SpaceBridge was entitled to receive a fee of \$2,500,000, payable as to one-half in cash and the balance in 385,802 common shares issued at a price of \$3.24 per common share, in each case, payable in quarterly instalments. SpaceBridge is owned and controlled by Mr. David Gelerman, a director of the Company. See “Interest of Informed Persons in Material Transactions – Related Party Transactions”.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information, as at December 31, 2019, regarding the number of common shares to be issued (i) on exercise of outstanding options pursuant to the Stock Option Plan and (ii) under the DSU Plan, ESC Plan and EPP.

Plan Category	Number of common shares to be issued upon exercise of outstanding grants and awards	Number of common shares to be issued upon exercise of outstanding grants and awards as a percentage of common shares outstanding at December 31, 2019	Weighted-average exercise price of outstanding options	Number of common shares remaining available for future issuance under equity compensation plans	Number of common shares remaining available for future issuance under equity compensation plans as a percentage of common shares outstanding at December 31, 2019
Equity compensation plans approved by security holders	1,967,500 ⁽¹⁾	4.9%	\$2.98	2,055,609 ⁽¹⁾	5.1%
	425,474 ⁽²⁾	1.1%	n/a	74,526 ⁽⁵⁾	0.1%
	468,258 ⁽³⁾	1.2%	n/a	531,742 ⁽⁶⁾	1.3%
	35,092 ⁽⁴⁾	0.09%	n/a	464,908 ⁽⁷⁾	1.2%
Equity compensation plans not approved by security holders	-	-	-	-	-
Total	2,896,324	7.2%		3,126,785	7.8%

(1) Issuable on exercise of options under the Stock Option Plan.

(2) Represents the number of DSUs issued under the DSU Plan. For further details, see “Equity-based Compensation Plans”.

(3) Represents the number of common shares awarded under the ESC Plan. For further details, see “Equity-based Compensation Plans”.

(4) Represents the number of common shares issued under the EPP. For further details, see “Equity-based Compensation Plans”.

(5) Represents the DSUs available for issuance under the DSU Plan. For further details, see “Equity-based Compensation Plans”.

(6) Represents the number of common shares available for issuance under the ESC Plan. For further details, see “Equity-based Compensation Plans”.

(7) Represents the number of common shares available for issuance under the EPP. For further details, see “Equity-based Compensation Plans”.

OTHER INFORMATION

Indebtedness of Directors and Executive Officers

None of the current or former directors or executive officers or their respective associates is, or since January 1, 2019 has been, indebted to the Company or any of its subsidiaries or to any

other entity for which the Company or any of its subsidiaries has provided a guarantee, support agreement, letter of credit or similar arrangement or understanding.

Interest of Informed Persons in Material Transactions

None of (i) the directors or executive officers of the Company, (ii) the shareholders who beneficially own, control or direct, directly or indirectly, more than 10% of the voting securities of the Company, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this Circular or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries other than as described under "Related Party Transactions".

Related Party Transactions

The Company retains the services of Mr. Jeffrey C. Royer pursuant to a services agreement between Mr. Royer and the Company dated as of January 1, 2015, to fulfill the position of Chairman of the Board and to provide related strategic leadership and guidance to the Board and management of the Company. The agreement has been renewed for one-year terms on each of January 1, 2016 to 2019. As consideration for the services provided under the agreement, the Company agreed to pay Mr. Royer an annual fee of \$150,000 either in cash or securities of the Company as mutually agreed between the Company and Mr. Royer. Mr. Royer renounced his right to be paid any amount in 2015, 2016 and 2017. The Company paid Mr. Royer \$150,000 in 2018 and 2019 and \$37,500 for the period ended March 31, 2020. Effective April 1, 2020, Mr. Royer agreed to waive payment of the remainder of the annual fee.

On January 17, 2018, the Company acquired (**Advantech Acquisition**) the radio frequency, terrestrial microwave and antenna equipment divisions of Advantech Wireless Inc. (now known as SpaceBridge Inc.) (**SpaceBridge**). SpaceBridge is owned and controlled by Mr. David Gelerman, a director of the Company.

Pursuant to the terms of the Advantech Acquisition, SpaceBridge was entitled to additional compensation of between \$750,000 and \$3,000,000 per year in each of 2018 and 2019 conditional on the Advantech Wireless business meeting certain EBITDA targets in those years. The EBITDA target was not met in 2018 or 2019.

As part of the Advantech Acquisition, the Company entered into a consulting agreement with SpaceBridge under which it agreed to provide the services of its principals, David and Stella Gelerman, for two years following closing. In consideration for those services, SpaceBridge was entitled to a fee of \$2,500,000, payable as to one-half in cash and the balance in 385,802 common shares (based on a price of \$3.24 per common share). The payments of cash and shares were to be made in eight quarterly instalments in the two-year period following closing. The common shares were also subject to restrictions on trading for a period of up to 24 months following closing of the Advantech Acquisition.

In the fourth quarter of 2018, the Company received a payment from the escrow agent engaged in connection with the Advantech Acquisition of approximately \$1.8 million as a result of an indemnity claim made by the Company against the portion of the cash purchase price being held in escrow pursuant to the terms of the Advantech Acquisition. The escrow agent released the amount because SpaceBridge failed to contest the indemnity claim within the prescribed time period. SpaceBridge has filed an application for relief from forfeiture to have the amount returned to the escrow agent. The Company is opposing the application. No date has been set to hear the application.

In 2018 and 2019, SpaceBridge and certain of its affiliates acted as agent for the Company through cash collections of approximately \$8.6 million and \$656,000 and cash payments of approximately \$7.5 million and \$75,000, respectively, on the Company's behalf. As at December 31, 2019, approximately \$2.2 million was due to the Company and \$1.5 million was due to the agent.

In 2018 and 2019, the Company provided services to SpaceBridge and certain of its affiliates in the amount of \$487,000 and \$59,000, respectively.

On July 10, 2018, the Company completed a bought deal public offering of 7,419,355 subscription receipts (**Subscription Receipts**) and \$17,250,000 principal amount of 6.5% extendible convertible unsecured debentures (**Debentures**) for aggregate gross proceeds of \$40,250,000 (2018 Offering). Certain directors and officers of the Company purchased, directly and indirectly, an aggregate of 3,791,724 Subscription Receipts and \$8,692,000 principal amount of Debentures in the offering.

On July 11, 2018, the Company completed the acquisition (**Alga Acquisition**) of all the issued and outstanding shares of Alga Microwave Inc. (**Alga Microwave**). The Company leases premises to a company owned by Michael Perelshtein, an employee of Alga Microwave, and Frank Panarello, a former employee of Alga Microwave. In connection with the Alga Acquisition, Messrs. Perelshtein and Panarello received an additional \$1,000,000 upon satisfaction of certain conditions and may be entitled to additional compensation of up to \$1,000,000 conditional on the Alga Microwave business meeting certain performance targets in each of 2019 and 2020.

In accordance with the terms of the share purchase agreement dated June 28, 2018 related to the Alga Acquisition, the working capital adjustment related to the purchase price for the Alga Acquisition was finalized and paid to the vendors of Alga Microwave in the amount of \$432,632 on October 15, 2018.

Interest of Certain Person in Matters to be Acted Upon

Except as described in this Circular, no person who has been a director or executive officer of the Company since the beginning of the Company's most recently completed financial year, or any proposed nominee by management of the Company for election as a director of the Company, 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 on at the Meeting.

Additional Information

Additional information about Baylin can be found on SEDAR at www.sedar.com.

Financial information is provided in the Company's audited consolidated financial statements and MD&A for its most recently completed financial year which are filed on SEDAR. In addition, copies of the Company's annual financial statements and MD&A and this Circular may be obtained on request to the Company at 60 Columbia Way, Suite 205, Markham, Ontario L3R 0C9, Attention: Kelly Myles.

APPENDIX A
MANDATE OF THE BOARD OF DIRECTORS
BAYLIN TECHNOLOGIES INC.
(THE COMPANY)

Introduction

The Board (the **Board**) of Baylin Technologies Inc. (the **Company**) is elected by the shareholders of the Company and is responsible for the stewardship of the Company. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

Chair of the Board

The Chair of the Board (the **Chair**) will be appointed by the Board, after considering the recommendation of the Corporate Governance and Compensation Committee, for such term as the Board may determine.

Independence

The Board will be comprised of a majority of independent directors, as established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including section 3.1 of National Policy 58-201 – *Corporate Governance Guidelines*.

Where the Chair is not independent, the independent directors may select one of their number to be appointed lead director of the Board for such term as the independent directors may determine. The Chair or lead director, if appointed, will chair regular meetings of the independent directors and assume other responsibilities that the independent directors as a whole have designated.

Role and Responsibilities of the Board

The role of the Board is to act honestly and in good faith and act in the best interest of the Company, and each member of the Board must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of the Company.

The responsibilities of the Board include:

- adopting a strategic planning process;
- risk identification and ensuring that procedures are in place for the management of those risks;
- the Company's internal control and management information systems;
- review and approve annual operating plans and budgets;
- corporate social responsibility, ethics and integrity;

- review the integrity of the Chief Executive Officer (CEO) and the other executive officers and ensure that the CEO and other executive officers create a culture of integrity;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;
- monitoring financial reporting and management;
- monitoring internal control and management information systems;
- corporate disclosure and communications including the adoption of a Corporate Disclosure Policy, which shall serve as the communication policy for the Company;
- adopting measures for receiving feedback from stakeholders;
- adopting key corporate policies designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity;
- developing the Company's approach to governance; and
- such other items as required by law including the Business Corporations Act (Ontario).

Meetings of the Board will be held at least quarterly, with additional meetings to be held depending on the state of the Company's affairs and in light of opportunities or risks which the Company faces. After each meeting of the Board, the directors will meet without management being present. In addition, separate meetings of the independent directors of the Board may be held at which members of management and the non-independent directors are not present.

The Board will delegate responsibility for the day-to-day management of the Company's business and affairs to the Company's senior officers and will supervise such senior officers appropriately.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, Corporate Governance and Compensation Committee and Human Resources & Compensation Committee.

Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for the Company's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business and affairs.

The Board, in conjunction with management, will identify the principal risks of the Company's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

Succession Planning, Appointment and Supervision of Management

The Board will approve the succession plan for the Company, including the selection, appointment, supervision and evaluation of the CEO or any person acting in such capacity, and the other senior officers of the Company, and will also approve the compensation of the CEO or any person acting in such capacity, and the other senior officers of the Company.

In furtherance of the succession plan, the Board shall monitor senior management and oversee their training.

Delegations and Approval Authorities

The Board will delegate to the CEO, or any person acting in such capacity, senior management authority over the day-to-day management of the business and affairs of the Company.

Corporate Disclosure and Communications

The Board will seek to ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed and the Corporate Disclosure Policy. In addition, the Board will adopt procedures that seek to ensure the security holders have a direct contact to independent directors in order to provide them with feedback on material issues. On an annual basis, the Board will further disclose to the securityholders the site visits made by the independent directors to the subsidiaries of the Company.

Corporate Policies

The Board will adopt and monitor compliance of the policies and procedures, which are designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company's business ethically and with honesty and integrity. Principal policies consist of:

- Code of Business Conduct and Ethics;
- Corporate Disclosure Policy; and
- Insider Trading Policy.

Review of Mandate

The Corporate Governance and Compensation Committee will annually review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration. The Board may, from time to time, amend this Mandate.

The Board may, from time to time, permit departures from the terms of this Mandate, either prospectively or retrospectively. The terms of this Mandate are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

APPENDIX B

BAYLIN TECHNOLOGIES INC.

Omnibus Equity Incentive Plan

Part 1. Purpose

1.1 Purpose

The purpose of this Plan is to advance the interests of Baylin Technologies Inc. (the “**Company**”) and its subsidiaries by enhancing their ability (i) to attract, motivate and retain employees, officers and directors, (ii) to reward them for their contributions to the business and (iii) to encourage them to take into account the long-term financial performance of the business and the creation of shareholder value through their participation in the Company’s equity.

Part 2. Definitions and Interpretation

2.1 Definitions

In this Plan:

“**Affiliate**” has the meaning attributed to it in National Instrument 45-106 — *Prospectus Exemptions*.

“**Alternative Awards**” has the meaning attributed to it in section 14.2.

“**Applicable Withholding Taxes**” means any taxes, source deductions or other amounts that the Company is required by law to withhold from any amounts to be paid or credited or otherwise to remit to any governmental entity in connection with the grant or settlement of an Award under this Plan.

“**Associate**” has the meaning attributed to it in the *Securities Act* (Ontario).

“**Award**” means any Deferred Share Unit, Option, Performance Share Unit, Restricted Share, Restricted Share Unit, Stock Appreciation Right or Other Share-Based Award granted under this Plan.

“**Award Agreement**” means an agreement evidencing an Award, including a DSU Agreement, Option Agreement, PSU Agreement, Restricted Share Agreement or RSU Agreement.

“**Blackout Period**” means a period of time when, pursuant to any policies of the Company or other periods as designated by the Company, designated Persons may not trade in securities of the Company.

“**Board**” means the board of directors of the Company.

“**Business Day**” means any day on which the TSX is open for trading.

“**Cause**” means (i) if the Participant has a written employment agreement with a Participating Company, “cause”, “just cause” or any other similar term as defined in that agreement, or (ii) if there is no such agreement or definition, means:

(a) the willful failure by the Participant to perform his or her duties with respect to a Participating Company;

(b) theft, fraud, dishonesty or misconduct by the Participant involving the property, business or affairs of a Participating Company or in carrying out of the Participant's duties with respect to a Participating Company;

(c) the material breach by the Participant of his or her employment agreement, including the policies of the Company or a Participating Company;

(d) the Participant is convicted of or pleads guilty (or "no contest") to a crime that constitutes an indictable offence or felony; or

(e) any other conduct that, in the jurisdiction in which the Participant is employed, would constitute cause for termination of employment.

"Change of Control" means:

(a) the sale of all or substantially all the assets of the Company other than as part of an internal reorganization;

(b) a reorganization, amalgamation, merger, plan of arrangement or other business combination involving the Company as a result of which Jeffrey C. Royer and his Associates cease to own beneficially, directly or indirectly, at least 35% of the voting securities of the Company or a successor or continuing entity (on a fully-diluted basis) after giving effect to the applicable transaction;

(c) a formal bid or tender offer for Common Shares as a result of which Jeffrey C. Royer and his Associates cease to own beneficially, directly or indirectly, at least 35% of the Common Shares then outstanding (on a fully diluted basis) after giving effect to the formal bid or tender offer; or

(d) any other transaction determined by the Board to be substantially similar in effect to the transactions in paragraphs (a) to (c).

"Code" means the United States Internal Revenue Code of 1986.

"Committee" means the Corporate Governance and Compensation Committee of the Board or any other committee of the Board that the Board may designate to administer the Plan.

"Common Shares" means the common shares of the Company.

"Consultant" means a Person (other than employee, officer or director of the Company or a Subsidiary) that is retained to provide ongoing services to the Company or a Subsidiary under a written agreement with the Company or a Subsidiary.

"Company" means Baylin Technologies Inc.

"Date of Grant" means the date an Award is granted to a Participant as set out in the Participant's Award Agreement.

"Deferred Share Unit" or "DSU" means an Award described in section 5.1.

"Disability" means a long-term disability, as determined by the Board.

“DSU Agreement” means an agreement, substantially in the form of Schedule A, between the Company and a Participant evidencing an Award of DSUs.

“Eligible Director” has the meaning attributed to it in section 5.1.

“Eligible Person” means an employee, officer or director of, or a Consultant to, a Participating Company.

“Existing Share Compensation Plans” means the Company’s Deferred Share Unit Plan, Employee Purchase Plan, Employee Share Compensation Plan and Stock Option Plan.

“Fair Market Value” of the Common Shares on any date means:

(a) if the Common Shares are listed on the TSX, (i) the volume-weighted average trading price of the Common Shares on the TSX, for the five trading days before the relevant date, and (ii) if the relevant date occurs during a Blackout Period, the volume-weighted average trading price of the Common Shares on the TSX for the five trading days after the last day of the Blackout Period (except in the case of a DSU issued to an Eligible Director under section 5.3, which are paid on a non-discretionary basis as of the first Business Day of each month, in which case the number of DSUs will be determined by applying the formula in clause (i)); and

(b) if the Common Shares are not listed on the TSX, the value as determined by the Board in good faith.

“Filing Date” has the meaning attributed to it in subsection 5.4(1).

“Insider” means a “reporting insider” (as that term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*).

“In-The-Money Amount” means the product of (i) and (ii), where (i) is the amount by which the Fair Market Value of the Common Shares on the date a SAR is exercised exceeds the Option Exercise Price of the related Option and (ii) is the number of Common Shares underlying the related Option that is being exercised.

“Notice of Exercise” means a notice, substantially in the form of Schedule B1.

“Option” means an Award described in section 6.1.

“Option Agreement” means an agreement, substantially in the form of Schedule B, between the Company and a Participant evidencing an Award of Options.

“Option Exercise Price” means the price at which a Common Share may be acquired on exercise of an Option.

“Option Expiry Date” has the meaning attributed to it in subsection 6.3(1).

“Original Statements” has the meaning attributed to it in paragraph 16.3(d).

“Other Share-Based Award” means an Award granted under section 11.1.

“Outstanding Issue” means the number of Common Shares issued and outstanding from time to time (on a non-diluted basis).

“Participant” means any Eligible Person to whom an Award has been granted.

“Participating Company” means the Company and any of its Subsidiaries or any other Person in which the Company or a Subsidiary holds an interest.

“Performance Goals” means the goals established by the Board (based on one or more Performance Measures) as part of the terms of an Award.

“Performance Measures” means the measures (other than the mere continuation of employment or passage of time) established by the Board to determine Performance Goals, which may include financial or operational matters, shareholder returns and individual performance criteria.

“Performance Period” means the period established by the Board for which the achievement of Performance Goals is assessed or determined.

“Performance Share Unit” or **“PSU”** means an Award described in section 7.1.

“Performance Vesting Conditions” means any Performance Goals established by the Board as conditions to the vesting of Awards.

“Person” includes an individual, partnership, body corporate, association, trust, entity, government or governmental agency or department.

“Plan” means this Omnibus Equity Incentive Plan, as amended or restated from time to time.

“PSU Agreement” means an agreement, substantially in the form of Schedule C, between the Company and a Participant evidencing an Award of PSUs.

“PSU Vesting Date” has the meaning attributed to it in section 7.3.

“Relevant Equity Recoupment Date” has the meaning attributed to it in paragraph 16.3(f).

“Restated Statements” has the meaning attributed to it in paragraph 16.3(d).

“Restricted Share” means an Award described in section 8.1.

“Restricted Share Agreement” means an agreement, substantially in the form of Schedule D, between the Company and a Participant evidencing an Award of Restricted Shares.

“Restricted Share Unit” or **“RSU”** means an Award described in section 9.1.

“Restrictive Covenant” has the meaning attributed to it in paragraph 16.3(a).

“Retire” or **“Retirement”** means retirement from active employment with a Participating Company at or after age 65 or in other circumstances (such as years of service) as determined by the Board to constitute retirement for purpose of this Plan.

“RRIF” means a registered retirement income fund (as defined in the *Income Tax Act (Canada)*).

“RRSP” means a registered retirement savings plan (as defined in the *Income Tax Act (Canada)*).

“RSU Agreement” means an agreement, substantially in the form of Schedule E, between the Company and a Participant evidencing an Award of RSUs.

“RSU Vesting Date” has the meaning attributed to it in section 9.3.

“SAR” means an Award of a tandem share appreciation right described in section 10.1.

“Security Based Compensation Arrangement” means (i) stock option plans for the benefit of employees, Insiders, service providers or any one of such groups, (ii) individual stock options granted to employees, service providers or Insiders if not granted pursuant to a plan previously approved by shareholders of the Company, (iii) stock purchase plans where the Company provides financial assistance or where the Company matches the whole or a portion of the securities being purchased, (iv) stock appreciation rights involving issuances of securities from treasury, (v) any other compensation or incentive mechanism, in each case, involving the issuance or potential issuance of securities of the Company, and (vi) security purchases from treasury by an employee, Insider or service provider which is financially assisted by the Company by any means whatsoever, but a Security Based Compensation Arrangement does not include an arrangement that does not involve the issuance from treasury or potential issuance from treasury of Common Shares or other equity securities of the Company.

“Subsidiary” has the meaning attributed to it in National Instrument 45-106 — *Prospectus Exemptions*, and any reference in this Plan to a Subsidiary means a Subsidiary of the Company unless otherwise described.

“Termination Date” means (i) in the case of a Participant (other than a Consultant), the Participant’s last day of active employment or term of office with the Company or a Subsidiary (but excluding any period of statutory, contractual or reasonable notice of termination of employment or any period of salary continuance or deemed employment), including by reason of death or Disability, and (ii) in the case of a Consultant who is a Participant, the effective date of termination of the agreement governing its services as a consultant.

“TFSA” means a tax free savings account (as defined in the *Income Tax Act* (Canada)).

“TSX” means the Toronto Stock Exchange.

2.2 Interpretation

(1) References to a “Part”, “section”, “subsection”, “paragraph” or “clause” mean to the specified Part, section, subsection, paragraph or clause of this Plan unless otherwise described.

(2) The table of contents and headings are included for convenience of reference and do not affect the interpretation of this Plan.

(3) Words importing the singular include the plural and *vice versa*.

(4) The words “include” or “including” mean include or including without limitation.

(5) References to a statute, regulation, rule, code, national instrument or policy statement or to a particular section of one of them mean to that statute, regulation, rule, code, national instrument, policy statement or section as amended or superseded from time to time (unless specified otherwise) and references to a statute include any regulations, rules, national instruments or policy statements enacted under that statute.

(6) Where an individual has transferred an Award to an RRIF, RRSP or TFSA or to a corporation of which the individual is the annuitant or (as applicable) the sole shareholder, the individual will be the Participant for the purpose of the definition of “Termination Date” and for the purpose of the death, Disability or Retirement of the Participant.

2.3 Governing Law

The Plan is governed by and will be construed in accordance with Ontario law, regardless of the citizenship, residence or place of organization of a Participant.

2.4 Submission to Jurisdiction

The Company and each Participant submits to the exclusive jurisdiction of the courts of competent jurisdiction of Ontario with respect to any action or proceeding arising out of relating in any way to this Plan or any Award Agreement or Award.

Part 3. Administration

3.1 Discretion and Authority

(1) Subject to section 3.2, the Board has the sole and absolute discretion and authority to administer and interpret this Plan, the Award Agreements and the Awards, including:

(a) to determine the Eligible Persons to whom Awards may be granted;

(b) to grant Awards and determine their terms, including (i) the number of Awards to be granted, (ii) the timing of grants, including the Date of Grant, (iii) the Option Exercise Price, (iv) the Performance Goals, Performance Measures, Performance Periods and Performance Vesting Conditions, (v) restrictions on transfer, (vi) any other vesting schedule, terms, limitations, restrictions and conditions applicable to Awards, (vii) approving the form of any Award Agreement (not inconsistent with this Plan) to evidence an Award and (viii) the waiver or amendment of any terms of Awards, including accelerating the vesting of any Awards, changing the Performance Vesting Conditions or, subject to TSX approval, substituting other property on the payment or settlement of any Awards;

(c) to establish, amend and rescind any regulations, rules or guidelines relating to this Plan; and

(d) to make any other determinations, settle any disputes or take any other action necessary or desirable for the administration of this Plan or any Award Agreement or Award.

(2) Without limiting subsection (1), the Board, in its discretion, may correct any defect or omission or reconcile any inconsistencies in this Plan or any Award Agreement or Award.

(3) The Board's decision with respect to any matter related to this Plan will be conclusive and binding on the Company, the Subsidiaries and all Participants.

(4) The Board's discretion and authority is subject to any mandatory requirements of the TSX.

3.2 Delegation and Liability

(1) The Board may delegate to the Committee all or some of its powers under this Plan and on other terms as the Board may determine. In that case, references to the "Board" will be deemed to be references to the Committee, to the extent such powers have been delegated. The Board (or the Committee) may delegate the day-to-day administration of this Plan to any one or more officers of the Company.

(2) None of the members of the Board or the Committee or any other Person acting pursuant to authority delegated by the Board or the Committee will be liable for any action taken (or omitted

to be taken) or determination made (or not made) in good faith in connection with this Plan or any Award.

3.3 Eligibility

All Eligible Persons are eligible to participate in this Plan, but eligibility does not confer any right to be granted an Award, which remains in the sole discretion of the Board.

3.4 Common Shares Subject to this Plan

(1) The maximum number of Common Shares issuable under this Plan, the Existing Share Compensation Plans and any other Security Based Compensation Arrangement may not exceed 10% of the Outstanding Issue.

(2) The Board may not grant an Award that can be settled by an issuance of Common Shares from treasury if it would have the effect of causing the total number of Common Shares subject to that Award to exceed the total number of Common Shares determined under subsection (1).

(3) After the effective date of this Plan, the Company will not issue any further awards under the Existing Share Compensation Plans other than the Employee Purchase Plan.

(4) This Plan is an “evergreen” plan. Accordingly, Common Shares covered by Awards that are exercised or settled or that expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised or settled will be available for subsequent grant under this Plan and the number of Common Shares available for issuance under subsection (1) will not be reduced. Also, the number of Common Shares available for issuance increases if the number of Common Shares outstanding increases.

3.5 Insider Participation Limits

(1) The maximum number of Common Shares issuable under this Plan, the Existing Share Compensation Plans and any other Security Based Compensation Arrangement to Insiders at any time may not exceed in the aggregate 10% of the Outstanding Issue.

(2) The maximum number of Common Shares issued under this Plan, the Existing Share Compensation Plans and any other Security Based Compensation Arrangement to Insiders within any one-year period may not exceed in the aggregate 10% of the Outstanding Issue.

3.6 Appointment of Beneficiaries

A Participant may designate in writing (on terms specified by the Company) a beneficiary to receive any benefits that are payable under this Plan and any Award on death.

3.7 Transfers

(1) A Participant may not transfer or assign an Award, including by operation of law, except:

(a) to a RRIF, RRSP or TFSA, of which the Participant is and remains the annuitant;

(b) to a corporation, of which the Participant is and remains the sole shareholder;

(c) on the death of the Participant, by will or applicable laws of succession; or

(d) with the prior written consent of the Company, as approved by the Board.

(2) A Participant must give at least 10 days' prior written notice to the Company for any transfer under paragraphs (a), (b) and (d).

(3) A Participant may not grant a security interest in, pledge or otherwise encumber an Award.

(4) Any breach of subsection (1) or (3) will result in the Award being void.

3.9 Exercise of Awards

Awards may be exercised only by:

(a) the Participant to whom the Awards were granted;

(b) the transferee of an Award described in paragraphs 3.8(1)(a), (b) and (d);

(c) the legal representative of a Participant's estate or other relevant Person under paragraph 3.8(c); and

(d) on the Participant's incapacity, the legal representative having authority to deal with the Participant's property.

3.10 Common Shares

Common Shares issued by the Company in accordance with this Plan and the Award Agreements will be issued as fully paid and non-assessable.

3.11 Fractional Shares

The Company is not required to issue or purchase any fractional Common Share or Award.

Part 4. Grant of Awards

4.1 General

Subject to the terms of this Plan, the Board, in its discretion, may grant Awards to Eligible Persons on terms determined by the Board. Each grant will be evidenced by an Award Agreement. Any officer of the Company is authorized, on behalf of the Company, to execute and deliver an Award Agreement to each Eligible Person to whom Awards have been granted.

4.2 Restrictions on Grants

The Board will not grant any Awards (other than DSUs) to directors of a Participating Company who are not also employees of a Participating Company and will grant DSUs only to Eligible Directors.

Part 5. Deferred Share Units

5.1 Nature of DSUs

A DSU is an Award attributable to a Participant's duties as a non-executive director of Participating Company and who is not otherwise an employee of a Participating Company (an "**Eligible Director**"). Each DSU entitles the Eligible Director to receive one Common Share or the cash equivalent (or a combination of the two) and is payable after the Eligible Director ceases to be a director.

5.2 Election

(1) Subject to any alternative arrangements approved by the Board, each Eligible Director must elect to receive at least 50% and up to 100% of his or her base annual compensation in DSUs by giving notice to that effect to the Company by December 15 of the year preceding the year with respect to which the election is made. Where an individual becomes a director for the first time during a year, he or she must make the election with 30 days after becoming an Eligible Director, in which case the election will only apply to periods after the election.

(2) Each election is irrevocable with respect to compensation earned during the period to which the election relates unless the Board otherwise agrees.

5.3 Number of DSUs

Each Eligible Director will receive that number of DSUs equal to the quotient of (i) and (ii), where (i) is the dollar amount of compensation payable in DSUs on the date the compensation is payable (which in the ordinary course is expected to be the first Business Day of each month) and (ii) is the Fair Market Value of the Common Shares on the date of payment, rounded down to the nearest whole number.

5.4 Vesting of DSUs

DSUs will vest at the time of grant unless specified otherwise in the applicable DSU Agreement.

5.4 Settlement of DSUs

(1) Once a Participant ceases to be an Eligible Director for any reason, the Participant may elect to settle any vested DSUs by giving notice to the Company at any time up to December 15 of the year after the year in which the Participant ceased to be an Eligible Director, and if notice is not given it will be deemed to have been given on December 15 (the date the notice is given or deemed to have been given is the “**Filing Date**”).

(2) The Company will pay the amount required to settle the DSUs as soon as practicable but not more than 30 days after the Filing Date, in its discretion by:

(a) issuing to the Participant from treasury that number of Common Shares equal to the number of DSUs being settled, less any Applicable Withholding Taxes;

(b) delivering to the Participant that number of outstanding Common Shares equal to the number of DSUs being redeemed, less any Applicable Withholding Taxes;

(c) delivering to the Participant an amount in cash equal to the product of (i) and (ii), where (i) is the number of Common Shares equal to the number of DSUs being settled and (ii) is the Fair Market Value of the Common Shares on the Filing Date, less any Applicable Withholding Taxes;
or

(c) a combination of (a), (b) or (c).

5.5 DSU Account

The Company will maintain an account for each Eligible Director and credit the account with the number of DSUs granted to the Eligible Director and cancel any DSUs that are not paid out or fail to vest and record their cancellation in the account.

5.6 Additional DSUs

Subject to the Board's approval, if the Company pays a cash dividend on the Common Shares, the Company will credit the account of each Eligible Director who holds DSUs as of the record date with an additional number of DSUs. The number of additional DSUs to be credited (to be determined as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of DSUs held by the Eligible Director on the relevant record date and (2) the amount of the dividend paid by the Company on each Common Share, and (ii) is the Fair Market Value of the Common Shares on the dividend payment date. These additional DSUs will be subject to the same vesting conditions as apply to the related DSUs.

Part 6. Options

6.1 Nature of Options

An Option is a right granted by the Company to a Participant entitling the Participant to acquire, for each Option issued, one Common Share from treasury at the Option Exercise Price.

6.2 Option Exercise Price

The Board will fix the Option Exercise Price of an Option on the Date of Grant, but the Option Exercise Price may not be less than the Fair Market Value of the Common Shares as of that date, subject to clause (a)(ii) of the definition of Fair Market Value if the relevant date occurs during a Blackout Period or at a time when there exists an undisclosed material change or material fact in the affairs of the Company.

6.3 Option Term; Blackout Period

(1) Subject to subsection (2), each Option will expire on the earlier of (the "**Option Expiry Date**") (i) the seventh anniversary of the Date of Grant and (ii) the date specified in the Option Agreement. The Company will cancel any unexercised Options.

(2) If the Option Expiry Date would fall within a Blackout Period, the Option Expiry Date will automatically be extended to the date that is 10 Business Days after the date when the Blackout Period ends.

6.4 Vesting of Options

Options will vest over a three-year period, with one-third of the Options vesting on each anniversary of the Date of Grant, unless specified otherwise in the applicable Option Agreement.

6.5 Exercise of Options

(1) Subject to the provisions of this Plan and the applicable Option Agreement, a Participant may exercise a vested Option (in whole or in part) at any time (other than during a Blackout Period) by delivering to the Company a duly signed and completed Notice of Exercise. The Participant will be entitled in the Notice of Exercise to elect (i) a cash exercise by paying the Option Exercise Price in accordance with subsection (2), (ii) with the consent of the Company, a cashless exercise in accordance with subsection (3), (iii) with the consent of the Company, in lieu of receiving Common Shares, to receive a cash payment in accordance with subsection (4) or (iv) with the consent of the Company a combination of (ii) and (iii).

(2) Where the Participant has elected a cash exercise, the Notice of Exercise must include a certified cheque, bank draft or other means of payment acceptable to the Company in an amount

equal to the aggregate Option Exercise Price of the Common Shares to be purchased plus any Applicable Withholding Taxes.

(3) Where the Participant has elected a cashless exercise, it must surrender to the Company the applicable number of Options and elect to receive Common Shares equal in value to the difference between the Fair Market Value of the Common Shares on the date of exercise and the Option Exercise Price in accordance with the following formula, less any Applicable Withholding Taxes:

$$X = \frac{Y(A - B)}{A}$$

where X = the number of Common Shares to be issued to the Participant

Y = the number of Common Shares underlying the surrendered Option

A = the Fair Market Value of the Common Shares (if greater than the Option Exercise Price)

B = the Option Exercise Price

(4) Where the Participant has elected to receive cash in lieu of Common Shares, it must surrender to the Company the applicable number of Options and elect to receive cash equal to the difference between the Fair Market Value of the Common Shares on the date of exercise and the Option Exercise Price in accordance with the following formula, less any Applicable Withholding Taxes:

$$X = \frac{Y(A - B)}{A}$$

where X = the amount of the cash payment to be made to the Participant

Y = the number of Common Shares underlying the surrendered Option

A = the Fair Market Value of the Common Shares (if greater than the Option Exercise Price)

B = the Option Exercise Price

Part 7 Performance Share Units

7.1 Nature of PSUs

A PSU is an Award granted to a Participant that is generally conditioned on the achievement of Performance Goals over a Performance Period, subject to satisfying the Performance Vesting Conditions, and that entitles the Participant to receive one Common Share for each PSU or the cash equivalent (or a combination of the two).

7.2 Performance Period

The Board will determine the Performance Period applicable to a PSU, but it may not be more than three years after the Date of Grant unless specified otherwise in the applicable PSU Agreement.

7.3 Vesting of PSUs

PSUs will vest on the achievement of the applicable Performance Vesting Conditions at the end of the applicable Performance Period unless specified otherwise in the applicable PSU Agreement (the “**PSU Vesting Date**”).

7.4 Settlement of PSUs

The Company will pay the amount required to settle all vested PSUs as soon as practicable but not more than 30 days after the applicable PSU Vesting Date, in its discretion by:

(a) issuing to the Participant from treasury that number of Common Shares equal to the number of PSUs being settled, less any Applicable Withholding Taxes;

(b) delivering to the Participant that number of outstanding Common Shares equal to the number of PSUs being settled, less any Applicable Withholding Taxes;

(b) delivering to the Participant an amount in cash equal to the product of (i) and (ii), where (i) is the number of Common Shares equal to the number of PSUs being settled and (ii) is the Fair Market Value of the Common Shares on the applicable PSU Vesting Date, less any Applicable Withholding Taxes; or

(c) a combination of (a), (b) or (c).

7.5 PSU Account

The Company will maintain an account for each Participant’s Account and credit the account with the number of PSUs granted to the Participant and cancel any PSUs that are not paid out or fail to vest and record their cancellation in the account.

7.6 Additional PSUs

Subject to the Board’s approval, if the Company pays a cash dividend on the Common Shares, the Company will credit the account of each Participant who holds PSUs as of the record date with an additional number of PSUs. The number of additional PSUs to be credited (as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of PSUs held by the Participant on the relevant record date and (2) the amount of the dividend paid by the Company on each Common Share, and (ii) is the Fair Market Value of the Common Shares on the dividend payment date. These additional PSUs will be subject to the same vesting conditions as apply to the related PSUs.

Part 8. Restricted Shares

8.1 Nature of Restricted Shares

A Restricted Share is an Award of Common Shares issued from treasury that is generally subject to a restriction on transfer.

8.2 Restricted Period

The Board will determine the period during which any restriction on transfer remains in effect, but it may not be more than three years after the Date of Grant unless specified otherwise in the applicable Restricted Share Agreement.

8.3 Evidence of Restricted Shares

The Company will determine the manner in which Restricted Shares will be evidenced, which may include book-entry registration in an account with the Company's registrar and transfer agent.

8.4 Rights as a Holder of Restricted Shares

Subject to the restrictions on transfer and TSX approval, the Participant will be treated for all purposes as a shareholder of the Company with respect to the Restricted Shares.

Part 9. Restricted Share Units

9.1 Nature of RSUs

An RSU is an Award that generally becomes vested (if at all) following a period of continuous employment or other service relationship with a Participating Company and entitles the Participant to receive one Common Share for each RSU or the cash equivalent (or a combination of the two).

9.2 Vesting Period

The Board will determine the vesting period applicable to an RSU, but it may not be more than three years after the Date of Grant unless specified otherwise in the applicable RSU Agreement.

9.3 Vesting of RSUs

RSUs will vest at the end of the applicable vesting period unless specified otherwise in the applicable RSU Agreement (the "**RSU Vesting Date**").

9.4 Settlement of RSUs

The Company will pay the amount required to settle all vested RSUs as soon as practicable but not more than 30 days after the end of the applicable RSU Vesting Date, in its discretion by:

(a) issuing to the Participant from treasury that number of Common Shares equal to the number of RSUs being settled, less any Applicable Withholding Taxes;

(b) delivering to the Participant that number of outstanding Common Shares equal to the number of RSUs being settled, less any Applicable Withholding Taxes;

(c) delivering to the Participant an amount in cash equal to the product of (i) and (ii), where (i) is the number of Common Shares equal to the number of RSUs being settled and (ii) is the Fair Market Value of the Common Shares on the applicable RSU Vesting Date, less any Applicable Withholding Taxes; or

(d) a combination of (a), (b) or (c).

9.5 RSU Account

The Company will maintain an account for each Participant's and credit the account with the number of RSUs granted to the Participant and cancel any RSUs that are not paid out or fail to vest and record their cancellation in the account.

9.6 Additional RSUs

Subject to the Board's approval, if the Company pays a cash dividend on the Common Shares, the Company will credit the account of each Participant who holds RSUs as of the record date with an additional number of RSUs. The number of additional RSUs to be credited (as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of RSUs held by the Participant on the relevant record date and (2) the amount of the dividend paid by the Company on each Common Share, and (ii) is the Fair Market Value of the Common Shares on the dividend payment date. These additional RSUs will be subject to the same vesting conditions as apply to the related RSUs.

Part 10. Stock Appreciation Rights

10.1 Nature of SARs

A SAR is a right granted by the Company to a Participant entitling the Participant to surrender to the Company the associated Option in exchange for a cash payment (subject to subsection 10.3(2)) equal to the In-The-Money Amount less any Applicable Withholding Taxes.

10.2 Granting of SARs

The Board may grant SARs to a Participant only in connection with the grant of an Option to the same Participant, either at the Date of Grant of the Option or at any time after that date but before the expiry of the Option.

10.3 Exercise of SARs

(1) Subject to the terms of this Plan, a Participant may exercise a SAR only at the same time and to the same extent as the related Option is exercisable. Concurrently with the exercise of a SAR, the Participant must surrender a corresponding portion of the related Option to the Company for cancellation.

(2) On the exercise of a SAR, the Company, in its discretion, instead of making a cash payment, may issue or deliver to the Participant that number of Common Shares equal to the In-The-Money Amount divided by the Fair Market Value of the Common Shares on the date the SAR is exercised, less any Applicable Withholding Tax.

Part 11. Other Share-Based Awards

11.1 General

Subject to TSX approval, the Board may grant to Participants, and determine the terms of, any other Awards (i) that may be denominated or payable in, valued in whole or in part by reference to, related to, or otherwise based on, the Common Shares or other securities that derive their value from or affect the value of the Common Shares, (ii) the value and payment of which are contingent on the financial or other performance of the Company, one or more of its Subsidiaries or a particular business unit or part of a business, or (iii) that are Common Shares and not subject to any conditions or restrictions.

Part 12. General Matters Applicable to Awards

12.1 Application of Part 12

This Part applies to all Participants other than Eligible Directors and Consultants.

12.2 Termination of Employment for Cause

(1) If a Participant's employment or office with a Participating Company is terminated for Cause, then:

(a) any unvested Awards and vested Options held by the Participant on the Termination Date will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards; and

(b) in the case of any vested PSUs, RSUs or other Awards (but not Options) held by the Participant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

(2) For the purpose of this section, Cause also includes resignation by a Participant as an alternative to being terminated for Cause.

12.3 Termination of Employment Without Cause

If a Participant's employment or office with a Participating Company is terminated without Cause, then:

(a) any unvested Awards held by the Participant on the Termination Date will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards;

(b) in the case of any vested Options held by the Participant on the Termination Date, the Participant will have the lesser of (i) 60 days after the Termination Date and (ii) the remaining term of the Options to exercise those Options in accordance with this Plan, failing which the unexercised Options will automatically terminate and the Participant will cease to have any rights in relation to those Options; and

(c) in the case of any vested PSUs, RSUs or other Awards held by the Participant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

12.4 Resignation

If a Participant resigns (other than due to Retirement) from a Participating Company, then:

(a) any unvested Awards held by the Participant on the Termination Date will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards;

(b) in the case of any vested Options held by the Participant on the Termination Date, the Participant will have the lesser of (i) 60 days after the Termination Date and (ii) remaining term of the Options to exercise those Options in accordance with this Plan, failing which the unexercised Options will automatically terminate and the Participant will cease to have any rights in relation to those Options; and

(c) in the case of any vested PSUs, RSUs or other Awards held by the Participant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

12.5 Retirement

If a Participant Retires, then:

(a) any unvested Awards (other than Options) held by the Participant on the Termination Date will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards;

(b) in the case of Options held by the Participant on the Termination Date, (i) any unvested Options will automatically vest on the Termination Date and (ii) the Option Expiry Date of vested Options (including those vested under clause (i)) will be the earlier of (1) the date specified in the applicable Option Agreement and (2) the date that is one year after the Termination Date; and

(c) in the case of any vested PSUs, RSUs or other Awards held by the Participant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

12.6 Death or Disability

If a Participant dies or has a Disability, then:

(a) any unvested Awards (other than Options) held by the Participant on the Termination Date will vest on a proportionate basis based on the number of Awards available to vest in the vesting period in which the Termination Date occurs and the ratio that (i) the period from the (1) Date of Grant or (2) last vesting date, as applicable, to the Termination Date is to (ii) the period from the (1) Date of Grant or (2) last vesting date, as applicable, to the next vesting date, and any other unvested Awards will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards;

(b) in the case of Options held by the Participant on the Termination Date, (i) any unvested Options will automatically vest on the Termination Date and (ii) the Option Expiry Date of vested Options (including those vested under clause (i)) will be the earlier of (1) the date specified in the applicable Option Agreement and (2) the date that is one year after the Termination Date; and

(c) in the case of any vested PSUs, RSUs or other Awards held by the Participant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

12.7 Other

The Company may acquire, settle or redeem Awards for cancellation on terms other than those prescribed in an Award Agreement on terms separately agreed by the Board and the applicable Participant.

Part 13. General Matters Applicable to Awards - Consultants

13.1 Application of Part 13

This Part applies only to Participants who are Consultants.

13.2 Termination for Breach of Consulting Agreement

If a Participating Company terminates a Consultant for breach of or failure to perform its obligations under the agreement governing its services as a consultant or, if the Consultant were an employee of the Company or a Subsidiary, would have entitled it to terminate the Consultant for Cause, all Awards held by the Consultant on the Termination Date, whether vested or unvested, will automatically terminate on the Termination Date and the Consultant will cease to have any rights in relation to those Awards. This section also applies in the circumstances where

a Consultant agrees to the termination of its services as an alternative to a termination described in the first sentence.

13.3 Other Termination of Consultant

If a Consultant's services end in accordance with the agreement governing its services or the Consultant's services are terminated otherwise than under section 13.2, then:

(a) any unvested Awards held by the Consultant on the Termination Date will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards;

(b) in the case of any vested Options held by the Consultant on the Termination Date, the Consultant will have the lesser of (i) 60 days after the Termination Date and (ii) remaining term of the Options to exercise those Options in accordance with this Plan, failing which the unexercised Options will automatically terminate and the Consultant will cease to have any rights in relation to those Options; and

(c) in the case of any vested PSUs, RSUs or other Awards held by the Consultant on the Termination Date, the Company will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

Part 14. Change of Control

14.1 Effect of a Change of Control

Where there is a prospective Change of Control and the Board is not satisfied that the Person acquiring control intends to assume and honour the outstanding Awards or to substitute "**Alternative Awards**", the Board, in addition to its other powers, may terminate this Plan and accelerate vesting of Awards and instruct the Company to give written notice to all Participants advising that this Plan is to be terminated effective immediately before the Change of Control and all Awards (in the case of PSUs and other Awards with Performance Vesting Conditions the number to vest to be determined by the Board in its discretion) are deemed to have vested and have an exercise date or settlement date, as applicable, immediately before the termination of this Plan.

14.2 Alternative Awards

In order to qualify as an Alternative Award, the right being substituted for an Award must (i) be based on a share that is listed on the TSX or other public trading market, (ii) provide its Participant with rights and entitlements substantially equivalent to or better than under its existing Awards, including as to the terms of vesting, (iii) recognize, for purpose of vesting, the time existing Awards have been held before the Change of Control and (iv) have substantially equivalent economic value to the value of that Award (determined before the Change of Control).

14.3 Powers of the Board

If there is a prospective Change of Control, the Board may (i) make any changes to the terms of the Award Agreements and Awards as it considers fair and appropriate in the circumstances, including to give effect to section 14.1, provided those changes are not adverse to the Participants, (ii) otherwise modify the terms of the Awards to assist the Participants in participating in the transaction leading to the Change of Control and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of the Change of Control. If the prospective Change of Control is not completed, the Company will return to each

Participant the Awards that vest pursuant to this section and, if exercised or settled, as applicable, the Common Shares issued on exercise or settlement will be reinstated as authorized but unissued Common Shares and the original terms applicable to those Awards will be reinstated.

Part 15. Amendments and Termination

15.1 Amendments and Termination

(1) The Board may amend, suspend or terminate this Plan and any Award Agreement and outstanding Awards, or any part of this Plan or any Award Agreement or Award, at any time and for any purpose, without notice to or approval of any person, including the shareholders of the Company, except where required by law, including the rules, regulations and policies of the TSX.

(2) Without limiting subsection (1), the Board may make the following types of changes or amendments to this Plan or any Award Agreement or Award without seeking shareholder approval:

(a) amendments of a “housekeeping” or administrative nature, including any amendment to cure any ambiguity, error or omission in this Plan or any Award Agreement or to correct or supplement any provision of this Plan or any Award Agreement that is inconsistent with any other provision of this Plan or other Award Agreement;

(b) amendments necessary to comply with applicable laws or regulations, including the rules, regulations and policies of the TSX;

(c) amendments necessary for this Plan or any Awards to comply with or to qualify for favourable treatment under applicable tax laws or regulations;

(d) amendments to, or waivers of, the vesting provisions or other conditions of this Plan or any Award;

(e) amendments to the termination or early termination provisions of any Award (including any Award held by an Insider) that does not entail an extension beyond the original expiry date of that Award;

(f) amendments to change any restrictions on the entitlement to or eligibility for Awards;

(g) amendments to or the addition of a cashless exercise provision;

(h) amendments to or the addition of a financial assistance provision;

(i) amendments or changes to the process by which any Participant is entitled to exercise any Award, including to the form of notice of exercise of any Award, and the place where those notices are to be delivered; and

(j) amendments necessary to suspend or terminate this Plan or any Award Agreement or Award.

(3) Shareholder approval will be required for the following amendments:

(a) amendments to the number of Common Shares issuable under this Plan, including an increase to a fixed maximum percentage of Common Shares or a change from a fixed maximum percentage of Common Shares to a fixed maximum number of Common Shares;

(b) amendments to remove or increase the insider participation limits in section 3.5;

- (c) amendments to reduce the Option Exercise Price of an Option, other than under section 16.1;
 - (d) amendments to extend the term of an Award held by an Insider beyond the original expiry date, except as provided in subsection 6.3(2);
 - (e) amendments to the amendment provisions in this section; and
 - (f) amendments required to be approved by shareholders under applicable law or regulations, including the rules, regulations and policies of the TSX.
- (4) Except as permitted in this Plan or any Award Agreement, no action of the Board or shareholders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any Award previously granted to the affected Participant.

Part 16. General

16.1 Capital Adjustments

If there is any change in the capital of the Company affecting the Common Shares, including as a result of a stock split or consolidation, combination or exchange of shares, merger, amalgamation, spin-off or other special distribution (other than distributions or cash dividends in the ordinary course) of the Company's assets to shareholders, the Board, in its discretion, may make any adjustments it determines to be appropriate to reflect that change (for the purpose of preserving the value of the Awards or the rights of Participants) including to (i) the number or kind of shares or other securities reserved for issuance under this Plan, (ii) the number or kind of shares or other securities subject to unexercised Options previously granted and the Exercise Price of those Options and (iii) the number of Awards held by the Participants.

16.2 Unsecured Obligations

The Company's obligations under this Plan and the Awards are unsecured obligations and Participants will not have any greater rights than those of an unsecured general creditor of the Company.

16.3 Clawback

If any of the following events occurs:

- (a) the Participant fails to comply with any obligation to the Company or a Subsidiary (i) to maintain the confidentiality of information relating to the Company or the Subsidiary or its business, (ii) not to engage in employment or business activities that compete with the business of the Company or the Subsidiary, whether during or after employment with the Company or Subsidiary, and whether that obligation is set out in an Award Agreement or other agreement between the Participant and the Company or Subsidiary, including an employment or consulting agreement, (iii) not to solicit employees or other service providers, customers or suppliers of the Company or the Subsidiary, whether during or after employment with the Company or Subsidiary, and whether that obligation is set out in an Award Agreement or other agreement between the Participant and the Company or Affiliate, including an employment or consulting agreement (collectively, a "**Restrictive Covenant**");
- (b) the Participant's employment or service is terminated under section 12.2 or 13.2;
- (c) the Board determines that the Participant engaged in conduct that causes material financial or reputational harm to the Company or its Subsidiaries, or engaged in gross negligence, willful

misconduct or fraud in respect of the performance of the Participant's duties to or for the Company or a Subsidiary; or

(d) the Company's financial statements (the "**Original Statements**") are required to be restated (other than as a result of a change in accounting policy or under applicable financial reporting standards) and the restated financial statements (the "**Restated Statements**") disclose, in the Board's opinion, materially worse financial results than those contained in the Original Statements,

then the Board, in its discretion, to the extent it determines that its action is in the best interests of the Company, and in addition to any other rights that the Company or a Subsidiary may have at law or under any agreement, may take one or more of the following actions:

(e) require the Participant (and the Participant agrees) to reimburse the Company for any amount paid to the Participant in respect of an Award in cash (i) in the case where paragraph (a), (b) or (c) applies, in the 12 months before the Participant failed to comply with a Restrictive Covenant or was terminated under paragraph (b) or the Board made a determination under paragraph (c) or (ii) in the case where paragraph (d) applies, the excess of the amount that should otherwise have been paid in respect of that Award had the determination of that amount been based on the Restated Statements, in each case, less any Applicable Withholding Tax;

(f) reduce the number or value of, or cancel and terminate, any one or more unvested grants of Award (other than Common Shares) on or before the vesting dates, or cancel or terminate any outstanding Awards that have vested in the 12 months before the date on which the Participant failed to comply with a Restrictive Covenant or was terminated under paragraph (b), the Board made a determination under paragraph (c) or the Board determined that the Original Statements are required to be restated (each such date being a "**Relevant Equity Recoupment Date**"); or

(g) require the Participant (and the Participant agrees) to pay to the Company the value of any Common Shares acquired by the Participant pursuant to an Award granted in the 12 months before a Relevant Equity Recoupment Date (less any amount paid by the Participant to acquire those Common Shares) less any Applicable Withholding Tax.

16.4 Successors and Assigns

This Plan is binding on all successors and permitted assigns of the Participating Companies and each Participant, including the legal representative of a Participant, or any receiver or trustee in bankruptcy or representative of the creditors of a Participating Company or a Participant.

16.5 No Special Rights

Nothing in this Plan or by the grant of any Awards will confer on any Participant any right to the continuation of the Participant's employment by a Participating Company or interfere in any way with the right of any Participating Company at any time to terminate a Participant's employment or to increase or decrease the compensation of a Participant.

16.6 Other Employee Benefits

The amount of any compensation received by a Participant as a result of the exercise or settlement of any Award will not constitute compensation with respect to which any other employee benefits of that Participant are determined, including benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, unless otherwise determined by the Board.

16.7 No Liability

Participating Companies will not be liable to any Participant for any loss resulting from a decline in the price or market value of any Common Shares.

16.8 Government Regulation and Grant Restrictions

(1) The Company's obligation to issue and deliver Common Shares under any Award is subject to (i) the qualification or registration of those Common Shares under applicable securities laws or the availability of and compliance with applicable exemptions from those securities laws, (ii) the listing of those Common Shares on the TSX or on any other stock exchange on which the Common Shares may then be listed and (iii) the receipt from the Participant of any information for the purpose of complying with applicable securities or privacy laws and the rules, regulations and policies of the TSX or any other stock exchange on which the Common Shares may then be listed and of representations, agreements and undertakings as to future dealings in those Common Shares in order to safeguard against the violation of the securities laws of any jurisdiction, in each case, as the Company determines to be necessary or advisable for that purpose.

(2) Awards may not be granted with a Date of Grant or effective date earlier than the date on which all actions required to grant the Awards have been completed.

16.9 No Rights as a Shareholder

Participants will not have any rights as a holder of any Common Shares covered by an Award (other than an Award of Restricted Shares or Common Shares), including the right to vote or to receive dividends or other distributions on the Common Shares.

16.10 Compliance with US Tax Laws

(1) This Plan is intended to comply with the applicable requirements of section 409A of the Code and will be interpreted to give effect to that intention. To the extent that any Award is subject to section 409A of the Code, it will be paid or settled in a manner that complies with section 409A of the Code.

(2) If any provision of this Plan or any Award Agreement is inconsistent with section 409A of the Code, it will be deemed to be amended or removed to comply with section 409A of the Code.

(3) The Company and the Board will not have any liability to a Participant if an Award that is intended to be exempt from, or compliant with, section 409A of the Code is not so exempt or compliant. If any amount or benefit under this Plan or any Award is subject to penalties under section 409A of the Code, the affected Participant (and not the Company) will be solely responsible for the payment of those penalties.

16.11 Tax Matters Generally

(1) Each Participant is responsible for completing and filing any tax returns that may be required under Canadian, United States or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in this Plan and the granting or payment or settlement of an Award.

(2) Each Participant is solely responsible for the payment of any Applicable Withholding Tax. The Company will have the right to deduct from any payment or other settlement to be made in connection with this Plan, or to require, before the issuance or delivery of Common Shares

(including Restricted Shares) or other property, payment by the Participant of any Applicable Withholding Taxes. The Company may also make alternative arrangements with any Participant as to the payment or funding of any such Applicable Withholding Taxes.

(3) The Company does not make any representation to Participants as to the tax consequences of any Award. The Company will not have any liability for any tax, interest or penalties that any Participant may incur as a result of the grant, vesting, exercise or settlement of any Award.

16.12 Severability

The invalidity or unenforceability of any provision of the Plan will not affect the validity or enforceability of any other provision and any invalid or unenforceable provision will be severed from this Plan.

16.13 Effective Date

This Plan was ratified by the shareholders of the Company on and is effective as of August ____, 2020.

Schedule A
DSU Agreement

To: Baylin Technologies Inc.

From: _____ [insert name of Eligible Director]

I elect to receive _____% of my annual compensation for _____ [insert calendar year] as a member of the Board in DSUs. Capitalized terms used but not otherwise defined in this agreement have the meaning set out in the Omnibus Equity Incentive Plan (the "**Plan**") of Baylin Technologies Inc.

I understand that this election and the issuance and settlement of the DSUs are governed by the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

Dated: _____, _____

Signature

Schedule B
Option Agreement

[insert name of Eligible Person] (the “**Participant**”)

1. Baylin Technologies Inc. (the “**Company**”) hereby grants to the Participant on _____, _____ (the “**Date of Grant**”) an Option [and tandem SAR] to purchase up to _____ Common Shares of the Company at an Option Exercise Price of \$ _____ per Common Share.

2. The Option is granted pursuant to the Omnibus Equity Incentive Plan (the “**Plan**”) of the Company and in consideration of services provided by the Participant to any Participating Company.

3. Capitalized terms used but not otherwise defined in this agreement have the meaning set out in the Plan.

4. Subject to earlier expiry in accordance with the Plan, the Option will cease to be exercisable and will expire on _____, _____ [insert expiry date - no longer than 7 years after the grant date]. The Option vests as follows: [insert vesting schedule].

5. The Company and the Participant understand and agree that the grant of the Option and the issuance of Common Shares on exercise of the Option are subject to the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

Dated _____, _____

BAYLIN TECHNOLOGIES INC.

By: _____

Name:

Title:

I agree to the terms and conditions of this agreement and confirm that I have not been induced to enter into this agreement or to acquire any Option by expectation of employment or continued employment with any Participating Company. I confirm that I have received and reviewed a copy of the Plan, including the early termination provisions Part 12 of the Plan.

Signature of Participant

Schedule B1

Notice of Exercise

To: Baylin Technologies Inc.

Attention: Corporate Secretary

I, _____ [insert name of Participant], hereby exercise the option to purchase up to _____ Common Shares of Baylin Technologies Inc. (the "**Company**") at an Option Exercise Price of \$ _____ per Common Share.

This Notice of Exercise is delivered in respect of the Option to purchase _____ Common Shares of the Company that was granted to me on _____ under the Company's Omnibus Equity Incentive Plan (the "**Plan**"). Capitalized terms used but not otherwise defined in this Notice of Exercise have the meaning set out in the Plan.

In connection with the exercise of my Option - circle 1, 2, 3, 4 or 5:

1. I enclose a certified cheque or bank draft payable to the Company in the amount of \$ _____ plus the amount of \$ _____, which reflects the amount the Company believes is necessary to remit as part of any Applicable Withholding Taxes, or I have arranged for other means of payment acceptable to the Company, and the combined amount will be payment in full for the Common Shares to be received on exercise of the Option.

2. **[I elect to exercise the tandem SAR relating to the Option to receive an amount in cash (net of any Applicable Withholding Taxes) equal to the product of (i) and (ii), where (i) is the excess of the Fair Market Value of a Common Share on the date of this Notice of Exercise over the Option Exercise Price of the Option and (ii) is the number of Common Shares underlying the Option.]**

3. Subject to the consent of the Company, I elect to receive Common Shares equal in value to the difference between the Fair Market Value of the Common Shares on the date of exercise and the Option Exercise Price in accordance with the following formula, less any Applicable Withholding Taxes:

$$X = \frac{Y(A - B)}{A}$$

where X = the number of Common Shares to be issued to the Participant

Y = the number of Common Shares underlying the surrendered Option

A = the Fair Market Value of the Common Shares (if greater than the Option Exercise Price)

B = the Option Exercise Price

4. I elect to receive cash equal to the difference between the Fair Market Value of the Common Shares on the date of exercise and the Option Exercise Price in accordance with the following formula, less any Applicable Withholding Taxes:

$$X = Y(A - B)$$

where X = the amount of the cash payment to be made to the Participant

Y = the number of Common Shares underlying the surrendered Option

A = the Fair Market Value of the Common Shares (if greater than the Option Exercise Price)

B = the Option Exercise Price

5. Subject to the consent of the Company, I elect to receive a combination of 3 and 4, namely _____ Common Shares and \$_____ in cash, less any Applicable Withholding Taxes.

Dated: _____, _____

Signature of Participant

Schedule C

PSU Agreement

[Insert name of Eligible Director] (the "**Participant**")

1. Baylin Technologies Inc. (the "**Company**") hereby grants to the Participant on _____, _____ (the "**Date of Grant**") _____ PSUs.

2. The PSUs are granted pursuant to the Omnibus Equity Incentive Plan (the "**Plan**") of the Company and in consideration of services provided by the Participant to any Participating Company.

3. Capitalized terms used but not otherwise defined in this agreement have the meaning set out in the Plan.

4. The PSUs will vest on the following dates (each, a "Vesting Date"):

as to _____ PSUs on [insert date]

as to _____ PSUs on [insert date]

as to _____ PSUs on [insert date]

5. The Performance Period for this award is _____ [Insert Date] to _____ [Insert Date].

6. Vesting of the PSUs will be subject to the attainment of the following Performance Vesting Conditions:

[insert applicable performance vesting conditions and proportion of PSUs that vest depending on the attainment certain performance criteria.]

7. The Company and the Participant understand and agree that the award and settlement of the PSUs are subject to the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

Dated _____, _____

BAYLIN TECHNOLOGIES INC.

By: _____

Name:

Title:

I agree to the terms and conditions of this agreement and confirm that I have not been induced to enter into this agreement or to acquire any PSU by expectation of employment or continued employment with any Participating Company. I confirm that I have received and reviewed a copy of the Plan, including the early termination provisions Part 12 of the Plan.

Signature of Participant

Schedule D

Restricted Share Agreement

[Insert name of Eligible Director] (the "**Participant**")

1. Baylin Technologies Inc. (the "**Company**") hereby grants to the Participant on _____, _____ (the "**Date of Grant**") _____ Restricted Shares.

2. The Restricted Shares are granted pursuant to the Omnibus Equity Incentive Plan (the "**Plan**") of the Company and in consideration of services provided by the Participant to any Participating Company.

3. Capitalized terms used but not otherwise defined in this agreement have the meaning set out in the Plan.

4. The Restricted Shares are subject to the following restrictions on transfer: [Note: insert restrictions]

5. The Company and the Participant understand and agree that the Restricted Shares are subject to the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

Dated _____, _____

BAYLIN TECHNOLOGIES INC.

By: _____

Name:

Title:

I agree to the terms and conditions of this agreement and confirm that I have not been induced to enter into this agreement or to acquire any Restricted Shares by expectation of employment or continued employment with any Participating Company. I confirm that I have received and reviewed a copy of the Plan, including the early termination provisions Part 12 of the Plan.

Signature of Participant

Schedule E
RSU Agreement

[Insert name of Eligible Director] (the "**Participant**")

1. Baylin Technologies Inc. (the "**Company**") hereby grants to the Participant on _____, _____ (the "**Date of Grant**") _____ RSUs.

2. The RSUs are granted pursuant to the Omnibus Equity Incentive Plan (the "**Plan**") of the Company and in consideration of services provided by the Participant to any Participating Company.

3. Capitalized terms used but not otherwise defined in this agreement have the meaning set out in the Plan.

4. The RSUs will vest on the following dates:

as to _____ RSUs on [insert date]

as to _____ RSUs on [insert date]

as to _____ RSUs on [insert date]

5. The Company and the Participant understand and agree that the award and settlement of the RSUs are subject to the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

Dated _____, _____

BAYLIN TECHNOLOGIES INC.

By: _____

Name:

Title:

I agree to the terms and conditions of this agreement and confirm that I have not been induced to enter into this agreement or to acquire any RSU by expectation of employment or continued employment with any Participating Company. I confirm that I have received and reviewed a copy of the Plan, including the early termination provisions Part 12 of the Plan.

Signature of Participant

