



DELPHX CAPITAL MARKETS INC.

NOTICE OF ANNUAL AND SPECIAL MEETING

TO BE HELD SEPTEMBER 26, 2018

AND

MANAGEMENT INFORMATION CIRCULAR

August 28, 2018

DELPHX CAPITAL MARKETS INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 26, 2018

NOTICE IS HEREBY GIVEN that the annual and special meeting (the “**Meeting**”) of the shareholders of DelphX Capital Markets Inc. (the “**Corporation**”) will be held at the offices of AUM Law Professional Corporation, 175 Bloor Street East, Suite 303, South Tower, Toronto, Ontario, M4W 3R8 on Wednesday, September 26th, 2018 at 11:00 a.m. (Toronto time) for the following purposes:

1. To receive the consolidated financial statements of the Corporation for the fiscal year ended January 31, 2018 together with the auditors’ report thereon.
2. To set the number of directors of the Corporation at six.
3. To elect directors of the Corporation.
4. To appoint Zeifmans LLP, Chartered Professional Accountants, as auditors of the Corporation and to authorize the directors of the Corporation to fix their remuneration.
5. To consider and, if thought fit, to pass an ordinary resolution, with or without amendment, to amend and restate the Stock Option Plan of the Corporation, as more particularly described in the accompanying Information Circular.
6. To consider and, if thought fit, to pass a special resolution, with or without amendment (the “**Continuance Resolution**”), approving the continuance of the Corporation out of British Columbia and into Ontario (the “**Continuance**”) under the *Business Corporations Act* (Ontario), as more particularly described in the accompanying Information Circular.
7. To transact such further and other business as may properly come before the Meeting or any adjournment thereof.

Copies of the Information Circular and form of proxy accompany this notice. The specific details of the matters proposed to be put before Shareholders at the Meeting are set forth in the Information Circular. Shareholders are directed to read the Information Circular carefully in evaluating the matters for consideration at the Meeting.

Only Shareholders of record as at August 27, 2018 are entitled to vote their shares at the Meeting, or at any adjournment thereof, either in person or by proxy.

Shareholders who are unable to attend the Meeting in person are requested to complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and in the Information Circular and return it in accordance with the instructions and timelines set forth in the Information Circular.

Pursuant to section 238 of the *Business Corporations Act* (British Columbia) (“**BCBCA**”), shareholders are entitled to exercise rights of dissent in respect of the proposed Continuance and require the Corporation to purchase all of their Shares in respect of which the notice of dissent was given. Holders of shares wishing to dissent with respect to the Continuance must send a written objection to the Corporation’s legal counsel, AUM Law Professional Corporation, 175 Bloor Street East, Suite 303, South Tower, Toronto, Ontario,

M4W 3R8, attention: David Coultice, prior to the time of the Meeting, such that the written objection is received no later than 11:00 am (Toronto time) on September 24, 2018 or by 11:00 am (Toronto time) on the day that is at least two days prior to the date on which any adjournment of the Meeting is held, in order to be effective. This right of dissent is described in more detail in the Information Circular and the text of sections 237 to 247 of the BCBCA is reproduced in Schedule “D” thereto.

Failure to strictly comply with the requirements set forth in sections 237 to 247 of the BCBCA in respect of the Continuance Resolution may result in the loss of any right of dissent. Persons who are beneficial owners of Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of such shares are entitled to dissent. Accordingly, a beneficial owner of shares desiring to exercise the right of dissent must make arrangements for the shares beneficially owned to be registered in their name prior to the time the notice of dissent to the Continuance Resolution as aforesaid is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of such shares to dissent on their behalf.

DATED this 28th day of August, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS OF
DELPHX CAPITAL MARKETS INC.**

“Larry E. Fondren”

Larry E. Fondren
President and Chief Executive Officer

DELPHX CAPITAL MARKETS INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of DelphX Capital Markets Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of the shareholders of the Corporation (the “**Shareholders**”) to be held at the offices of AUM Law Professional Corporation, 175 Bloor Street East, Suite 303, South Tower, Toronto, Ontario, M4W 3R8 on Wednesday, September 26, 2018 at 11:00 a.m. (Toronto time), and at all postponements or adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. All dollar amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated.

THE CORPORATION

DelphX Capital Markets Inc. was incorporated under the laws of the province of British Columbia on October 21, 2016. The head and registered office of the Corporation is currently located at Suite 2040-885, West Georgia Street, Vancouver, British Columbia, V6C 3E8, but will be relocated to 137 Glasgow St., Unit 445, Kitchener, Ontario, N2G 4X8.

The Corporation is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and the common shares of the Corporation (the “**Shares**”) are listed for trading on the TSX Venture Exchange (the “**Exchange**”), under the trading symbol “DELX”.

PROXY SOLICITATION AND VOTING

Solicitation of Proxies

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder’s behalf in accordance with the instructions given by the Shareholder in the proxy. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, electronically or by telephone by the directors, officers, employees or consultants of the Corporation.

Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of Shares pursuant to the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The Corporation will bear the total cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of this Information Circular. The information contained herein is given as at August 28, 2018, except where otherwise noted.

Appointment of Proxyholders and Revocation of Proxies

The persons named in the enclosed form of proxy are officers of the Corporation. **A Shareholder who wishes to appoint some other person (who need not be a Shareholder), to represent him or her at the Meeting may do so by crossing out the persons named in the proxy and inserting such person’s name in the blank space provided in the form of proxy or by completing another proper form of proxy.** Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder’s Shares are to be voted. The nominee should bring personal identification with them to the Meeting.

To be valid, the proxy must be dated and executed by the Shareholder or his or her attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy) or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators, trustees, etc., should so indicate and provide satisfactory evidence of such authority.

The proxy must then be delivered to the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**"), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775, and outside North America to (416) 263-9524, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

If the Meeting is adjourned, proxies must be deposited at least 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used or be deposited with the Chair prior to the commencement of the Meeting or any reconvened meeting.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A Shareholder who has given a proxy may revoke the proxy: (a) by personally attending at the Meeting and voting their Shares; (b) by completing and signing a proxy bearing a later date and depositing it with the registrar and transfer agent noted above; (c) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof; or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof; or (d) in any other manner permitted by law. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

Voting of Proxies

Voting at the Meeting will be by a show of hands, each registered Shareholder and each proxyholder (representing a registered or unregistered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Shares by completing the blanks on the proxy. All Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Shares represented by the proxy will be voted in accordance with such specification.

The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments to or variations of matters identified in the form of proxy and Notice of Meeting and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matter or business. At the time of the printing of this Information Circular, the directors of the Corporation knew of no such amendments, variations or other matters.

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

INFORMATION FOR BENEFICIAL SHAREHOLDERS

Information in this section is very important to holders of Shares, as most Shares are registered in the name of CDS & Co. (“CDS”) (as nominee of The Canadian Depository for Securities Limited, which acts as a depository for many Canadian brokerage firms). Shares registered in the name of CDS can only be voted at the Meeting upon the instructions of the beneficial holder (the “**Beneficial Holder**”) of those Shares. Therefore, Beneficial Holders should ensure that instructions in respect of the voting of their Shares are communicated to the appropriate party.

In Canada brokers and other intermediaries are required to seek voting instructions from Beneficial Holders in advance of shareholders’ meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order to ensure that their Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Holder by its broker is identical to that provided to registered shareholders, but its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Holder. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions, Canada (“**Broadridge**”). Broadridge normally prepares a “Voting Instruction Form” based on the Corporation’s form of proxy which it then distributes to Beneficial Holders. **The Voting Instruction Form must be returned to Broadridge by the Beneficial Holder in order for the Beneficial Holder’s voting instructions to be acted upon.** Broadridge will tabulate all instructions received by it and provide appropriate instructions in respect of the voting of the Shares. **A Beneficial Holder who receives a Voting Instruction Form cannot use that form to vote Shares directly at the Meeting. The Voting Instruction Form must be returned to Broadridge well in advance of the Meeting to have the Shares voted at the Meeting.**

Beneficial Holders who wish to attend the Meeting and vote their Shares in person, or appoint someone to do so on their behalf, must do so as proxyholder for the registered holder, as their Shares are registered in the name of CDS. Beneficial Holders who wish to attend the Meeting and vote their Shares as proxyholder for the registered holder, or appoint someone on their behalf, should enter their own name, or the name of the person they wish to attend and vote for them, in the blank space on the Voting Instruction Form or form of proxy provided to them. Once completed, the Voting Instruction Form or form of proxy should be signed and dated, then returned as directed by the instructions provided well in advance of the Meeting. At the Meeting, you should speak to a representative of Computershare, the registrar and transfer agent for the Shares, so that you may be registered to vote at the Meeting.

HOW TO VOTE YOUR SHARES

Your vote is important. Please read the information below so that your Shares are properly voted.

You are a non-registered Shareholder if an intermediary such as a securities dealer, broker, bank, trust company or other nominee holds your Shares for you, or for someone else on your behalf, registered in the name of CDS. In accordance with applicable securities laws, the Corporation distributes copies of its Meeting materials to non-registered Shareholders directly or to intermediaries for onward distribution to non-registered Shareholders. As a non-registered Shareholder, you will most likely receive a Voting Instruction Form from Broadridge on behalf of an intermediary. It is also possible, however that, in some

cases you may receive a form of proxy directly from the securities dealer, broker, bank, trust company or other nominee holding your Shares.

If you have received a Voting Instruction Form from Broadridge, please complete and submit your vote by phone, internet or mail in accordance with the instructions provided to you on the form prior to the deadline specified by Broadridge.

Voting in Person

If you have received a Voting Instruction Form and wish to attend the Meeting in person or have someone else (who need not be a Shareholder) attend on your behalf, you must complete, sign and return the Voting Instruction Form in accordance with the instructions on the form in that regard. Unless prohibited by law, the person you designate to attend the Meeting will have full authority to present matters to the Meeting and vote all matters presented at the Meeting, even if those matters are not set out in the Voting Instruction Form or this Information Circular. You, or such other designated person if applicable, may then vote your Shares in person at the Meeting.

If you have received a form of proxy instead of a Voting Instruction Form and wish to attend the Meeting in person or have someone else attend on your behalf, you must insert your name, or the name of the person you wish to attend on your behalf, in the blank space provided on the form of proxy. You must make sure that your completed and signed proxy form is received by Computershare by the established proxy cut-off date before the time set for the Meeting, or any adjournment or postponement thereof if applicable. You, or such other designated person if applicable, may then vote your Shares in person at the Meeting.

When you or your designated person arrives at the Meeting, a Computershare representative will register such attendance before you or your designated person enters the Meeting.

Revoking a Voting Instruction Form or Proxy

If you wish to revoke a Voting Instruction Form or a form of proxy as to any matter on which a vote has not already been cast pursuant to its authority and you received your Voting Instruction Form from Broadridge, and voted by phone or internet, you may vote again by phone or internet prior to the deadline specified by Broadridge. If you received your Voting Instruction Form from Broadridge and voted by mail, please contact your account service provider at your intermediary for instructions should you wish to revoke your Voting Instruction Form.

QUORUM

The quorum for the transaction of business at a meeting of shareholders is two shareholders entitled to vote at the meeting whether in person or by proxy who hold, in the aggregate, at least 5% of the issued Shares entitled to be voted at the meeting. If there is only one shareholder entitled to vote at a meeting of the shareholders: (1) the quorum is one person who is, or who represents by proxy, that shareholder; and (2) that shareholder, present in person or by proxy, may constitute the meeting.

SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of common shares, without nominal or par value. As of the date of this Information Circular, 78,301,123 Shares are issued and outstanding.

All Shares are of the same class with equal rights and privileges. The Shares are not subject to future calls or assessments and entitle a holder to one vote for each Share held at all meetings of Shareholders.

The record date for the purposes of determining Shareholders entitled to receive notice of the Meeting is August 27, 2018 (“**Record Date**”). The Corporation will prepare a list of the Shareholders at the close of business on the Record Date. Each holder of shares on the list will be entitled to vote at the Meeting the Shares shown opposite his name on the list. Any Shareholder who was a Shareholder on the Record Date shall be entitled to vote at the Meeting or any adjournment thereof even though the Shareholder since that time disposed of his or her Shares, and no Shareholder becoming such after the record date shall be so entitled to vote at the meeting or at any adjournment thereof.

To the knowledge of the directors of the Corporation, as of August 28, 2018, the following persons beneficially own, directly or indirectly, or control or direct, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation: (i) Entre Global Services Inc., a corporation controlled by Larry Fondren, President and Chief Executive Officer and a Director of the Corporation, which owns, of record and beneficially, 26,039,615 Shares, which represents 33.3% of the issued and outstanding Shares; and, (ii) Keith Ainsworth, a Director of the Corporation, who owns, of record and beneficially, directly and indirectly (through 165174 Canada Inc. as to 14,777,392 Shares) 15,385,749 Shares, which represents 19.6% of the issued and outstanding Shares.

In addition, as of the same date, approximately 61.7% of the Shares are held by insiders of Corporation. This information, not being within the knowledge of the Corporation, is based on information provided to the Corporation and on public filings.

MATTERS TO BE CONSIDERED AT THE MEETING

Financial Statements

The audited financial statements of Seaside Exploration Partners Corp., the predecessor reporting issuer of the Corporation, for the financial year ended January 31, 2018 (“**Financial Statements**”) together with the Auditors Report thereon will be placed before the Shareholders at the Meeting. No formal action will be taken at the Meeting to approve the financial statements. Shareholders may contact the Chief Financial Officer of the Corporation, 137 Glasgow Street, Unit 445, Kitchener, Ontario N2G 4X8, or steve.gledhill@delphx.com, to request copies of the financial statements and management’s discussion and analysis, the financial statements of DelphX Corporation, the Corporation’s operating subsidiary, for the financial year ended December 31, 2017, and the interim financial statements of DelphX Corporation for the three months ended March 31, 2018. These documents and additional information concerning the Corporation are available on SEDAR at www.sedar.com.

Election of Directors

The board of directors of the Corporation (the “**Board**” or the “**Board of Directors**”) currently consists of six (6) directors, all of whom are elected annually. The term of office for each of the present directors of the Corporation expires at the Meeting. At the Meeting, Shareholders will be asked to set the number of directors of the Corporation at six (6) and elect directors.

It is proposed that the individuals noted below be nominated for election as directors by the Shareholders at the Meeting. Each director elected will hold office until the next annual meeting of Shareholders of the Corporation or until his successor is duly elected or appointed pursuant to the Articles of the Corporation

unless his office is earlier vacated in accordance with the provisions of the applicable provincial *Business Corporations Act* or the Corporation's Articles.

The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, intend to vote for the election, as directors, of such persons. It is not contemplated that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

The following table sets forth the names of, and certain information for, the persons proposed to be nominated for election as directors:

Name, Municipality of Residence	Principal Occupation During Last Five Years	Date Appointed as Director	Number of Shares held
Larry Fondren Malvern, Pennsylvania	President and Chief Executive Officer of DelphX Corporation, February 2016 to present, President and Chief Executive Officer of DelphX Services Corporation, from January 2007 to present	April 25, 2018	26,039,615 ⁽¹⁾
Stephen R. Bacso Kitchener, Ontario	Chief Technology Officer of the Corporation, President of Waterloo Analytics from May 1992	April 25, 2018	728,818
Alexander Jardin Burlington, Ontario	Chief Actuary and Risk Officer of the Corporation	April 25, 2018	4,872,667
Toby Pierce ⁽²⁾ Vancouver, B.C.	Chief Executive Officer and a director of TAG Oil Ltd. from June 2015 to present; CEO of Crest Petroleum Corp. from January 2012 to July 2015 and Director of Crest Petroleum Corp. from January 2012 to October 2016; Partner and Lead Oil and Gas Analyst of GMP Europe Securities LLP from January 2010 to February 2012	October, 2016	-
Keith Ainsworth ⁽²⁾ Cambridge, Ontario	Corporate director	April 25, 2018	15,385,749 ⁽³⁾

Name, Municipality of Residence	Principal Occupation During Last Five Years	Date Appointed as Director	Number of Shares held
Steven J. Mannik ⁽²⁾ Bonita Springs, Florida	Corporate director. President and Chief Executive Officer of General Re Life Corporation from 2007 to 2016; Executive Vice President and General Manager, Manulife Reinsurance from 2001 to 2007	August 27, 2018	-

Notes

- (1) Held by Entre Global Services Inc., private Delaware company controlled by Larry Fondren
- (2) Member of the audit committee.
- (3) Held as to 14,777,392 shares by 165174 Canada Inc., private company controlled by Keith Ainsworth.

Larry E. Fondren

Mr. Fondren has designed and implemented a variety of facilities that provide transparency, liquidity and lower costs to financial markets. In the 1990s, he developed and operated the first regulated market for electronic trading of corporate bonds and asset-backed securities, and the first Internet-based auction facility for sales of new debt instruments.

Mr. Fondren has also testified before the U.S. Congress regarding the need for greater efficiency and transparency in the credit markets and the adverse impact of inefficiencies upon investors.

Stephen Bacso

Mr. Bacso is a serial technology entrepreneur whose first start-up, PixStream, developed a video networking platform for telecommunication and cable television companies that was acquired by Cisco Systems, Inc.

More recently, he has founded start-ups based in Waterloo, Ontario and focused on healthcare analytics, computer-aided patient diagnostics, Blockchain technology, financial asset trading, and document analytics.

Mr. Bacso has also developed controls and graphics/video display suite applications for the U.S. Air Force’s Advanced Tactical Fighter and U.S. Army’s Apache and Light Helicopter Experimental program helicopters with Litton Systems, McDonnell Douglas and Bell Labs.

Alexander Gordon Jardin

Mr. Jardin is a Fellow and past Board Member of the Society of Actuaries, a Fellow of the Canadian Institute of Actuaries and a Member of the American Academy of Actuaries. He has been Chief Executive Officer and Chief Operating Officer of reinsurance companies - Generali USA and Partner Re Life/Winterthur Life Re, and Vice President and General Manager, Reinsurance for Sun Life of Canada.

More recently, Mr. Jardin was the Chief Executive Officer of residential mortgage acquisition and servicing company, Franklin Credit Management Corporation.

Toby Pierce

Mr. Pierce is Chief Executive Officer and a director of Vancouver based TAG Oil Ltd. and has served in this role since June 2015. Mr. Pierce is a natural-resource executive with many years of extensive transactional and valuation experience. As Director of Oil and Gas Institutional Research at Tristone Capital from 2006 to 2010 Mr. Pierce worked in both the Calgary and London offices. Remaining in London, Mr. Pierce became Partner and Lead Oil and Gas Analyst for GMP Securities Europe LLC from 2010 to 2012, where he covered a variety of oil and gas companies and provided strategic advice and valuation expertise both internally to the investment banking and sales partners, and externally to energy company management on asset acquisitions, financings, and capital markets.

From 2012 to 2015, Mr. Pierce was the CEO and co-founder of Crest Petroleum Corp., an Exchange listed oil and gas company. Mr. Pierce is currently a director and CEO of TAG Oil Ltd., a Toronto Stock Exchange listed company, a director of Chelsea Oil and Gas Ltd., a company traded on the Over the Counter Bulletin Board, and a director of Crystal Exploration Inc., an Exchange listed company, and was formerly a director of Redtail Metals Corp. and North Country Gold Corp., both listed on the Exchange.

Mr. Pierce is a graduate of the Rotman School of Management at the University of Toronto where he earned an M.B.A. degree in Finance, and also holds a B.Sc. degree in Earth Sciences from the University of Victoria.

Keith Ainsworth

Mr. Ainsworth is an electrical engineer who retired from the role of President and Chief Executive Officer of COM DEV International Ltd. in 2002, after being with the company for 27 years. He continued as Chairman of the Board of Directors of the company until 2009.

He is currently the President of Technology Horizons Ltd., a privately held company that invested at an early stage in many successful companies, including Research in Motion, Radarsat International and Orion Network Systems.

He is also Chair of the Board for the rare Charitable Research Reserve and is a member of The Board of Governors for Junior Achievement of Waterloo Region.

Steven J. Mannik

Mr. Mannik served as the President and Chief Executive Officer at General Re Life Corporation from 2007 to 2016. General Re Life Corporation is the North American life and health arm of General Re Corporation, a subsidiary of Berkshire Hathaway, and one of the leading reinsurers in the world.

While at General Re Life Corporation, Mr. Mannik also had key leadership roles for two group-wide initiatives – Decision Analytics (Big Data / Predictive Modelling) and a Legacy Enterprise Systems conversion to SAP.

Prior to General Re Life Corporation, he was the Executive Vice President and General Manager, Manulife Reinsurance from 2001 to 2007, with responsibility for all aspects of Manulife's reinsurance lines of business worldwide, with offices in Toronto, Boston, Germany and Barbados. Immediately prior to that he

was Vice President of Business Development at Manulife from 1999 to 2001. In 2001, he was a key member of the team that negotiated the acquisition of 1.5 million in-force policies from Daihyaku Mutual of Japan, adding significant size and scope to Manulife's Japanese operations.

From 1988 to 1999, Mr. Mannik was a Principal in the Toronto office of Towers Perrin, serving as the client relationship manager and senior pension consultant for a number of the office's largest clients. In 1997 he led the Towers Perrin team that advised Eaton's on its landmark \$450 million pension plan surplus sharing case.

Appointment of Auditors

It is proposed that the firm of Zeifmans LLP, Chartered Professional Accountants, be appointed as auditors of the Corporation, to hold office until the next annual meeting of the Shareholders or until their successor is appointed, and that the directors be authorized to fix the remuneration of the auditors. Zeifmans LLP have been the auditors of the Corporation since May 2, 2018 and are independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxies in favour of a resolution to appoint Zeifmans LLP as auditors of the Corporation and authorize the directors to fix their remuneration.

On May 2, 2018, the Corporation's former auditor, De Visser Gray LLP, Chartered Professional Accountants, resigned as auditors of the Corporation at the request of the Corporation. On May 2, 2018, a Notice of Change of Auditor was distributed stating that the Corporation appointed Zeifmans LLP, Chartered Professional Accountants, as auditors of the Corporation and confirming that there were no modified opinions expressed in the former auditor's reports on any of the financial statements of the Corporation and there were no reportable events (as defined in section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*). On May 7, 2018, Zeifmans LLP delivered a letter to the Corporation indicating that it had reviewed the Notice of Change of Auditor and was in agreement with the statements contained in such notice.

Attached as Schedule "A" to this Information Circular is a copy of the Reporting Package for Change of Auditor pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*.

Amendment of Stock Option Plan

At the Meeting, an amended and restated stock option plan (the "**2018 Stock Option Plan**") will be presented to Shareholders. The 2018 Stock Option Plan is to replace the current stock option plan, adopted prior to the reverse take-over business combination completed on April 25, 2018, when the Corporation was a capital pool company.

The purpose of the 2018 Stock Option Plan is to attract and retain employees, consultants, officers and directors to the Corporation and to motivate them to advance the interests of the Corporation by affording them with the opportunity to acquire an equity interest in the Corporation through options to purchase Shares. The Board may, in accordance with the 2018 Stock Option Plan, from time to time, in its discretion, and in accordance with the rules and regulations of the Exchange, grant to directors, officers, employees or consultants ("**Optionee**") of the Corporation non-transferable options to purchase Shares for a period of up to five (5) years from the date of the grant. Each Option granted under the 2018 Stock Option Plan is non-assignable and non-transferable.

The aggregate number of Shares which may be subject to issuance pursuant to options granted under the 2018 Stock Option Plan, inclusive of all other stock options outstanding shall be not greater than 10% of the shares issued and outstanding on the date of the grant of such options. Unless authorized by shareholders of the Corporation, the 2018 Stock Option Plan, together with all of the Corporation's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in: (a) the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the issued and outstanding Shares; (b) the issuance to insiders, as interpreted in accordance with Canadian securities laws ("**Insider**"), within a one-year period, of a number of Shares exceeding 10% of the issued and outstanding Shares; (c) the issuance to any one Insider, and such Insider's associates, within a one-year period, of a number of Shares exceeding 5% of the issued and outstanding Shares; (d) the issuance to any one Consultant, within a one-year period, of a number of Shares exceeding 2% of the issued and outstanding Shares; or (e) the issuance to all persons retained to provide investor relations activities of a number of Shares exceeding 2% of the issued and outstanding Shares in any one-year period.

If any Option granted under the 2018 Stock Option Plan expires or terminates for any reason without having been exercised in full, the unpurchased shares subject thereto will again be available for the purpose of the 2018 Stock Option Plan. If an Optionee ceases to be engaged as a director, officer, consultant or employee by the Corporation for any reason other than death, such director, officer, consultant or employee shall have such rights to exercise any option not exercised prior to such termination up to 90 days after the date of termination. In the case of an Optionee's death, the Optionee's legal representatives may, within the lesser of one year from the date of the Optionee's death or the expiry date of the option, exercise that portion of an option granted to the Optionee under the 2018 Stock Option Plan, which remains outstanding.

The exercise price of the Shares covered by each Option will be determined by the Board or a committee authorized and directed thereby. The exercise price will not be less than the last closing price of the Shares on the Exchange before the date of the Board's approval of the grant of the options.

Shareholders are referred to the full text of the 2018 Stock Option Plan, a copy of which is attached to this Information Circular as Schedule "B".

The 2018 Stock Option Plan must be approved by a majority of the shareholders entitled to vote and present in person or by proxy at the Meeting and be accepted for filing by the Exchange.

Shareholders will be asked at the Meeting to approve with or without variation the following resolution:

"BE IT RESOLVED, as an ordinary resolution, that:

1. The Corporation's 2018 Stock Option Plan, as described in the Corporation's Information Circular dated August 28, 2018 and the grant of options thereunder in accordance therewith, be and is hereby approved;
2. The number of Shares reserved for issuance under the 2018 Stock Option Plan, together with any other share compensation arrangements of the Corporation, shall be no more than 10% of the Corporation's issued and outstanding Shares at the time of any stock option grant;
3. The Board of the Corporation be authorized to make any changes to the 2018 Stock Option Plan, as may be required or permitted by the TSX Venture Exchange; and

4. Any director or officer of the Corporation is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing.”

The Board has concluded that the 2018 Stock Option Plan is in the best interests of the Corporation and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve the 2018 Stock Option Plan, by voting in favour this resolution at the Meeting.

Continuance Resolution

The Shareholders will be asked to consider and, if deemed advisable, approve a special resolution (“**Continuance Resolution**”) authorizing the Board, in its sole discretion, to apply for continuance (the “**Continuance**”) out of the Province of British Columbia under the provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) into the Province of Ontario under the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), as set out further below.

Introduction

The Corporation is currently incorporated under the BCBCA. The Corporation’s board of directors proposes to continue the Corporation out of British Columbia and into Ontario under the OBCA. The Board is of the view that it would be appropriate to continue the Corporation as an Ontario company for corporate and administrative reasons. The Continuance, if approved, will effect a change in the legal domicile of the Corporation as of the effective date and time thereof and will affect certain of the rights of Shareholders as they currently exist under the BCBCA. Management of the Corporation is of the view that the OBCA will provide to shareholders substantively the same rights as are available to shareholders under the BCBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions and that Shareholders will not be adversely affected by the Continuance.

Upon the Continuance becoming effective, Shareholders will continue to hold one common share of the Corporation for each Share currently held. The principal attributes of the Shares after Continuance will be identical to the corresponding shares of the Corporation prior to the Continuance other than differences in shareholders’ rights under the OBCA and the BCBCA, a summary of which is provided below. The directors and officers of the Corporation immediately following the Continuance will be identical to the directors and officers of the Corporation immediately prior to the Continuance. As of the effective date of the Continuance, the election, duties, resignations and removal of the Corporation’s directors and officers shall be governed by the OBCA, the proposed Articles of Continuance under the OBCA, and the By-laws to be adopted by the directors following the continuance. The new by-laws will replace the current articles of the Corporation.

Procedure

Under the BCBCA, in order to affect the Continuance of the Corporation from British Columbia into Ontario, the Corporation must obtain the approval of its shareholders by way of special resolution under the BCBCA, being a resolution passed by not less than 66 2/3% of the votes cast in person or by proxy at the Meeting.

The Corporation must also make a written application to the Registrar of Companies appointed under the BCBCA (the “**Registrar of Companies**”) for consent to continue. If the Continuance Resolution is approved at the Meeting, it is proposed the Corporation shall apply to and file all necessary documentation with the Registrar of Companies for authorization to continue into Ontario. Immediately following receipt of the authorization of the Registrar of Companies, it is proposed that the Corporation shall apply for a Certificate of Continuance and file Articles of Continuance under the OBCA to continue the Corporation into Ontario. Upon the issuance of a Certificate of Continuance by the Director appointed under the OBCA (the “**Director**”), the Continuance will become effective, whereupon the Corporation will become subject to the OBCA, as if it had been incorporated under the OBCA, and the Articles of Continuance will be deemed to be the articles of incorporation of the Corporation.

The Articles of Continuance will constitute the governing instrument of the continued Corporation under the OBCA and the Certificate of Continuance issued by the Director will be deemed to be the certificate of incorporation of the continued Corporation. Upon the Articles of Continuance becoming effective, the Corporation becomes a corporation to which the OBCA applies as if it had been incorporated under the OBCA. Notwithstanding the Continuance of the Corporation from British Columbia into Ontario, the BCBCA and the OBCA provide that all the rights of creditors of the Corporation against the Corporation’s property, rights and assets and all liens on the Corporation’s property, rights and assets are unimpaired by the Continuance. All debts, contracts, liabilities and duties of the Corporation continue to attach to the Corporation upon being continued under the OBCA and continue to be enforceable against it as if the Corporation had remained incorporated under the BCBCA as well as any existing cause of action, claim or legal proceeding against the Corporation. Notwithstanding the approval of the Continuance by special resolution of the Shareholders of the Corporation, the Board may, without further approval by the Corporation’s Shareholders, abandon the application for the Continuance of the Corporation under the OBCA at any time prior to the issue of a certificate of continuance.

Continuance – Corporate Governance Differences

In general terms, the OBCA provides to shareholders substantively the same rights as are available to shareholders under the BCBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions. There are, however, important differences concerning the qualifications of directors, location of shareholder meetings and certain shareholder remedies. The following is a summary comparison of certain provisions and the highlights of the BCBCA and the OBCA which pertain to rights of Shareholders. This summary is not intended to be exhaustive and Shareholders should consult their legal advisers regarding all of the implications of the Continuance.

Charter Documents

Under the OBCA, the charter documents will consist of Articles of Continuance, which set forth, among other things, the name of the corporation and the amount and type of authorized capital, and By-laws, which govern the management of the Corporation following the Continuance. The Articles and the By-laws are kept at the Corporation’s registered office, or such other place in Ontario designated by the directors. Under the BCBCA, the charter documents consist of a Notice of Articles, which sets forth the name of the corporation and the amount and authorized share structure, and Articles, which govern the management of the Corporation. The Notice of Articles is filed with the Registrar of Companies while the Articles are kept at the Corporation’s records office. The Continuance to Ontario and the adoption of the Articles of Continuance and By-laws will not result in any substantive changes to the constitution, powers or management of the Corporation, except as otherwise described herein.

Amendments to Charter Documents

Under the OBCA, certain fundamental changes require a special resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration at a special meeting of shareholders, and, in certain instances, where the rights of the holders of a class or series of shares are affected differently by the alteration than those of the holders of other classes or series of shares, a special resolution passed by not less than two-thirds of the votes cast by the holders of shares of each class or series so affected, whether or not they are otherwise entitled to vote. Authorization to amalgamate an OBCA corporation requires that a special resolution in respect of the amalgamation be passed by the holders of each class or series of shares entitled to vote thereon. The holders of a class or series of shares of an amalgamating corporation, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the Articles, would entitle such holders to vote separately as a class or series under Section 170 of the OBCA.

Any substantive change to the charter documents of a corporation under the BCBCA, such as an alteration of the restrictions, if any, on the business carried on by a corporation, a change in the name of a corporation, an increase, reduction or elimination of the maximum number of shares that the corporation is authorized to issue out of any class or series of shares, an alteration of the special rights and restrictions attached to issued shares or continuance of a corporation out of the jurisdiction requires a resolution of the type specified in its Articles. If the Articles do not specify the type of resolution, a special resolution passed by the majority of votes that the Articles of the corporation specify is required, if that specified majority is at least two thirds and not more than three quarters of the votes cast on the resolution or, if the Articles do not contain such a provision, a special resolution passed by at least two thirds of the votes cast on the resolution. Other fundamental changes such as a proposed amalgamation or arrangement require a similar special resolution passed by holders of shares of each class entitled to vote at a general meeting of the corporation and the holders of all classes of shares adversely affected by such changes.

Sale of Undertaking

The OBCA requires approval by not less than two-thirds of the votes cast upon a special resolution at a duly called special meeting for a sale, lease or exchange of all or substantially all of the property of the corporation (other than in the ordinary course of business of the corporation). Holders of a class or series of shares, otherwise not entitled to vote, may vote separately only if the sale, lease or exchange would affect a particular class or series in a manner different from the shares of another class or series entitled to vote.

Under the BCBCA, a corporation may sell, lease or otherwise dispose of all or substantially all of the undertaking (as opposed to ‘property’ under the OBCA) of the corporation if it does so in the ordinary course of its business or if it has been authorized to do so by a special resolution passed by the majority of votes that the Articles of the corporation specify is required, if that specified majority is at least two-thirds and not more than three-quarters of the votes cast on the resolution or, if the Articles do not contain such a provision, a special resolution passed by at least two-thirds of the votes cast on the resolution.

Rights of Dissent and Appraisal

The OBCA provides that shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable in respect of:

- (a) a resolution to amend its Articles to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) a resolution to amend its Articles to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) a resolution to amalgamate with another corporation;
- (d) a resolution to be continued under the laws of another jurisdiction; or
- (e) a resolution to sell, lease or exchange all or substantially all the corporation's property.

Although the procedure under BCBCA for exercising rights of dissent differs from the procedure under the OBCA, the BCBCA still provides that shareholders who dissent to certain actions being taken by the Corporation may exercise a right of dissent and require the Corporation to purchase the shares held by such shareholder at the fair value of such shares. A shareholder is entitled to dissent in respect of:

- (a) a resolution to alter the Corporation's Articles to alter restrictions on the powers of the Corporation or on the business that the Corporation is permitted to carry on;
- (b) a resolution to adopt an amalgamation agreement;
- (c) a resolution to adopt a resolution to approve an amalgamation into a foreign jurisdiction;
- (d) a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the Corporation's undertaking;
- (f) a resolution to continue into a jurisdiction other than British Columbia;
- (g) any other resolution, if dissent is authorized by the resolution; or
- (h) any court order that permits dissent.

Oppression Remedies

Under the OBCA, a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer, former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy may apply to a court for an order to rectify the matters complained of where, in respect of a corporation or any of its affiliates:

- (a) any act or omission of the corporation or its affiliates effects, or threatens to effect, a result;
- (b) the business or affairs of the corporation or its affiliates are, or have been or are threatened to be carried on or conducted in a manner; or
- (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of, any security holder, creditor, director or officer.

The OBCA contains rights that are substantially broader in that they are available to a larger class of complainants than the BCBCA. Under the BCBCA, a shareholder of a corporation has the right to apply to court on the ground that:

- (a) the affairs of the corporation are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant, or
- (b) some act of the corporation has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

On such an application, the court may make such order as it, sees fit including an order to prohibit any act proposed by the corporation.

Shareholder Derivative Actions

Under the BCBCA, a shareholder or director of a corporation may, with leave of the court, bring an action in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation. A broader right to bring a derivative action is contained in the OBCA, and this right extends also to registered shareholders, former registered shareholders, beneficial owners of shares, former beneficial owners of shares, directors, former directors, officers and former officers of a corporation or any of its affiliates, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the OBCA permits derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries.

Requisition of Meetings

Both the BCBCA and the OBCA provide that shareholders of a corporation holding not less than 5% of the issued voting shares of a corporation may give notice to the directors requiring them to call and hold a meeting.

Place of Meetings

Subject to the Articles or any unanimous shareholder agreement, the OBCA permits meetings of shareholders to be held inside or outside Ontario as the directors determine, or in the absence of such a determination, at the place where the registered office of the corporation is located. Under the BCBCA, meetings of shareholders are required to be held in British Columbia unless:

- (a) a location outside of British Columbia is provided for in the Articles;
- (b) the Articles do not restrict the corporation from approving a location outside of British Columbia, the location is approved by the resolution required by the Articles for that purpose (in the case of the Corporation, the location may be approved by directors' resolution), or if no resolution is specified then approved by ordinary resolution before the meeting is held; or
- (c) the location for the meeting is approved in writing by the Registrar of Companies before the meeting is held.

Directors

The OBCA and BCBCA both provide that a public corporation must have a minimum of three directors. The OBCA does not have a provincial residency requirement for directors (although at least 25% must be resident Canadians) and the BCBCA has neither Canadian nor provincial residency requirements for directors.

Shareholders' Rights of Dissent in Respect of the Continuance

The following is a summary of the operation of the provisions of the BCBCA relating to a registered Shareholder's dissent and appraisal rights in respect of the Continuance. Such summary is not a comprehensive statement of the procedures to be followed by a Shareholder who seeks such dissent and appraisal rights and is qualified in its entirety by reference to the full text of Part 8, Division 2 of the BCBCA which is attached to this Information Circular as Schedule "D". Any registered Shareholder considering the exercise of the right of dissent should seek legal advice, since failure to comply strictly with the provisions of the BCBCA may prejudice the registered Shareholder's right of dissent. Persons who are beneficial owners of Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of such shares are entitled to dissent. Accordingly, a beneficial owner of Shares desiring to exercise the right of dissent must make arrangements for the Shares beneficially owned to be registered in their name prior to the time the written objection to the Continuance Resolution is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of such shares to dissent on their behalf.

Pursuant to Section 238 of the BCBCA, any shareholder who dissents from the Continuance Resolution (a "**Continuance Dissenting Shareholder**") in compliance with Sections 237 to 247 of the BCBCA will be entitled to be paid by the Corporation the fair value of the Shares held by such Continuance Dissenting Shareholder determined as at the point in time immediately before the passing of the Continuance Resolution. A Continuance Dissenting Shareholder must dissent with respect to all Shares in which the holder owns a beneficial interest.

The filing of a notice of dissent deprives a Continuance Dissenting Shareholder of the right to vote at the Meeting, except if such Continuance Dissenting Shareholder ceases to be a Continuance Dissenting Shareholder in accordance with the Continuance Dissent Rights. For greater certainty, a shareholder who wishes to exercise the Continuance Dissent Rights may not vote in favour of the Continuance. A shareholder who wishes to dissent must deliver written notice of dissent to the Corporation at its registered office, which is Suite 2040-885, West Georgia Street, Vancouver, British Columbia, V6C 3E8 at least two days before the date on which the Continuance Resolution is to be voted upon and such notice of dissent must strictly comply with the requirements of Section 242 of the BCBCA.

In particular, the written notice of dissent must set out the number of Shares in respect of which the notice of dissent is to be sent and:

- (a) if such Shares constitute all of the Shares of which the shareholder is the registered and beneficial owner, a statement to that effect;
- (b) if such Shares constitute all of the Shares of which the shareholder is both the registered and beneficial owner but if the shareholder owns additional Shares beneficially, a statement to that effect and the names of the registered shareholders, the number of Shares held by

such registered owners and a statement that written notices of dissent have or will be sent with respect to such shares; or

- (c) if the dissent rights are being exercised by a registered owner who is not the beneficial owner of such Shares, a statement to that effect and the name of the beneficial owner and a statement that the registered owner is dissenting with respect to all Shares of the beneficial owner registered in such registered owner's name.

The Corporation is required promptly after the later of (i) the date on which the Corporation forms the intention to proceed with the Continuance; and (ii) the date on which the written notice of dissent was received, to notify each Continuance Dissenting Shareholder of its intention to act on the Continuance. Upon receipt of such notification, each Continuance Dissenting Shareholder is then required, if the Continuance Dissenting Shareholder wishes to proceed with the dissent, within one month after the date of such notice to send to the Corporation (a) a written statement that the Continuance Dissenting Shareholder requires the Corporation to purchase all of its Shares; (b) the certificates representing such Shares; and (c) if the dissent right is being exercised by the Continuance Dissenting Shareholder on behalf of a beneficial owner who is not the Continuance Dissenting Shareholder, a statement signed by the beneficial owner which sets out whether the beneficial owner is the beneficial owner of other Shares, and if so, (i) the names of the registered owners of such Shares; (ii) the number of such Shares; and (iii) that dissent is being exercised in respect of such Shares. A shareholder who fails to send the Corporation, within the required time frame, the written statements described above and the certificates representing the Shares in respect of which the Continuance Dissenting Shareholder dissents, forfeits the shareholder's right to dissent.

On sending the required documentation to the Corporation, the fair value for a Continuance Dissenting Shareholder's Shares will be determined as follows:

- (a) if the Corporation and a Continuance Dissenting Shareholder agree on the fair value of the Shares, then the Corporation must promptly pay that amount to the Continuance Dissenting Shareholder or promptly send notice to the Continuance Dissenting Shareholder that the Corporation is lawfully unable to pay the Continuance Dissenting Shareholders for their Shares; or
- (b) if a Continuance Dissenting Shareholder and the Corporation are unable to agree on a fair value, the Continuance Dissenting Shareholder may apply to the Supreme Court of British Columbia to determine the fair value of the Shares, and the Corporation must pay to the Continuance Dissenting Shareholder the fair value determined by such Court or promptly send notice to the Continuance Dissenting Shareholder that the Corporation is lawfully unable to pay the Continuance Dissenting Shareholders for their Shares.

The Corporation will be lawfully unable to pay the Continuance Dissenting Shareholder the fair value of their Shares if the Corporation is insolvent or would be rendered insolvent by making the payment to the Continuance Dissenting Shareholder. In such event, Continuance Dissenting Shareholders will have 30 days to elect to either (a) withdraw their dissent or (b) retain their status as a claimant and be paid as soon as the Corporation is lawfully able to do so or, in a liquidation, be ranked subordinate to its creditors but in priority to its shareholders.

If the Continuance is not implemented for any reason, Continuance Dissenting Shareholders will not be entitled to be paid the fair value for their Shares and the Continuance Dissenting Shareholders will be entitled to the return of any Share certificates delivered to the Corporation in connection with the exercise of the Continuance Dissent Rights.

The discussion above is only a summary of the Continuance dissent rights which are technical and complex. A Shareholder who intends to exercise Continuance dissent rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA. Persons who are beneficial owners of Shares registered in the name of an intermediary such as a broker, custodian, nominee, other intermediary, or in some other name, who wish to dissent should be aware that only the registered owner of such shares is entitled to dissent. It is suggested that any shareholder wishing to avail himself or herself of the Continuance dissent rights seek his or her own legal advice as failure to comply strictly with the applicable provisions of the BCBCA may prejudice the availability of such dissent rights. Continuance Dissenting Shareholders should note that the exercise of dissent rights can be a complex, time-consuming and expensive process.

Form of Resolution

Shareholders will be asked at the Meeting to approve with or without variation the Continuance Resolution as follows:

“BE IT RESOLVED, as a special resolution, that:

1. the continuance of the Corporation from the Province of British Columbia to the Province of Ontario, pursuant to the *Business Corporations Act* (British Columbia) (“**BCBCA**”) and the *Business Corporations Act* (Ontario) (the “**OBCA**”) is hereby authorized and approved;
2. the Corporation is hereby authorized to make an application to the Registrar of Companies appointed under the BCBCA, pursuant to Section 308 of the BCBCA, for authorization to continue out of British Columbia into Ontario;
3. the Corporation is hereby authorized to make an application to the Director appointed under the OBCA, pursuant to section 180 of the OBCA, for a Certificate of Continuance continuing the Corporation into Ontario under the OBCA;
4. subject to the issuance of such Certificate of Continuance and without affecting the validity of the Corporation and the existence of the Corporation by or under its Notice of Articles and Articles and any act done thereunder, effective upon issuance of the Certificate of Continuance, the Corporation shall adopt Articles of Continuance forming part of the said application for continuance in substitution for the Notice of Articles of the Corporation;
5. subject to the completion of the Continuance, and pursuant to section 125(3) of the OBCA, the directors of the Corporation are hereby empowered to determine from time to time the number of directors of the Corporation and the number of directors to be elected at each annual meeting of shareholders;
6. the directors of the Corporation are hereby authorized, without further approval of the shareholders of the Corporation, to abandon the application for continuance of the Corporation under the OBCA at any time prior to the issue of a certificate of continuance by the Director appointed under the OBCA; and
7. any director or officer of the Corporation is hereby authorized to execute and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such continuance (including, without limitation, the execution and delivery of such articles of continuance and of certificates or other assurances that such continuance will not adversely affect creditors or shareholders of the Corporation), the

execution of any such document or the doing of any such other actor thing by any director or officer of the Corporation being conclusive evidence of such determination.”

The Board has concluded that the Continuance is in the best interests of the Corporation and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve the Continuance Resolutions, by voting in favour of the Continuance Resolutions at the Meeting.

STATEMENT OF EXECUTIVE COMPENSATION

National Instrument 51-102 – *Continuous Disclosure Obligations* requires the disclosure of compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the Chief Executive Officer, the Chief Financial Officer and each of the Corporation’s other three most highly paid executive officers whose compensation was more than \$150,000 (“**Named Executive Officers**”) for the most recently completed financial year.

As the Corporation was a capital pool corporation until April 25, 2018, no compensation was paid to any of the Named Executive Officers during the Corporation’s two most recently completed financial years ended January 31, 2018 and January 31, 2017. However, the following table is a summary of compensation (excluding compensation securities) paid to the Named Executive Officers of DelphX Corporation, which became the Corporation’s operating subsidiary pursuant to the reverse take-over business combination completed on April 25, 2018, for DelphX Corporation’s year ended December 31, 2017.

Summary Compensation Table

Table of compensation excluding compensation securities							
Name and position	Year ended	Salary, consulting fee, retainer or commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Larry E. Fondren, President & Chief Executive Officer	December 31, 2017	55,167	Nil	Nil	Nil	Nil	55,167
Stephen R. Bacso, Chief Technology Officer	December 31, 2017	48,188	Nil	Nil	Nil	Nil	48,188
Alexander Gordon Jardin, Chief Actuary and Risk Officer	December 31, 2017	48,188	Nil	Nil	Nil	Nil	48,188
Shant V. Harootunian, Chief Operating Officer	December 31, 2017	47,740	Nil	Nil	Nil	Nil	47,740

Table of compensation excluding compensation securities							
Name and position	Year ended	Salary, consulting fee, retainer or commission (\$)⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Stephen M. Gledhill, Chief Financial Officer and Corporate Secretary ⁽²⁾	December 31, 2017	N/A	N/A	N/A	N/A	N/A	N/A

Notes

⁽¹⁾Payable in US dollars. Average rate of 1.324 applied in conversion to Canadian dollars.

⁽²⁾Mr. Gledhill joined DelphX Corporation on February 1, 2018.

Oversight and Description of Director and Named Executive Officer Compensation

The following disclosure is provided in relation to the Corporation prior to the reverse take-over business combination completed on April 25, 2018. Following the Meeting, the Board expects it will undertake a review of the Corporation's executive compensation program to determine whether any changes should be considered by the Board and/or the Shareholders.

The Corporation has not had any revenues from operations. As a result, the Corporation has to consider not only the Corporation's financial situation at the time of the determination of executive compensation, but also the Corporation's estimated financial situation in the mid- and long-term.

The Corporation's executive compensation program is informal at this time and is administered by the Corporation's Board. The Board informally discusses and approves the executive compensation that is competitive in order to attract, motivate and retain highly skilled and experienced executive officers, to provide fair and competitive compensation, to align the interest of management with those of shareholders and to reward corporate and individual performance.

The Corporation's executive compensation program has three principal components: base salary, incentive bonuses and incentive stock options.

When appropriate to do so, incentive bonuses in the form of cash payments, are designed to add a variable component of compensation, in addition to stock options, based on corporate and individual performances, and may or may not be awarded in any financial year.

The Corporation notes that it is in a development stage with respect to its business, has to operate with limited financial resources, and must control costs to ensure that funds are available to complete its business plans and otherwise fund its operations. The Board has to consider the current and anticipated financial position of the Corporation at the time of any compensation determination. The Board has attempted to keep the cash compensation paid to the Corporation's Named Executive Officers relatively modest, and will provide long-term incentives through the granting of stock options.

Pension Disclosure

The Corporation does not expect to have any pension or retirement plan which is applicable to the Named Executive Officers or directors.

Options to Purchase Securities

The Corporation will utilize the amended 2018 Stock Option Plan which permits the reservation of a maximum of 10% of the issued and outstanding shares of the Corporation as of the date of grant of stock options under such plan. The principal terms of the 201 Stock Option Plan are discussed under “*Amendment of Stock Option Plan*” and a copy of the 2018 Stock Option plan is attached as Schedule “B” to this Information Circular.

DIRECTORS COMPENSATION

No compensation was provided to directors who were also Named Executive Officers, for the Corporation’s most recently completed financial year. No share-based awards were made during the most recently completed financial year and no non-equity incentive plan compensation or pensions were provided to directors.

DIRECTORS’ AND OFFICERS’ INSURANCE

The by-laws of the Corporation provide for the indemnification of the directors of the Corporation from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties as directors of the Corporation, subject to certain usual limitations.

Pursuant to the by-laws of the Corporation, the directors and officers of the Corporation may be covered under a directors’ and officers’ insurance policy.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Except as set out below, no director or executive officer of the Corporation, proposed director, or any associate of such person, has at any time since February 1, 2017, being the beginning of the Corporation’s last financial year, been indebted to the Corporation or is now indebted to the Corporation or any of its subsidiaries or has indebtedness to another entity that is, or at any time since the last financial year been, the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

The following table discloses the indebtedness since the beginning of the financial year ended January 31, 2018, of each individual who is, or was at any time during the financial year, a director or executive officer of the Corporation, is a proposed nominee for election as director, or is an associate of any such director, executive officer or proposed nominee.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Name and Principal Position	Involvement of the Corporation or Subsidiary	Largest Amount Outstanding During the Financial Year Ended January 31, 2018	Amount Outstanding as at August 28, 2018	Financially Assisted Securities Purchases During the Financial Year Ended January 31, 2018	Security for Indebtedness	Amount Forgiven During the Financial Year Ended January 31, 2018
Stephen M. Gledhill, Chief Financial Officer and Corporate Secretary	Loan by subsidiary	Nil	\$50,000 plus accrued interest of \$633	Nil	Promissory note and pledge of 62,000 Shares	N/A

A loan in the amount of \$50,000 was made by the Corporation’s subsidiary, DelphX Data Corporation, to Mr. Gledhill in July 2018 for personal requirements. The loan bears interest at an annual rate of 6%, and the principal amount plus accrued interest is due December 31, 2018. Repayment is secured by a promissory note given by Mr. Gledhill to the Corporation and a pledge of 62,000 Shares.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation (a director, officer or holder of 10% or more of the Shares) or nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of its subsidiaries, except with respect to an interest arising from the ownership of shares where such person or company received no extra or special benefit or advantage not shared on a pro-rata basis by all holders of such shares.

MANAGEMENT CONTRACTS

Management functions of the Corporation and its subsidiaries are substantially performed by the Corporation’s directors and executive officers. The Corporation has not entered into any contracts, agreements or arrangements with parties other than its directors and executive officers for the provision of such management functions.

CORPORATE GOVERNANCE

General

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Corporation to disclose, on an annual basis, its approach to corporate governance with reference to the guidelines provided in National Policy 58-201 - *Corporate Governance Guidelines* (the “**Guidelines**”).

The Board and the management of the Corporation (“**management**”) recognize that effective governance practices are fundamental to the long-term success of the Corporation. Sound governance contributes to

Shareholder value through increased confidence. The Board and management are, therefore, committed to maintaining a high standard of governance in substantial conformity with the Guidelines.

Board

Independence of the Board is essential to the Board fulfilling its role in overseeing the Corporation's business and affairs. The Board facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board. The Board is currently comprised of six (6) directors, three (3) of whom are independent for the purposes of NI 58-101; namely, Toby Pierce, Steven Mannik and Keith Ainsworth.

Larry Fondren is not independent since he serves as President and Chief Executive Officer of the Corporation. Stephen R. Bacso is not independent since he serves as Chief Technology Officer of the Corporation. Alexander Gordon Jardin is not independent since he serves as Chief Actuary and Risk Officer of the Corporation. Each of the Directors listed above are being nominated as Directors for the ensuing year.

Orientation and Continuing Education

The Corporation does not currently have an orientation or continuing education program for new directors.

Directorships

The following table sets forth the name of each reporting issuer (or equivalent), other than the Corporation, of which a nominee director of the Corporation is also a director.

Nominee Director of the Corporation	Reporting Issuers the Individual is also a Director of:
Toby Pierce	TAG Oil Ltd., Foreshore Exploration Partners Corp. and Crystal Exploration Inc.

Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board as a whole is responsible for nominating new members of the Board and assessing members of the Board on an ongoing basis. The Board considers succession planning (including appointment of senior management). The Board annually reviews the general and specific criteria to consider when directors are being appointed to the Board. The objective of this review is to recommend that appointments be made to provide the best mix of skills and experience to guide the long-term strategy and ongoing business operations of the Corporation. The review takes into account the desirability of maintaining a balance of skills, experience and background, with appropriate diversity, along with the key common characteristics required for effective participation.

Compensation

The Board of Directors, as a whole, reviews the compensation of the Named Executive Officers and the directors.

Other Board Committees

The Board has no standing committees other than the Audit Committee.

Assessments

The Board of Directors takes steps to satisfy itself that the Board of Directors, the Audit Committee and individual directors are performing effectively by providing each director with the opportunity to attend all meetings either in person or by teleconference at the cost of the Corporation.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee's mandate is to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and risk management. Attached as Schedule "C" to this Information Circular is the Charter of the Audit Committee.

Composition of the Audit Committee

Assuming all individuals that are nominated for the Board as provided herein are elected to the Board, the members of the Audit Committee of the Corporation will be comprised of three (3) directors, being Toby Pierce, Steven Mannik and Keith Ainsworth, who acts as Chair. Each of the proposed members of the Audit Committee of the Corporation are "financially literate" and "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

The following sets out the education and experience of each audit committee member relevant to the performance of his responsibilities as an audit committee member:

Toby Pierce

Mr. Pierce is Chief Executive Officer and a director of Vancouver based TAG Oil Ltd. and has served in this role since June 2015. Mr. Pierce is a natural-resource executive with many years of extensive transactional and valuation experience. As Director of Oil and Gas Institutional Research at Tristone Capital from 2006 to 2010 Mr. Pierce worked in both the Calgary and London offices. Remaining in London, Mr. Pierce became Partner and Lead Oil and Gas Analyst for GMP Securities Europe LLC from 2010 to 2012, where he covered a variety of oil and gas companies and provided strategic advice and valuation expertise both internally to the investment banking and sales partners, and externally to energy company management on asset acquisitions, financings, and capital markets.

From 2012 to 2015, Mr. Pierce was the CEO and co-founder of Crest Petroleum Corp., an Exchange listed oil and gas company. Mr. Pierce is currently a director and CEO of TAG Oil Ltd., a Toronto Stock Exchange listed company, a director of Chelsea Oil and Gas Ltd., a company traded on the Over the Counter Bulletin Board, and a director of Crystal Exploration Inc., an Exchange listed company, and was formerly a director of Redtail Metals Corp. and North Country Gold Corp., both listed on the Exchange.

Mr. Pierce is a graduate of the Rotman School of Management at the University of Toronto where he earned an M.B.A. degree in Finance, and also holds a B.Sc. degree in Earth Sciences from the University of Victoria.

Keith Ainsworth

Mr. Ainsworth is an electrical engineer who retired from the role of President and Chief Executive Officer of COM DEV International Ltd. in 2002, after being with the company for 27 years. He continued as Chairman of the Board of Directors of the company until 2009.

He is currently the President of Technology Horizons Ltd., a privately held company that invested at an early stage in many successful companies, including Research in Motion, Radarsat International and Orion Network Systems.

Steven J. Mannik

Steven Mannik is a Fellow of the Society of Actuaries and the Canadian Institute of Actuaries and served as the President and Chief Executive Officer at General Re Life Corporation from 2007 to 2016. Prior to General Re Life Corporation, he was the Executive Vice President and General Manager, Manulife Reinsurance from 2001 to 2007, with responsibility for all aspects of Manulife's reinsurance lines of business worldwide. Immediately prior to that he was Vice President of Business Development at Manulife from 1999 to 2001.

From 1988 to 1999, Mr. Mannik was a Principal in the Toronto office of Towers Perrin, serving as the client relationship manager and senior pension consultant for a number of the office's largest clients. In 1997 he led the Towers Perrin team that advised Eaton's on its landmark \$450 million pension plan surplus sharing case.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed fiscal year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but will review the engagement of all such services.

External Auditor Service Fees

The aggregate fees billed by the Corporation's auditor in the last two fiscal years are as follows:

	Year ended January 31, 2018	Year ended January 31, 2017
Audit fees	\$9,900	\$5,250
Audit-related fees ⁽¹⁾	\$4,095	Nil
Tax fees	nil	Nil
All other fees	nil	Nil

Notes

⁽¹⁾ Assurance and related services related to the performance of the audit of annual financial statements and the Corporation's reverse take-over transaction.

Exemption

As the Corporation is a venture issuer, it is relying on the exemption provided by section 6.1 of NI 52-110 with respect to the requirements of Part 5 (Reporting Obligations) of NI 52-110, which allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 and disclosed in in this Information Circular.

OTHER BUSINESS

The directors of the Corporation are not aware of any matter intended to come before the Meeting other than those items of business set forth in the attached Notice. If any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy to vote in respect of those matters in accordance with their judgment.

ADDITIONAL INFORMATION

Copies of the financial statements of Seaside Exploration Partners Corp., the predecessor reporting issuer of the Corporation, for the financial year ended January 31, 2018 ("**Financial Statements**") together with the Auditors Report thereon and management's discussion and analysis, the financial statements of DelphX Corporation, the Corporation's operating subsidiary, for the financial year ended December 31, 2017, and the interim financial statements of DelphX Corporation for the three months ended March 31, 2018, and this Information Circular are available upon written request from the Chief Financial Officer of the Corporation, 137 Glasgow Street, Unit 445, Kitchener, Ontario N2G 4X8, or steve.gledhill@delphx.com. These documents and additional information concerning the Corporation are available on SEDAR at www.sedar.com.

APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular to the Shareholders have been approved by the directors of the Corporation.

Date: August 28, 2018

By order of the Directors,

"Larry E. Fondren"

Larry E. Fondren
President and Chief Executive Officer

SCHEDULE "A"

REPORTING PACKAGE FOR CHANGE OF AUDITOR

See attached

DELPHX CAPITAL MARKETS INC.
(formerly Seaside Exploration Partners Inc.)
(the "Corporation")

NOTICE OF CHANGE OF AUDITOR

TO: DE VISSER GRAY LLP, CHARTERED PROFESSIONAL ACCOUNTANTS

AND TO: ZEIFMANS LLP, CHARTERED PROFESSIONAL ACCOUNTANTS

**AND TO: BRITISH COLUMBIA SECURITIES COMMISSION
ONTARIO SECURITIES COMMISSION
ALBERTA SECURITIES COMMISSION**

TAKE NOTICE THAT:

- (a) Effective on May 2, 2018, De Visser Gray LLP Chartered Professional Accountants (the "**Former Auditor**") at the request of the Corporation resigned as the Corporation's auditor;
- (b) the Corporation has appointed Zeifmans LLP, Chartered Professional Accountants (the "**Successor Auditor**") as the auditor of the Corporation, subject to all applicable regulatory requirements;
- (c) the resignation of the Former Auditor and the recommendation to appoint the Successor Auditor were considered by the Audit Committee and approved by the Board of Directors of the Corporation;
- (d) there were no modified opinions expressed in the Former Auditor's reports on any of the financial statements of the Corporation commencing at the beginning of the two most recently completed fiscal years and ending on January 31, 2018, and in the period to the date of this Notice; and
- (e) in the opinion of the Corporation, there are no reportable events (as defined in section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations*).

DATED this 2nd day of May, 2018

BY ORDER OF THE BOARD

"Stephen Gledhill"

Stephen Gledhill
Chief Financial Officer

May 2, 2018

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, B.C. V7Y 1L2

-and to-

Ontario Securities Commission
20 Queen Street West, 20th Floor
Toronto ON, M5H 3S8

-and to-

Alberta Securities Commission
Suite 600, 250 – 5th St. SW
Calgary, Alberta T2P 0R4

Dear Sirs/Mesdames:

**Re: DelphX Capital Markets Inc. (formerly Seaside Exploration Partners Corp.) (the “Company”)
Notice Pursuant to National Instrument 51-102 – Change of Auditor**

As required by the National Instrument 51-102 and in connection with our resignation as auditor of the Company, we have reviewed the information contained in the Company’s Notice of Change of Auditor, dated May 2, 2018 and agree with the information contained therein, based upon our knowledge of the information relating to said notice and of the Company at this time.

Yours truly,



CHARTERED PROFESSIONAL ACCOUNTANTS



British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, B.C. V7Y 1L2

Ontario Securities Commission
20 Queen Street West, 20th Floor
Toronto ON, M5H 3S8

Alberta Securities Commission
Suite 600, 250 – 5th St. SW
Calgary, Alberta T2P 0R4

Dear Sirs/Mesdames:

Re: DelphX Capital Markets Inc. (formerly, Seaside Exploration Partners Corp.) (the “Company”) Notice Pursuant to National Instrument 51-102 – Change of Auditor

As required by subparagraph (6) (a) (ii) of section 4.11 of National instruments 51-102, we have reviewed the change of auditor notice of DelphX Capital Markets Inc. (formerly, Seaside Exploration Partners Corp.) dated May 2, 2018 (the “Notice”), and based on our knowledge of such information at this time, we are in agreement with the statement contained in such Notice.

Sincerely,

Zeifmans LLP

Zeifmans LLP
Chartered Professional Accountants
Licensed Public Accountants

May 7, 2018
Toronto, Ontario

SCHEDULE “B”

**DELPHX CAPITAL MARKETS INC.
STOCK OPTION PLAN (2018)**

PART 1

INTERPRETATION

1.01 Definitions In this Plan the following words and phrases shall have the following meanings, namely:

- (a) “Award Date” means the date on which the Board grants and announces a particular Option;
- (b) "Board" means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by to Section 3.01 hereof;
- (c) "Company" means DELPHX CAPITAL MARKETS INC.;
- (d) “Consultant” means an individual who provides consulting, technical, management or other services to the Company or any of its subsidiaries, and who is permitted by Exchange Policy and by Securities Laws to receive, either directly or through a company, shares or options of the Company in exchange for services;
- (e) "Director" means any director of the Company or of any of its subsidiaries;
- (f) "Employee" means any individual in the employment of the Company or any of its subsidiaries or of a company providing management or administrative services to the Company;
- (g) "Exchange" means the TSX Venture Exchange and any other stock exchange on which the Shares are listed for trading;
- (h) “Exchange Policy” means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;
- (i) “Exercise Notice” means the notice respecting the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder;
- (j) “Exercise Price” means the price at which an Option may be exercised as determined in accordance with section 4.01;
- (k) “Insider” has the meaning ascribed thereto in the Securities Act;
- (l) "Joint Actor" means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 1.9 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;
- (m) “Option Certificate” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;

- (n) "Option Holder" means a current or former Director, Employee or Consultant who holds an unexercised and unexpired Option;
- (o) "Option Price" means the price at which options may be granted in accordance with Exchange Policy and Securities Laws;
- (p) "Officer" means any senior officer of the Company or of any of its subsidiaries as defined in the Securities Act;
- (q) "Outstanding Issue" is determined by Exchange Policy and by Securities Laws;
- (r) "Plan" means this stock option plan as from time to time amended;
- (s) "Securities Act" means the *Securities Act* (Ontario), R.S.O. 1990, c.S5 as amended from time to time;
- (t) "Securities Laws" means the act, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time;
- (u) "Shares" means common shares of the Company;
- (v) "Withholding Obligation" has the meaning set out in Section 11.01 hereof.

1.02 Gender Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

PART 2

PURPOSE OF PLAN

2.01 Purpose The purpose of this Plan is to attract and retain Employees, Consultants, Officers or Directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares.

PART 3

GRANTING OF OPTIONS

3.01 Administration This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.

3.02 Committee's Recommendations The Board may accept all or any part of recommendations of the committee or may refer all or any part thereof back to the committee for further consideration and recommendation.

3.03 Grant by Resolution The Board may, by resolution, designate eligible persons who are bona fide Employees, Consultants, Officers or Directors, or corporations employing or wholly-owned by such Employee, Consultant, Officer or Director, to whom options should be granted and specify the terms of such options which shall be in accordance with Exchange Policy and Securities Laws.

3.04 Terms of Option The resolution of the Board shall specify the number of Shares that should be placed under option to each such Employee, Consultant, Officer or Director, the Option Price to be paid for such Shares upon the exercise of each such option, and the period, including any applicable vesting periods required by Exchange Policy, or by the Board or Committee, during which such option may be exercised. Options granted under the Plan can be exercisable for a maximum of five years.

3.05 Option Certificate Every option granted under this Plan shall be evidenced by an Option Certificate, and all Option Certificates will be so legended as required by Exchange Policy and Securities Laws.

PART 4

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

4.01 Exercise Price The exercise price of an option granted under this Plan shall not be less than the last closing price of the Shares on the Exchange before the date of the Board's approval of the grant of the options.

4.02 Expiry Date Each option shall, unless sooner terminated, expire on a date to be determined by the Board, which shall be not later than five years from the date of grant of the option.

4.03 Different Exercise Periods, Prices and Number The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of Section 6.03 hereof, specify a particular time period or periods following the date of granting the option during which the optionee may exercise his option to purchase Shares and may designate the exercise price and the number of Shares in respect of which such optionee may exercise his option during each such time period.

4.04 Number of Shares The number of Shares reserved for issuance to any one person pursuant to options granted under this Plan shall not exceed 5% of the outstanding Shares at the time of granting of the options.

4.05 Termination of Employment If a Director, Officer, Consultant or Employee ceases to be so engaged by the Company for any reason other than death, such Director, Officer, Consultant or Employee shall have such rights to exercise any option not exercised prior to such termination up to 90 days after the date of termination.

4.06 Death of Optionee If a Director, Officer, Consultant or Employee dies prior to the expiry of his option, his legal representatives may, within the lesser of one year from the date of the optionee's death or the expiry date of the option, exercise that portion of an option granted to the Director, Officer, Consultant or Employee under this Plan, which remains outstanding.

4.07 Assignment No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if

permitted by the rules and policies of the Exchange, an optionee shall have the right to assign any option granted to him hereunder to a trust, RRSP, RESP or similar legal entity established by such optionee.

4.08 Notice Options shall be exercised only in accordance with the terms and conditions of the option certificates under which they are respectively granted and shall be exercisable only by notice in writing to the Company.

4.09 Payment Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an optionee on exercise of an option shall be paid for in cash or cash equivalent in full at the time of their purchase.

4.10 Options to Employees, Consultants or Management Company Employees In the case of options granted to Employees, Consultants or Management Company Employees, the optionee must be a bona-fide Employee, Consultant or Management Company Employee, as the case may be, of the Company or its subsidiary.

PART 5

RESERVE OF SHARES FOR OPTIONS

5.01 Sufficient Authorized Shares to be Reserved Whenever the Notice of Articles or Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of options granted under this Plan. Shares that were the subject of options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.

5.02 Maximum Number of Shares to be Reserved Under Plan The aggregate number of Shares which may be subject to issuance pursuant to options granted under this Plan, inclusive of all other stock options outstanding shall be not greater than 10% of the shares issued and outstanding on the date of the grant of such options.

5.03 Maximum Number of Shares Reserved Unless authorized by shareholders of the Company, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in:

- (a) the number of Shares reserved for issuance pursuant to stock options exceeding 10% of the Outstanding Issue;
- (b) the issuance to Insiders, within a one-year period, of a number of Shares exceeding 10% of the Outstanding Issue;
- (c) the issuance to any one Insider and such Insider's associates, within a one-year period, of a number of Shares exceeding 5% of the Outstanding Issue;
- (d) the issuance to any one Consultant, within a one-year period, of a number of Shares exceeding 2% of the Outstanding Issue; or

- (e) the issuance to all persons retained to provide investor relations activities of a number of Shares exceeding 2% of the Outstanding Issue in any one-year period.

PART 6

CHANGES IN OPTIONS

6.01 Share Consolidation or Subdivision In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.

6.02 Stock Dividend In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

6.03 Effect of a Take-Over Bid If a bona fide offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Shares subject to such Option ("Option Shares") will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein including any extensions thereof; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof;

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to section 4.03 shall be reinstated. If any Option Shares are returned to the Company under this section 6.03, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

6.04 Acceleration of Expiry Date If at any time when an Option granted under the Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the expiry date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

6.05 Effect of a Change of Control If a Change of Control (as defined below) occurs, all Option Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Optionee. "Change of Control" means the acquisition by any person or by any person and a Joint

Actor, whether directly or indirectly, of voting securities as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

PART 7

SECURITIES LAWS AND EXCHANGE POLICIES

7.01 Exchange's Rules and Policies Apply This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in the Securities Laws and Exchange Policies and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern. In the event that the Company's listing changes from one tier to another tier on a stock exchange or the Company's shares are listed on a new stock exchange, the granting of options shall be governed by the rules and policies of such new tier or new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant options pursuant to the rules and policies of such new tier or new stock exchange without requiring shareholder approval.

PART 8

AMENDMENT OF PLAN

8.01 Board May Amend The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then been exercised or terminated.

8.02 Exchange Approval Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policy and Securities Laws has been received.

8.03 Amendment to Insider's Options Any amendment to Options held by Insiders of the Company at the time of the amendment, which results in a reduction in the exercise price of the options, is conditional upon the obtaining of disinterested shareholder approval to that amendment.

PART 9

EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS

9.01 Other Options Not Affected This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers, Consultants and Employees.

PART 10**OPTIONEE'S RIGHTS AS A SHAREHOLDER**

10.01 No Rights Until Option Exercised An optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to him upon exercise of an option.

PART 11**WITHHOLDING OBLIGATIONS**

11.01 In connection with the Company's obligations to withhold and remit taxes to the Canada Revenue Agency, and/or other applicable taxing authorities, on benefits realized by Directors, Officers and Employees who exercise Options of the Company ("Withholding Obligation"), the Company requires that, at the discretion of the Company, in reasonable consultation with a Director, Officer or Employee exercising an Option:

- (a) Any Director, Officer or Employee who is exercising an Option shall remit sufficient funds to the Company to fund the exercise price and the Withholding Obligation; or
- (b) The Company shall hold back sufficient Shares from the Director, Officer or Employee who is exercising the Option to fund the Withholding Obligation.

PART 12**EFFECTIVE DATE OF PLAN**

12.01 Effective Date This Plan shall become effective upon the later of the date of acceptance for filing of this Plan by the Exchange or the approval of this Plan by the shareholders of the Company, however, options may be granted under this Plan prior to the receipt of approval by shareholders and acceptance from the Exchange.

Schedule A
DELPHX CAPITAL MARKETS INC.
STOCK OPTION PLAN

OPTION CERTIFICATE

This certificate is issued pursuant to the provisions of the DelphX Capital Markets Inc. (the "Company") Stock Option Plan (the "Plan") and evidences that (*Name of Optionee*) _____ is the holder of an option (the "Option") to purchase up to _____ (*Number of Shares*) common shares (the "Shares") in the capital stock of the Company at a purchase price of \$ _____ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____ (*insert date of grant*); and
- (b) the Expiry Date of this Option is _____ (*insert date of expiry*).

Additional Vesting or Other Restrictions: (insert as applicable)

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Toronto time) on the Expiry Date, by delivering to the Company an Exercise Notice, in the form provided in the Plan, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised **PLUS** the Withholding Obligation, as determined by the Company.

This certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

Signed this _____ day of _____, 20_____.

DELPHX CAPITAL MARKETS INC.

by its authorized signatory:

NAME: _____

TITLE: _____

Schedule B
EXERCISE NOTICE

TO: DELPHX CAPITAL MARKETS INC. (the "Company")
AND TO: THE BOARD OF DIRECTORS

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: _____ Shares
 - (ii) multiplied by the Exercise Price per Share: \$ _____
- TOTAL EXERCISE PRICE, enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, **PLUS** the Withholding Obligation, as calculated by the Company, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder (please print)

SCHEDULE "C"

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS (the "Board") OF DELPHX CAPITAL MARKETS INC.

1.0 Purpose of the Committee

1.1 The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

2.0 Members of the Committee

2.1 The Audit Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under National Instrument 52-110 – *Audit Committees*, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 Each Member of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3.0 Meeting Requirements

3.1 The Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically, and shall be at such times and places as the Committee determines. Without meeting, the Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Committee shall constitute a quorum.

4.0 Duties and Responsibilities

The Audit Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;

- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;
- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying Management's Discussion and Analysis of Financial Condition ("MD&A"), including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the Company; and;

(p) periodically review the adequacy of its charter and recommend any changes thereto to the Board.

5.0 Miscellaneous

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

SCHEDULE "D"

BUSINESS CORPORATIONS ACT, SBC 2002, C 57 Section 237 to 247 – Division 2 – Dissent Proceedings

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
 - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or
 - (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

- (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
 - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
 - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239

- (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.
- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
 - (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
 - (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240

- (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,
- (a) a copy of the resolution,
 - (b) a statement advising of the right to send a notice of dissent, and
 - (c) if the resolution has passed, notification of that fact and the date on which it was passed.
- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241

- If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent
- (a) a copy of the entered order, and
 - (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242

- (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
 - (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
 - (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect

of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

- 243**
- (1) A company that receives a notice of dissent under section 242 from a dissenter must,
 - (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
 - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
 - (2) A notice sent under subsection (1) (a) or (b) of this section must
 - (a) be dated not earlier than the date on which the notice is sent,
 - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
 - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

- 244**
- (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,
 - (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
 - (b) the certificates, if any, representing the notice shares, and
 - (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.
 - (2) The written statement referred to in subsection (1) (c) must
 - (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
 - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
 - (3) After the dissenter has complied with subsection (1),
 - (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
 - (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to

those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245

- (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must
 - (a) promptly pay that amount to the dissenter, or
 - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
 - (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
 - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
 - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must
 - (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
 - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
 - (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
 - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
 - (b) the payment would render the company insolvent.

Loss of right to dissent

- 246** The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:
- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
 - (b) the resolution in respect of which the notice of dissent was sent does not pass;
 - (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
 - (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
 - (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
 - (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
 - (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
 - (h) the notice of dissent is withdrawn with the written consent of the company;
 - (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

- 247** If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,
- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
 - (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
 - (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.