

# PUREPOINT URANIUM GROUP INC.

## MANAGEMENT INFORMATION CIRCULAR

For the Annual and Special Meeting of Shareholders

To be held at 10:00 am EST on Thursday, June 24, 2021

# MANAGEMENT INFORMATION CIRCULAR

## GENERAL PROXY INFORMATION

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF PUREPOINT URANIUM GROUP INC. (THE “COMPANY”) OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE COMPANY TO BE HELD VIRTUALLY ON THURSDAY, JUNE 24, 2021 AT 10:00 A.M. (TORONTO TIME), AND AT ANY ADJOURNMENT OR POSTPONEMENT THEREOF (THE “MEETING”) FOR THE PURPOSES SET OUT HEREIN AND IN THE NOTICE OF MEETING.**

### **Virtual Meeting**

After taking into account recent Provincial and Federal guidance regarding public gatherings and social distancing due to the COVID-19 pandemic, the Company has elected to hold the Meeting virtually, allowing Shareholders to attend and participate at the Meeting by dialing into or clicking the link below to a live webcast. This serves to proactively protect the health and wellbeing of the Shareholders, management, directors and service partners, while permitting and encouraging Shareholder participation at the Meeting.

In order to streamline the Meeting process, the Company encourages Shareholders to vote in advance of the Meeting using the voting instruction form or the form of proxy mailed to them with the Meeting materials and submitting them by no later than 10:00am (Toronto Time) on Tuesday, June 22, 2021, the cut-off time for deposit of proxies prior to the Meeting. Shareholders wishing to attend the Meeting are encouraged to do so by logging into the webcast or calling the number below, and instructions will be provided as to how Shareholders entitled to vote at the Meeting may participate and vote.

### **Details of the Meeting**

Date: June 24, 2021

Time: 10:00am (Toronto Time)

Telephone Access:

Canada:

+1 587 328 1099 or  
+1 647 374 4685 or  
+1 647 558 0588 or  
+1 778 907 2071 or  
+1 204 272 7920 or  
+1 438 809 7799

US:

+1 312 626 6799 or  
+1 346 248 7799 or  
+1 669 900 6833 or  
+1 929 205 6099 or

+1 253 215 8782 or  
+1 301 715 8592

International numbers available: <https://us02web.zoom.us/j/kcA0UFAbde>

Meeting ID: 865 4326 5670

Passcode: 590836

To Register in Advance:

<https://us02web.zoom.us/meeting/register/tZLoc-qqD4sHdSeluHeP2jfaXLqqMn8UBnI>

To Access the Virtual Meeting:

**The URL for the virtual Meeting will be provided to Shareholders who register using the link provided above.**

### **Notice & Access**

The Company has elected to utilize the notice-and-access system under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Ongoing Requirements for Issuers and Insiders* of the Canadian Securities Administrators (the “**Notice and Access System**”) for delivery of the management proxy circular (the “**Circular**”) to each of the Shareholders whose proxy is solicited for the Meeting. Notwithstanding the use of the Notice and Access System, under the applicable securities and corporate laws, the Company is still required to deliver, and has delivered, paper copies of the notice of meeting (including in which the notice regarding the Company’s election to use the Notice and Access System which directs the Shareholders to the website on which this Circular is posted) (the “**Notice**”) and a form of proxy (the “**Proxy**”) to its shareholders eligible to attend the Meeting. Detailed information relating to the Notice and Access System is contained below under the heading “Notice and Access” and Shareholders are encouraged to read the information contained therein for an explanation of their rights.

In this Circular, “**Common Shares**” means common shares of the Company. “**Shareholder**” means Registered Shareholders and Non-Registered Shareholders. “**Registered Shareholders**” means shareholders of the Company who hold Common Shares in their own names and whose names appear on the register of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means shareholders of the Company who do not hold Common Shares in their own names.

### **SOLICITATION OF PROXIES**

This Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally or by telephone by the directors, officers and employees of the Company who will not receive any additional compensation for such services. The cost of solicitation by management will be borne by the Company.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the Proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM**

**OR HER AT THE MEETING MAY DO SO** either by inserting such person's name in the blank space provided in the Proxy or by completing another proper form of proxy and, in either case, delivering the completed Proxy to the Company's transfer agent, AST Trust Company (Canada) ("AST"), PO Box 721, Agincourt, ON M1S 0A1, by fax (1-866-781-3111) or by email at [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com) not later than 10:00 a.m., Toronto time, on Tuesday, June 22, 2021, being 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) preceding the date of the Meeting or any adjournment or postponement thereof. A Proxy must be signed in writing or, subject to the means of electronic signature permitting a reliable determination that the document was created or communicated by or on behalf of the Registered Shareholder or the attorney, as the case may be, by electronic signature by the Registered Shareholder or an attorney who is authorized by a document that is signed in writing or by electronic signature or, if the Registered Shareholder is a body corporate, by an officer or attorney of the body corporate duly authorized.

**Each Registered Shareholder is entitled to appoint a person to represent such shareholder at the Meeting, who need not be one of the persons named in the Proxy.**

**A Proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the Registered Shareholder or by his or her attorney authorized in writing, and deposited either at the offices of AST or the head office of the Company at 120 Adelaide St. West, Suite 2500, Toronto, Ontario M5H 1T1 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the Proxy is to be used, or with the chairman of the Meeting on the day of the Meeting, or adjournment or postponement thereof, or in any other manner permitted by law.**

A Registered Shareholder attending the Meeting has the right to vote in person and if he or she does so, his or her proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment or postponement thereof.

#### **EXERCISE OF DISCRETION BY PROXIES**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented by such Proxy in accordance with instructions of the Registered Shareholder on any ballot that may be called for. If the Registered Shareholder specifies a choice on the Proxy with respect to any matter that may be acted upon, the Common Shares represented by such Proxy will be voted in accordance with the choice so specified. **WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR THE ITEMS SET OUT IN THE NOTICE CALLING THE MEETING AND AS STATED ELSEWHERE IN THIS MANAGEMENT INFORMATION CIRCULAR.**

The Proxy also confers discretionary authority upon the persons named therein with respect to any amendments or variations to the matter identified in the notice of meeting, and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his or her judgement may determine. **HOWEVER, IF OTHER MATTERS WHICH ARE NOT PRESENTLY KNOWN TO MANAGEMENT OF THE COMPANY SHOULD PROPERLY COME BEFORE THE MEETING, THE PERSONS NAMED IN THE PROXY WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS NAMED IN THE PROXY.** As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to herein.

## VOTING BY NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders or the persons they appoint as their proxyholders are permitted to vote at the Meeting. However, in many cases, Common Shares of the Company beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Shareholder deals in respect of Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Inc.) of which the Intermediary is a participant. The Company is not required to, and does not intend to, deliver the meeting materials directly to its Non-Registered Shareholders. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has distributed copies of the Notice, the Proxy and the voting instructions form (as defined below; together with Notice and Proxy, the “**meeting materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the meeting materials to Non-Registered Shareholders. Notwithstanding the foregoing, the Company is not required to, and does not intend to, pay for an Intermediary to deliver meeting materials to Non-Registered Shareholders who objected to their Intermediary disclosing their ownership information (“**Objecting Beneficial Shareholders**”). As a result, the Objecting Beneficial Shareholders will not receive the meeting materials unless their Intermediary assumes the cost of delivery.

Non-Registered Shareholders receiving the meeting materials will be given, in substitution for the Proxy, a request for voting instructions (the “**voting instructions form**”) which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives the voting instructions form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should so indicate in the place provided for that purpose in the voting instructions form and a form of legal proxy will be sent to the Non-Registered Shareholder. A Non-Registered Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Common Shares of such Non-Registered Shareholder are held and following the instructions of the Intermediary respecting the revocation of proxies.

In any event, Non-Registered Shareholders should carefully follow the instructions of their Intermediary set out in the voting instructions form.

## NOTICE AND ACCESS

The Company has elected to utilize the Notice and Access System for delivery of the Circular to each of the Shareholders whose proxy is solicited for the Meeting.

Under the Notice and Access System, instead of delivering a paper copy of the Circular, the Company is permitted to provide its Shareholders with a notice directing them to a website where they can access an electronic copy of the Circular online and vote their shares using their preferred method either through internet or via paper return. The Company anticipates that the Notice and Access System can directly benefit the Company through a substantial reduction in both postage and printing costs, and also promote environmental sustainability by reducing the large volume of paper documents generated by printing proxy related materials. As a corporation existing under the *Canada Business Corporations Act* (the “**CBCA**”), the Company is required to apply for, and has obtained, the requisite approval from Industry

Canada to exempt the Company from the requirement under the CBCA to deliver the prescribed Circular to its Shareholders.

In spite of the use of the Notice and Access System, under the applicable securities and corporate laws, the Company is still required to deliver paper copies of the Notice and the Proxy to its Shareholders eligible to attend the Meeting. In addition, the Company is required to deliver paper copies of the Audited Financial Statements and MD&A to its Registered Shareholders (unless such registered shareholder has informed the Company in writing declining to receive a paper copy of such annual documents) as well as its Non-Registered Shareholders who have submitted a completed supplemental card to the Company or its transfer agent requesting for the delivery of such annual documents.

### **Website Where the Circular is Posted**

The Shareholders can access the Circular for the Meeting on the following website: [www.meetingdocuments.com/astca/PTU](http://www.meetingdocuments.com/astca/PTU) or by accessing the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Requesting Paper Copies of the Circular**

The Shareholders may also request paper copies of the Circular to be delivered to them by mail at no cost to them by calling the following toll-free number: 1-888-433-6443 or by emailing to [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.com). In order for the requesting Shareholder to receive the paper copy in advance of the deadline for submission of voting instructions and the date of the Meeting, the request must be made prior to 4:30 pm (EST) on Monday, June 14, 2021. The Shareholders may continue to request a paper copy of the Circular within one year from the date the Circular is filed on SEDAR. In the case of a request received prior to the date of the Meeting, a paper copy of the Circular so requested will be sent free of charge by the Company to the requesting shareholder at the address specified in the request, by first class mail within three business days after receiving the request; in the case of a request received on or after the date of the Meeting, and within one year of the Circular being filed, a paper copy of the Circular will be sent free of charge by the Company to the requesting Shareholder within 10 calendar days after receiving the request, by prepaid mail, courier or the equivalent.

## **REQUIRED SHAREHOLDER APPROVALS**

Unless otherwise noted under "PARTICULARS OF MATTERS TO BE ACTED UPON", all resolutions which the Shareholders will be asked to pass must be approved by a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting.

## **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

In accordance with the provisions of the CBCA, the Company has prepared a list of all persons who are Registered Shareholders as of May 10, 2021 (the "Record Date") and the number of Common Shares registered in the name of each person on such date. Each Shareholder is entitled to one vote for each Common Share registered in such Shareholder's name as it appears on the list except to the extent that such Shareholder has transferred any of his or her Common Shares after the Record Date and the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the date of the Meeting, that his or her name be included in the list. In such case the transferee is entitled to vote his or her Common Shares at the Meeting.

The authorized capital of the Company consists of an unlimited number of Common Shares without nominal or par value. As of the Record Date, the Company had a total of 321,727,932 Common Shares issued and outstanding, each carrying one vote per Common Share.

To the knowledge of the Company's directors and executive officers, as at the date hereof, no person or company owns, or controls or directs, directly or indirectly, 10% or more of the Common Shares.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No director or executive officer of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any such person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors of the Company.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **I. FINANCIAL STATEMENTS**

The Shareholders will receive the audited financial statements of the Company for the financial year ended December 31, 2020, together with the accompanying auditors' report, copies of which have been mailed to all persons who are Registered Shareholders as of the Record Date or Non-Registered Shareholders who have completed a supplemental card requesting for such mailing.

#### **II. ELECTION OF DIRECTORS**

The term of office of each of the present directors expires at the conclusion of the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Each director elected will hold office until the conclusion of the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles and bylaws of the Company or the provisions of the CBCA.

The following table sets forth the name of each person proposed to be nominated by management of the Company for election as a director, his principal occupation, business or employment, his current position held with the Company, if any, the period of time for which he has been a director of the Company, and the number of Common Shares beneficially owned, directly or indirectly, or subject to control or direction, by such person as of the date hereof.

Name and Municipality Of Residence	Director Since	Number Of Common Shares Beneficially Owned or Controlled <sup>(2)</sup>	Principal Occupation
Christopher Frostad <sup>(1)</sup> President and CEO Toronto, Ontario, Canada	May 30, 2005	3,991,824	President and CEO of the Company
Allan Beach <sup>(1)</sup> Toronto, Ontario, Canada	May 30, 2005	4,613,200	Director, Westney Group Inc.

Name and Municipality Of Residence	Director Since	Number Of Common Shares Beneficially Owned or Controlled <sup>(2)</sup>	Principal Occupation
Scott R. Frostad Saskatoon, Saskatchewan, Canada	December 19, 2006	2,090,700	Vice-President, Exploration of the Company
Borys Chabursky <sup>(1)</sup> Toronto, Ontario, Canada	April 27, 2015	666,667	Founder and Chairman, Shift Health

Notes:

- (1) Member of the Audit Committee.
- (2) The information as to shares beneficially owned has been furnished and confirmed by the directors individually.

Each of the above individuals is currently a director of the Company and was elected to the present term of office by a vote of the Shareholders at the annual general and special shareholders' meeting held on July 14, 2020, the notice of which was accompanied by an information circular.

**Unless a Proxy specifies that the Common Shares it represents are to be withheld from voting for the candidates proposed above, the persons named in Proxy intend to vote for the candidates proposed above.** Management of the Company does not contemplate that any of the nominees will be unable to serve as a director of the Company for the ensuing year. However, if that should occur for any reason prior to the Meeting or any adjournment thereof, the persons named in the Proxy have the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee at their discretion.

#### **Corporate Cease Trade Orders, Bankruptcies or Penalties**

No proposed director, is as at the date hereof, or has been within the 10 years prior to the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was the subject of a cease trade or similar order or an order that denied the company access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director is, as at the date hereof, or has been within the past ten years prior to the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or

instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

No proposed director has, within the past ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

No proposed director has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **III. RE-APPOINTMENT OF AUDITORS**

The Shareholders will be asked to approve the re-appointment of MNP LLP as the auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the auditors for the ensuing year.

**Unless a Proxy specifies that the Common Shares it represents are to be withheld from voting for the re-appointment of MNP LLP as the auditors of the Company to hold office until the close of the next annual general meeting of the Company and authorizing the Board to fix the remuneration of the auditors of the Company for the ensuing year, the persons named in the Proxy intend to vote for such re-appointment and authorization.**

### **IV. ANNUAL APPROVAL OF STOCK OPTION PLAN**

The Shareholders will be asked to consider and, if thought appropriate, pass a resolution approving the continuation of the stock option plan (the “**Stock Option Plan**”) of the Company. Pursuant to the policies of the TSX Venture Exchange (the “**TSXV**”), the Company is required to obtain shareholder approval of the Stock Option Plan each year because the Stock Option Plan is a rolling stock option plan whereby the maximum number of Common Shares that may be reserved for issuance and which can be purchased upon the exercise of all options granted under the Stock Option Plan (“**Options**”) is fixed at 10% of the issued and outstanding Common Shares from time to time. The Stock Option Plan was first adopted by the Company on May 30, 2005 and its continuation has been approved by the Shareholders at the annual meeting of Shareholders in each of the subsequent years.

A summary of the Stock Option Plan is set out under “SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS”. A copy of the Stock Option Plan is available under the Company’s profile on SEDAR ([www.sedar.com](http://www.sedar.com)) or on written request to the Company at 120 Adelaide St. West, Suite 2500, Toronto, Ontario M5H 1T1, Fax: (416) 603-8368.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation, and adoption, with or without modification is set out in Schedule “A” to this Circular. In

order to be effective, this resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

**Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the Stock Option Plan, the persons named in the Proxy intend to vote for such approval.**

## **V. RECONFIRMATION OF SHAREHOLDER RIGHTS PLAN**

On May 12 2009, the Board of the Company adopted a shareholder rights plan designed to ensure, to the extent possible, that all of the Shareholders are treated fairly in the event that a take-over bid is made for the shares of the Company and to ensure that the Board has sufficient time to evaluate unsolicited takeover bids and to explore, develop and pursue alternatives that could maximize value for the Shareholders. The Company's shareholder rights plan was approved by the Shareholders at the annual and special meeting held on June 11, 2009, amended and reconfirmed by the Shareholders at the annual and special meetings held on August 23, 2012, June 25, 2015 and June 21, 2018.

The Company's current shareholder rights plan, as amended and restated, will expire upon the termination of the Meeting. In order for the Company's shareholder rights plan to continue in effect for a further three year period, the Shareholders are required to approve and reconfirm an amended and restated shareholder rights plan (the "**Rights Plan**") at the Meeting.

The Board has determined that it is in the best interests of the Company that the Rights Plan be reconfirmed. The Board has further determined that it is in the best interests of the Company that the Right Plan be amended to reflect such reconfirmation. Accordingly, the Shareholders will be asked at the Meeting to consider and, if thought appropriate, to pass a resolution approving the amendment, restatement and reconfirmation of the Rights Plan. The Rights Plan will take the form of an agreement between the Company and AST Trust Company (Canada) as the rights agent (the "**Rights Agent**"). To be effective, the resolution must be passed by a majority of the votes cast by the Shareholders voting in respect of the resolution.

The Rights Plan is subject to the execution of such agreement by the Rights Agent. A summary of the key features of the Rights Plan (as amended and restated) is set out in Schedule "B" to this Circular. All capitalized terms used in this section of the Circular and Schedule "B" have the meanings set forth in the Rights Plan unless otherwise indicated. The summary is qualified in its entirety by the full text of the Rights Plan, which is available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) or on request from the Company at 120 Adelaide St. West, Suite 2500, Toronto, ON M5H 1T1, Fax: (416) 603-8368.

### *Proposed Amendments*

The Rights Agent has requested, and the Company has agreed to, the inclusion of certain customary limitation of liability of the Rights Agent which provides that the Rights Agent shall not be liable for (i) damages or losses caused by breach of any securities law or any rule of securities regulatory authority, (ii) lost profits, or (iii) special, direct, incidental, consequential, exemplary, aggravated or punitive losses or damages, and the liability of the Rights Agent shall be limited to the aggregate amount of fees paid by the Company to the Rights Agent under the Rights Plan. The Rights Plan has also been amended to grant protection to the Rights Agent so that it would not be liable for refusing to act if it reasonably determines that such act might cause it to be in non-compliance with applicable anti-money laundering legislation, or such act is conflicting with the terms of the Rights Plan or any other applicable law or regulation. In addition, certain administrative amendments have been made to bring the Rights Plan up to date. For more details of the proposed amendments, please refer to the Rights Plan which is available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

### *Purpose of the Shareholder Rights Plan*

The primary purpose of the Rights Plan is to protect the Shareholders from unfair, abusive or coercive takeover strategies, including the acquisition of control of the Company by a bidder in a transaction or series of transactions that does not treat all the Shareholders equally or fairly or that does not afford all the Shareholders an equal opportunity to share in any premium paid upon an acquisition of control. Under the current securities legislation, an offeror may still obtain control or effective control of a corporation without treating all shareholders equally through purchases exempt from the current take-over bid rules (“**Exempt Purchases**”), which include acquisitions of control through creeping bids that result in the accumulation of more than 20% of the Common Shares of the Company. For example, an acquirer could acquire blocks of Common Shares by private agreement from one or a small group of Shareholders at a premium to market price, which premium is not shared by the other Shareholders. In addition, a person could slowly accumulate Common Shares through acquisition of Common Shares on or through the facility of TSXV which may result, over time, in an acquisition of control or effective control without paying a control premium or fair sharing of any control premium among the Shareholders. Under the Rights Plan, in order to qualify as a Permitted Bid (as defined in the Rights Plan), any offer to acquire 20% or more of the Company’s Common Shares, including any offer of Exempt Purchases, must be made by way of take-over bid circular to all holders of Common Shares.

The Rights Plan is also designed to afford both the Shareholders and the Board of the Company sufficient time to assess offers made for the control stake of the Company and to pursue, explore and develop alternative courses of action in any attempt to maximize shareholder value. The Rights Plan encourages potential acquirers who seek to acquire a control stake of the Company to proceed either by way of a Permitted Bid, which requires their take-over bids to satisfy certain minimum standards designed to promote fairness in accordance with NI 62-104, or to obtain the concurrence of the Board under certain circumstances permitted by the Rights Plan.

The Rights Plan provides one right (a “**Right**”) per Common Share (which Right may only be exercised if a person acquires control of 20% or more of the Common Shares) for each holder of Common Shares (other than the person that acquires 20% or more of the outstanding Common Shares), to acquire additional Common Shares at one-half of the market price at the time of exercise. This significantly dilutes the share position of the person that acquires 20% or more of the Common Shares and practically prevents that person from acquiring control of 20% or greater of the Common Shares unless the Rights Plan has been withdrawn or the buyer makes a Permitted Bid (as discussed below). The most common approaches that an acquirer may take to have the Rights Plan withdrawn are to negotiate with the Board to have the Rights Plan waived, or to apply to a securities commission to order withdrawal of the Rights Plan if the Company cannot develop competitive bids. Both of these approaches will give the Board more time and control over any sale process and increase the likelihood of a better offer to the Shareholders.

### *General Impact of the Rights Plan*

It is not the intention of the Board, in approving the Rights Plan, to secure the continuance of existing directors or management in office, nor to avoid a bid for control of the Company in a transaction that is fair and in the best interests of the Shareholders. For example, through the Permitted Bid mechanism, described in more detail in the summary attached as Schedule “B” to this Circular, the Shareholders may tender to a take-over bid that meets the Permitted Bid criteria without triggering the Rights Plan, regardless of the acceptability of the take-over bid to the Board. Furthermore, even in the context of a bid that does not meet the Permitted Bid criteria, the Board will continue to be bound to consider fully and fairly any take-over bid for the outstanding Common Shares in any exercise of its discretion to waive application of the Rights Plan or redeem the Rights. In all such circumstances, the Board must act honestly and in good faith with a view to the best interests of the Company and its Shareholders.

The Rights Plan does not preclude any Shareholder from utilizing the proxy mechanism under the CBCA and Canadian securities laws to promote a change in the management or direction of the Company, or the Board, and has no effect on the rights of holders of outstanding Common Shares to requisition a meeting of Shareholders in accordance with the provisions of applicable corporate and securities legislation, or to enter into agreements with respect to voting their Common Shares. The definitions of “Acquiring Person” and “Beneficial Ownership” have been developed to minimize concerns that the Rights Plan may be inadvertently triggered as a result of an overly-broad aggregation of holdings of institutional Shareholders and their clients.

The Rights Plan will not interfere with the day-to-day operations of the Company. The issuance of the Rights does not in any way alter the financial condition of the Company, impede its business plans or alter its financial statements.

In summary, the Board believes that the dominant effect of the Rights Plan will be to enhance Shareholder value, and ensure equal treatment of all Shareholders in the context of a bid for control of the Company through an acquisition of the outstanding Common Shares.

#### *Vote Required*

Shareholder approval of the Rights Plan is not required by law, but is required by applicable TSXV rules. The Rights Plan has incorporated the applicable TSXV rules by requiring any amendments thereof to be approved by a majority of the votes casted by Independent Shareholders present or represented at and entitled to vote at the Meeting. An “**Independent Shareholder**” is generally any Shareholder other than an “**Acquiring Person**” (as defined in the Rights Plan) and its associates and affiliates. An Acquiring Person is usually a Shareholder that is attempting to acquire 20% or more of the Common Shares. As of the date of this Circular, the Company is not aware of any Shareholder that would not be considered an Independent Shareholder and, therefore, it is anticipated that all Shareholders will be eligible to vote their Common Shares on the resolution to continue, amend and restate the Rights Plan.

The Rights Plan has a maximum term of three years. At the expiry of such term the Rights Plan must be approved again by the Shareholders or it will be null and void and of no further force and effect. If approved at this Meeting, the Rights Plan will require reconfirmation at the annual meeting of Shareholders in 2024.

If the resolution to approve the Rights Plan is passed at the Meeting, then the Rights Plan, as amended and restated, will continue to be effective as of the date the resolution is passed (subject to the prior execution of the amended and restated Rights Plan by the Rights Agent). If the resolution approving the Rights Plan is not passed at the Meeting, the Rights Plan will terminate.

#### *Recommendation of the Board of Directors*

The Board has reviewed the Rights Plan for conformity with current practices of Canadian issuers with respect to shareholder rights plan design. Based on its review, the Board has determined that it is advisable and in the best interests of the Company and its Shareholders that the Company have in place a shareholder rights plan in the form of the Rights Plan. Accordingly, the Board unanimously recommends a vote “for” the reconfirmation and approval of the Rights Plan. The Company has been advised that the directors and senior officers of the Company intend to vote all Common Shares held by them in favour of the approval to reconfirm the Rights Plan.

The Board reserves the right to alter any terms of or not proceed with the Rights Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Company and its Shareholders to do so, in light of subsequent developments.

The complete text of the resolution which management intends to place before the Meeting approving the amendment, restatement and reconfirmation of the Rights Plan, with or without modification is set out in Schedule "C" to this Circular. In order to be effective, this resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

**Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the amendment, restatement and reconfirmation of the Rights Plan, the persons named in the Proxy intend to vote for such approval.**

## VI. SHARE CONSOLIDATION

**The Board has no present intention to implement a share consolidation, but believes that it would be prudent to have the necessary shareholder authorization in place should the Board determine at some point in the following two year period that a share consolidation would be in the best interest of the Company.**

At the Meeting, the Shareholders will be asked to consider, and if thought appropriate, approve a special resolution attached hereto as Schedule "D" (the "**Consolidation Resolution**"), authorizing the Board, in their sole discretion if deemed in the best interest of the Company, within two (2) years from the Meeting date, to amend the articles of the Company to effect a consolidation of all of the issued and outstanding Common Shares on the basis of a consolidation ratio (the "**Consolidation Ratio**") to be selected by the Board within a range between two (2) pre-consolidation Common Shares for one (1) post-consolidation Common Share and ten (10) pre-consolidation Common Shares for one (1) post-consolidation Common Share (the "**Share Consolidation**").

The decision to seek authorization from the Shareholders for a Share Consolidation was taken by the Board after careful consideration of a number of factors, including market activity, access to institutional investors, prospective broadening of international investor interest in the Company, and if advisable, the structuring of potential future financings with strategic investors.

The principal purpose of a Share Consolidation if implemented is to increase the per share market price of Common Shares and to reduce the number of Common Shares outstanding, which the Board believes will have a number of benefits to the Company and the Shareholders. The Board believes that increasing the market price of Common Shares may well generate greater investor interest in the Company, facilitate trading and liquidity in the Common Shares, enhance the prestige of the Common Shares in the marketplace and better enable the Company to raise funds to finance its planned operations.

The final decision as to if and when to proceed with a Share Consolidation, including the final Consolidation Ratio, shall be at the sole discretion of the Board. As a result, the authorization to be given to the Board does not guarantee that a Share Consolidation will occur. In addition, prior to implementing any Share Consolidation, the Company shall first be required to obtain the approval of the TSXV and other applicable regulatory approvals.

### *Effect of the Consolidation*

The number of securities of the Company outstanding as at the Record Date and prior to any Share Consolidation is 321,727,932 Common Shares, 22,160,000 Options and 97,772,336 common share purchase warrants (the “**Warrants**”). For illustrative purposes, assuming a Share Consolidation is implemented at a Consolidation Ratio of ten (10) pre-consolidation Shares for one (1) post-consolidation Share:

- (a) the number of outstanding securities of the Company will be 32,172,793 Common Shares, 2,216,000 Options and 9,777,234 Warrants;
- (b) each holder of Common Shares will become entitled to receive such number of post-consolidation Common Shares as is equal to the pre-consolidation Common Shares divided by the Consolidation Ratio;
- (c) each Warrant and Option not yet exercised and still valid and outstanding at the date of the Share Consolidation will be adjusted by the Consolidation Ratio as applied to the pre-consolidation Common Shares and each holder thereof will become entitled to receive post-consolidation Common Shares accordingly when such Warrant or Option is duly exercised; and
- (d) no fractional Common Shares, Warrants or Options of the Company shall be issued in connection with the Share Consolidation and no cash shall be paid in the event that a Shareholder would otherwise be entitled to receive a fractional security upon such Share Consolidation. Any fractions stemming therefore will be rounded up or rounded down to the nearest whole number at the sole discretion of the Board.

#### *Exchange of Shares*

If a Share Consolidation is implemented, the specific procedures for the exchange of pre-consolidation Common Shares for the post-consolidation Common Shares will be outlined in a letter of transmittal to be completed and returned to the Company’s registrar and transfer agent in accordance with the instructions set out in the letter of transmittal. Thereafter, certificates for the number of the post-consolidation Common Shares will be distributed without charge.

#### *Certain Risks Associated with the Share Consolidation*

There can be no assurance that the total market capitalization of the Company’s post-consolidation Common Shares (the aggregate value of all post-consolidation Common Shares at the then-market price) immediately after implementation of the Share Consolidation will be equal to or greater than the total market capitalization immediately before the Share Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Share Consolidation will be higher than the per-share market price immediately before the Share Consolidation or equal or exceed the direct arithmetical result of the Share Consolidation. A decline in the market price of the Common Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of a Share Consolidation and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Share Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Company will be successful in receiving increased attention from institutional investors.

If a Share Consolidation is implemented, it may result in some Shareholders owning "odd lots" of post-consolidation Common Shares. Odd lots may be more difficult to sell, or require greater transaction costs per Share to sell, relative to Common Shares in "board lots". In accordance with the rules of TSXV, a

“board lot” means 500 Common Shares if the Common Shares are trading at \$0.10 per share or more and less than \$1.00 per share, and 100 Common Shares if the Common Shares are trading at \$1.00 per share or more.

#### *Other Information Regarding the Share Consolidation*

If approved and implemented, a Share Consolidation will occur simultaneously for all Common Shares and the Consolidation Ratio would be the same for all such Common Shares. The Share Consolidation would affect all Shareholders equally. Except for any variances attributable to fractional Shares, the change in the number of issued and outstanding Common Shares that would result from the Share Consolidation would cause no change in the capital attributable to the Common Shares and would not materially affect any Shareholders' percentage ownership in the Company, even though such ownership would be represented by a smaller number of Common Shares. In addition, the Share Consolidation would not affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Share Consolidation would be entitled to one vote and be fully paid and non-assessable.

Non-Registered Shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Share Consolidation than those that will be put in place by the Company for Registered Shareholders. If you hold your Common Shares with a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

#### *Dissent Rights*

Under the CBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

#### *Share Consolidation Resolution*

The complete text of the Consolidation Resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is set out in Schedule “D” hereto.

The Board recommends that the Shareholders vote for the adoption of the Consolidation Resolution. In order to be effective, the Consolidation Resolution must be approved by the affirmative vote of not less than two-thirds of the votes cast at the Meeting in respect of the Consolidation Resolution.

**For the reasons indicated above, the Board believes that the proposed Consolidation Resolution is in the best interests of the Company and its Shareholders and, accordingly, recommends that Shareholders vote FOR the special resolution approving the Share Consolidation. Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the Consolidation Resolution, the person named in the Proxy intend to vote for such approval.**

#### **VII. ADOPTION OF NEW BYLAW**

The Company's By-Law No. 1 was enacted by its predecessor entity Casablanca Capital Corp. on February 12, 2004 under the *Business Corporations Act* (Alberta) (the “**ABCA**”). The Company subsequently continued its corporate existence from the Province of Alberta under the ABCA into the federal jurisdiction of Canada under the CBCA.

The Board believes that By-Law No. 1 is outdated and it is in the best interest of the Corporation to repeal and replace By-Law No. 1 with a new by-law which more closely reflects the current corporate practices of the Company and conforms with the provisions of the CBCA.

Section 103 of the CBCA provides the directors of a corporation may, by resolution, make amend, or repeal any by-laws that regulate the business or affairs of the corporation. On May 14, 2021, the Board approved a resolution to repeal By-Law No. 1 and enact By-Law No. 2 (the “**New By-law**”) to replace the repealed By-Law No. 1. A copy of the New By-Law is attached to this Circular as Schedule “E”.

Under the CBCA, the Board is required to submit the repeal of By-Law No. 1 and the adoption of the New By-Law to the Shareholders for confirmation at the Meeting (the “**New By-Law Confirmation**”), and the Shareholders may, by ordinary resolution, confirm, reject or amend the New By-Law and the repeal of By-Law No. 1. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, approve an ordinary resolution attached hereto as Schedule “D” authorizing the New By-Law Confirmation (the “**New By-Law Resolution**”).

The repeal of By-Law No. 1 and the adoption of the New By-law are effective from May 14, 2021, being the date such repeal and adoption were approved by the Board, until it is confirmed, confirmed as amended or rejected by the Shareholders by ordinary resolution at the Meeting, and if confirmed or confirmed as amended, the New By-law will continue in full force and effect in the form in which they were so confirmed. If the Shareholders reject the New By-Law Confirmation, By-Law No. 1 will be re-enacted and the New By-Law will cease to be in effect on the date of the Meeting.

The following is a summary of the key material changes to By-Law No. 1 contained in the New By-Law:

- (a) the New By-Law allows for a virtual shareholders meeting, which has become increasingly prevalent due to the COVID-19 pandemic, to be held entirely by means of a telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting;
- (b) the New By-Law brought the quorum requirement of a shareholders’ meeting in line with the customary quorum requirement of a public company in Canada by changing the quorum from two persons entitled to vote at the meeting to two persons entitled to vote at the meeting holding not less than 5% of the outstanding shares of the Company which may be voted at the meeting;
- (c) the New By-Law provides protection and indemnity to the directors and officers of the Company that are customary for a public company in Canada;
- (d) the New By-Law provides provisions relating to electronic, book-based or other non-certificated registered positions for securities of the Company which are increasingly used by public companies in Canada due to the COVID-19 pandemic; and
- (e) The New By-Law provides for requirements of advance notice of nominations of directors in circumstances where nominations of directors are made by the Shareholders (the “**Advance Notice Requirements**”). The purpose of the Advance Notice Requirements is to protect the interests of the Shareholders and the Company by ensuring that all Shareholders, including those participating in a shareholders’ meeting by proxy rather than in person, receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. The New By-Law provides for a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any

annual or special meeting of shareholders and provides for the information that a Shareholder must include in the advance notice to the Company. Notice to the Company must be made not less than 30 days nor more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of meeting was made, notice may be made not later than the close of business on the 10<sup>th</sup> day following such public announcement. In the case of a special meeting (which is not an annual and special meeting) called for the purpose of electing directors, notice to the Company must be made not later than the close of business on the 15<sup>th</sup> day after meeting notice date.

The foregoing summary of the New By-Law is not intended to be exhaustive with respect to the differences between By-Law No. 1 and the New By-Law. Shareholders are encouraged to review the New By-Laws, as attached as Schedule “E” hereto, in its entirety. In the event that there is any inconsistency between the foregoing summary and the New By-Law, the terms of the New By-Law shall prevail.

The complete text of the New By-Law Resolution which management intends to place before the Meeting for approval, confirmation, and adoption, with or without modification is set out in Schedule “F” to this Circular.

The Board recommends that the Shareholders vote for the approval of the New By-Law Resolution. In order to be effective, this resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

**Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the New By-Law Resolution, the persons named in the Proxy intend to vote for such approval.**

## **VII. APPROVAL OF CORPORATE ACTIONS**

The Shareholders will be asked to approve and confirm all the acts and proceedings of the directors and officers of the Company made to the date hereof including those disclosed or referred to in the Company’s minute books and records, in information disseminated by the Company to the Shareholders, or in the financial statements of the Company.

The text of the proposed resolution is set out in Schedule “G” hereto. In order to be effective, this resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

**Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of all acts and proceedings of the directors and officers of the Company made up to the date hereof, the person named in the Proxy intend to vote for such approval.**

## **INFORMATION CONCERNING THE COMPANY**

### **EXECUTIVE COMPENSATION**

#### **Summary Compensation Table of Named Executive Officers**

The purpose of this section is to describe the compensation of certain Named Executive Officers of the Company in accordance with Form 51-102F6 – *Statement of Executive Compensation* published by the Canadian Securities Administrators. When used in this Circular, “Named Executive Officer” means: (i) each person who acted as the Chief Executive Officer or the Chief Financial Officer of the Company (or

in similar capacities thereof) during the most recently completed financial year of the Company; and (ii) the other three most highly compensated executive officers of the Company whose compensation exceeded \$150,000 during the most recently completed financial year of the Company.

As of December 31, 2020, the last day of the most recently completed financial year of the Company, the Company has two Named Executive Officers: Christopher Frostad, President and Chief Executive Officer, and Ram Ramachandran, Chief Financial Officer of the Company. The following table provides information for the three most recently completed financial years ended December 31, 2020 regarding compensation paid to or earned by each of the Named Executive Officers.

Name and Principal Position	Fiscal Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$) <sup>(3)</sup>	Total Compensation (\$)
					Annual Incentive Plans <sup>(2)</sup>	Long-term Incentive Plans			
Christopher Frostad <sup>(4)</sup> President & CEO	2020	120,000	-	28,800	-	-	-	-	148,800
	2019	120,000	-	52,925	-	-	-	-	172,925
	2018	120,000	-	34,425	-	-	-	-	154,425
Ram Ramachandran Chief Financial Officer	2020	33,000	-	2,700	-	-	-	-	35,700
	2019	33,000	-	10,950	-	-	-	-	43,950
	2018	33,000	-	7,650	-	-	-	-	40,650

Notes:

- (1) Grant date fair values for 2020, 2019 and 2018 were determined as 2020 - \$0.018, 2019 - \$0.073 and 2018 - \$0.051 per Option, using the Black-Sholes method and following assumptions:

	December 31, 2020	December 31, 2019	December 31, 2018
Risk free interest rate	1.20%	2.00%	2.34%
Expected dividend yield	0%	0%	0%
Expected volatility	137%	157%	128%
Expected life	5 years	5 years	5 years

The Company chose the Black-Scholes method because it is recognized as the most common methodology for valuing options and doing value comparisons.

- (2) Represents bonuses paid in respect of each financial year.
- (3) The aggregate value of all perquisites for each Named Executive Officer does not exceed the lesser of \$50,000 and 10% of his total salary and bonus.
- (4) Christopher Frostad is also a director of the Company. He received the aforementioned salary payments and option-based awards in his capacity as President and Chief Executive Officer of the Company and did not receive any additional compensation for serving as a director of the Company in each of the three most recently completed financial years.

### Compensation Discussion and Analysis

The compensation of the directors and officers of the Company is set by the Board. The Board reviews on an annual basis the cash compensation, performance and overall compensation package for each Named Executive Officer.

### Executive Compensation Program Objectives

The objectives of the Company's executive compensation program are:

- to attract and retain qualified and experienced executives in order to drive the continued development of the Company and its current and future uranium exploration assets;
- to align the interests of the Company's executives with the interests of the Company's Shareholders;
- to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives and for their individual performances; and
- to provide to the Company's executives the compensation packages that are competitive with those received by executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

### Elements of Executive Compensation

Compensation for the Company's Named Executive Officers consists of the following elements:

1. fixed compensation in the form of base salary;
2. short-term incentive in the form of annual performance bonus; and
3. long-term equity-based incentive in the form of incentive stock options.

### Purpose of Each Compensation Element

Base salary is designed to attract and retain executives by providing reasonable income certainty at a level that is competitive with the base salaries for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

Annual performance bonuses are intended to provide short-term incentives to executives by rewarding them for their yearly individual contribution and achievement of the Company's performance objectives in the context of overall annual corporate performance.

Equity incentive awards are designed to, among other things, motivate executives to achieve longer-term sustainable business results and align their interests with those of the Shareholders, since grantees of equity incentive awards benefit only if the market value of the common shares at the time of stock option exercise is greater than the exercise price of the stock options determined with reference to the market price of the common shares at the time of grant. Consistent with most other junior mining companies who do not have a source of revenues (other than interest from funds on deposit), the Board believes that security-based compensation arrangements are a critical component of the Company's compensation arrangements and are necessary and vital to attracting and retaining key individuals.

### Determination of the Amount of Each Compensation Element

*Base Salary* – Base salaries of the Named Executive Officers are generally negotiated at the time of engagement and set forth in their respective employment or consulting agreements entered into with the Company. Upon engagement, the Named Executive Officers' base salaries are subject to annual review

by the Board. The determination of base salaries of Named Executive Officers is based on the assessment of a number of factors such as current competitive market conditions, experience of the Named Executive Officers with other issuers in the industry and factors particular to the Named Executive Officers, including individual performance in the context of the Company's overall performance, the scope of the Named Executive Officer's role with the Company and retention considerations.

*Annual Performance Bonus* – The granting of annual performance bonuses to the Named Executive Officers will only be made under extraordinary circumstances and is at the discretion of the Board of the Company. The decision of the Board to grant annual performance bonuses is based on the evaluation by the Board of each Named Executive Officer's yearly individual contribution to the achievement of the Company's performance objectives and in the context of the overall annual performance of the Company. The Company is a junior mining company involved in exploration and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board to be appropriate in the evaluation of the performance of the Named Executive Officers. Instead, effective completion of the Company's exploration work programs within pre-determined budgets, significant exploration discoveries, mineral resource and reserve upgrades, fulfillment of option agreement conditions, successful acquisitions and/or financings required for meeting the Company's objectives and its sustainability and growth are among the key factors for the Board's evaluation of the Named Executive Officers' yearly performance. Other considerations such as working capital level, cash position of the Company and overall market environment are also taken into consideration by the Board in the determination of annual performance bonuses. In respect of the Company's financial year ended December 31, 2020, no bonus was granted to the Named Executive Officers.

*Option-based awards* – The Company has established the Stock Option Plan under which incentive stock options are granted to directors, officers, employees and consultants of the Company as an incentive to serve the Company in attaining its goal of improving Shareholder value. Incentive stock options are generally awarded to the Named Executive Officers on an annual basis. The determination of incentive option awards is based on a variety of factors, such as the need to attract or retain key individuals, competitive market conditions and internal equity. The amounts and terms of historical and outstanding awards are taken into account from time to time in the determination of option awards. Options are awarded by the Board in a manner that ensures that the total number of options granted to any particular individual, including previous grants of options, is commensurate with the individual's level of ongoing responsibility and contribution to the Company. All options under the Stock Option Plan vest immediately upon granting. The Board determines at the date of grant of the option the exercise price for each option, in accordance with the policies of the TSXV. A summary of the Stock Option Plan is set out under "SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS".

The allocation of an executive's compensation to the foregoing elements of the executive compensation packages is not based on a formula or comparison to a defined benchmark group, but rather is intended generally to reflect market practices and realities as well as the discretionary assessment by the Board of each Named Executive Officer's past contribution and ability to contribute to future short-term and long-term business results.

### **Outstanding Option-Based Awards for Named Executive Officers**

The following table sets forth all option-based awards of the Company granted to the Named Executive Officers that were granted before, and remain outstanding as of the end of, the financial year ended December 31, 2020. As of the date hereof, the Company has not granted any share-based awards.

Named Executive Officer	Option-Based Awards			
	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$) <sup>(1)</sup>	Option Expiration Date	Value of Unexercised in-the-money Options (\$) <sup>(2)</sup>
Christopher Frostad, President & CEO	1,600,000	\$0.07	April 27, 2025	\$32,000
	725,000	\$0.085	April 23, 2024	\$3,625
	675,000	\$0.06	May 16, 2023	\$20,250
	700,000	\$0.065	July 11, 2022	\$17,500
	1,400,000	\$0.10	Sept. 27, 2021	\$0
Ram Ramachandran, CFO	150,000	\$0.07	April 27, 2025	\$3,000
	150,000	\$0.085	April 23, 2024	\$750
	150,000	\$0.06	May 16, 2023	\$4,500
	150,000	\$0.065	July 11, 2022	\$3,750
	200,000	\$0.10	Sept. 27, 2021	\$0

Notes:

- (1) Options are exercisable for the purchase of Common Shares. The exercise price of all options granted is equal to or greater than the closing price of the Common Shares on the TSXV on the trading day immediately preceding the date of grant in accordance with the terms of the Stock Option Plan.
- (2) The in-the-money value is equal to the number of options multiplied by the difference between the exercise price of the options and \$0.09, the closing trading price of the Common Shares on the TSXV on December 31, 2020.

### Value Vested or Earned During the Year for Named Executive Officers

The following table sets forth, in respect of the share-based and option-based awards of the Company granted to the Named Executive Officers that vested during the most recently completed financial year, the aggregate dollar value that would have been realized if the options under the option-based awards had been exercised on the vesting date and the aggregate dollar value realized upon vesting of share-based awards.

Named Executive Officer	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Christopher Frostad, President & CEO	Nil	Nil	Nil
Ram Ramachandran, CFO	Nil	Nil	Nil

Note:

- (1) Based on the difference between the exercise price of the options and the closing trading price of the Common Shares on the TSXV as of the date of vesting.

## **Significant Terms of Executive Consulting Agreements**

The Company has a consulting agreement with Christopher Frostad, President and Chief Executive Officer of the Company. The agreement provides for a monthly fee of \$10,000 and option awards to be granted at the discretion of the Board. The compensation package is subject to review by the Board on an annual basis and the compensation of Mr. Frostad provided under the agreement may be adjusted at the discretion of the Board. Pursuant to the terms of the consulting agreement, the Company may immediately terminate the agreement for cause by written notice. The Company also has the right to terminate the agreement without cause by providing Mr. Frostad with a six-month notice or six-month cash compensation in lieu of such notice. Mr. Frostad has the right to terminate the agreement for any reason by providing the Company with a two-month notice. Upon termination, stock options owned by Mr. Frostad that would vest during the notice period would vest on the vesting date and stock options that would vest after the notice period would be terminated.

The Company has a consulting agreement with Ram Ramachandran, Chief Financial Officer of the Company, which provides for a base fee of \$33,000 per annum and option awards to be granted at the discretion of the Board.

The management functions of the Company are performed by the executive officers and directors of the Company. As of the date hereof, the Company has not entered into any management contracts with any third parties.

## **Termination and Change of Control Benefits**

In the financial year ended December 31, 2020, the Company did not provide any compensation, monetary or otherwise, to any person who now or previously acted as an Named Executive Officer of the Company, in connection with or related to the retirement, termination or resignation of such person, or as a result of a change of control of the Company.

The Company currently has no contracts, agreements, plans or arrangements that provide for payments to an Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an a Named Executive Officer's responsibilities, other than the six-month severance arrangement for termination without cause provided under the consulting agreement between the Company and Christopher Frostad (See EXECUTIVE COMPENSATION – Significant Terms of Executive Consulting Agreements). For illustrative purposes, if such consulting agreement had been terminated without cause on December 31, 2020, an aggregate amount up to \$60,000 would have been payable to Mr. Frostad depending on the length of the notice period given.

## **Compensation of Directors**

The following table provides details of the compensation for the most recently completed financial year provided to the directors of the Company, other than Christopher Frostad who is a Named Executive Officer by virtue of being the President and Chief Executive Officer of the Company. The details of the compensation for Mr. Frostad has been provided under “EXECUTIVE COMPENSATION – Summary Compensation Table for Named Executive Officers”.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Allan Beach	\$10,000	Nil	\$28,800	Nil	Nil	Nil	\$38,800
Scott R. Frostad <sup>(2)</sup>	\$140,000	Nil	\$28,800	Nil	Nil	Nil	\$168,800
Borys Chabursky	\$10,000	Nil	\$28,800	Nil	Nil	Nil	\$38,800

Note:

- (1) Please refer to the “EXECUTIVE COMPENSATION – Summary Compensation Table for Named Executive Officers” for a discussion on the determination of grant date fair values.
- (2) Mr. Scott Frostad receives the aforementioned compensation in his capacity as VP, Exploration of the Company and did not receive any additional compensation in his capacity as a director of the Company.

The Company has not paid any additional compensation to its directors during the financial year ended December 31, 2020. No compensation is paid to the directors of the Company for attendance at board or committee meetings although the Company reimburses all reasonable expenses incurred by directors in performing of their duties.

#### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth all option-based awards of the Company granted to the directors (other than Christopher Frostad who is a Named Executive Officer) that were granted before, and remain outstanding as of the end of the most recently completed financial year. The relevant information for Mr. Frostad has been provided under “EXECUTIVE COMPENSATION - Outstanding Option Based Awards for Named Executive Officers”. As of the date hereof, the Company has not granted any share-based awards to any of its directors.

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$) <sup>(1)</sup>	Option Expiration Date	Value of Unexercised in-the-money Options (\$) <sup>(2)</sup>
Allan Beach	1,600,000	\$0.07	April 27, 2025	\$32,000
	725,000	\$0.085	April 23, 2024	\$3,625
	675,000	\$0.06	May 16, 2023	\$20,250
	700,000	\$0.065	July 11, 2022	\$17,500
	1,400,000	\$0.10	Sept. 27, 2021	\$0
Scott R. Frostad	1,600,000	\$0.07	April 27, 2025	\$32,000
	725,000	\$0.085	April 23, 2024	\$3,625
	675,000	\$0.06	May 16, 2023	\$20,250
	700,000	\$0.065	July 11, 2022	\$17,500
	1,400,000	\$0.10	Sept. 27, 2021	\$0

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$) <sup>(1)</sup>	Option Expiration Date	Value of Unexercised in-the-money Options (\$) <sup>(2)</sup>
Borys Chabursky	1,600,000	\$0.07	April 27, 2025	\$32,000
	725,000	\$0.085	April 23, 2024	\$3,625
	675,000	\$0.06	May 16, 2023	\$20,250
	700,000	\$0.065	July 11, 2022	\$17,500
	1,400,000	\$0.10	Sept. 27, 2021	\$0

Notes:

- (1) Options are exercisable for the purchase of Common Shares. The exercise price of all options granted is equal to or greater than the closing price of the Common Shares listed on the TSXV on the trading day immediately preceding the date of grant in accordance with the terms of the Stock Option Plan.
- (2) The in-the-money value is equal to the number of options multiplied by the difference between the exercise price of the options and \$0.09, the closing trading price of the Common Shares on the TSXV on December 31, 2020.

#### *Value Vested or Earned During the Year*

The following table sets forth, in respect of the share-based and option-based awards of the Company granted to the directors of the Company (other than Christopher Frostad who is a Named Executive Officer) that vested during the most recently completed financial year, the aggregate dollar value that would have been realized if the options under the option-based awards had been exercised on the vesting date and the aggregate dollar value realized upon vesting of share-based awards. The relevant information for Mr. Frostad has been provided under “EXECUTIVE COMPENSATION – Value Vested or Earned During the Year for Named Executive Officers”.

Name	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Allan Beach	Nil	Nil	Nil
Scott R. Frostad	Nil	Nil	Nil
Borys Chabursky	Nil	Nil	Nil

Note:

- (1) Based on the difference between the exercise price of the options and the closing trading price on the TSXV as of the date of vesting.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

On May 30, 2005, the Company adopted the Stock Option Plan, which provides that Board may from time to time, in its discretion, and in accordance with the requirements of the TSXV, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance, together with any

options issued to Eligible Charitable Organizations, will not exceed 10% of the issued and outstanding Common Shares. Such options will be exercisable for a period of up to 5 years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares, the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares, and the number of Common Shares reserved for issuance to persons employed to provide investor relations services will not exceed two percent (2%) of the issued and outstanding Common Shares. Options may be exercised no later than 60 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. **"Eligible Charitable Organization"** means: (a) any "Charitable Organization" or "Public Foundation" which is a "Registered Charity", but is not a "Private Foundation" (as such terms are defined in the *Income Tax Act* (Canada)), or (b) a "Registered National Arts Service Organization" (as such term is defined in the *Income Tax Act* (Canada)). The Company has no equity compensation plans other than its Stock Option Plan.

The following table sets out the number of Common Shares reserved for issuance, the weighted average exercise price, and the number of Common Shares remaining for future issuance under the Company's equity compensation plans as of December 31, 2020:

<b>Stock Option Plan Information</b>			
<b>Plan Category</b>	<b>Number of Common Shares to be Issued on the Exercise of Outstanding Options</b>	<b>Weighted-Average Exercise Price of Outstanding Options</b>	<b>Number of Securities Remaining Available for Future Issuance under the Stock Option Plan<sup>(1)</sup></b>
Plans Approved by Shareholders	22,210,000	\$0.08	22,210,000
Plans Not Approved by Shareholders	Nil	N/A	Nil
<b>Total</b>	<b>22,210,000</b>	<b>\$0.08</b>	<b>22,210,000</b>

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the present or former directors, proposed nominees or senior officers of the Company or their respective associates or affiliates are, were or have been indebted to the Company or subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, at any time since the beginning of the last completed financial year of the Company and as at the date hereof.

## **CORPORATE GOVERNANCE**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") adopted by the Canadian securities regulatory authorities requires that, if management of any issuer solicits proxies from its security holders for the purpose of electing directors, certain disclosure of its corporate governance practices must be included in its management information circular.

National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices

comply with the guidelines. However, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development. Therefore, certain guidelines under NP 58-201 have not been adopted. The Company will continue to review and implement the corporate governance guidelines set out in NP 58-201 as the business of the Company progresses.

## **The Board of Directors**

### *Independence of the Board of Directors*

Two of the four current members of the Board, Allan Beach and Borys Chabursky are independent within the meaning of NI 58-101. Christopher Frostad and Scott Frostad are considered to be not independent because they are officers of the Company.

To help ensure the functioning of the Board independently of management, the independent directors hold informal meetings at which members of management are not present. In addition, the compensation of the officers of the Company is considered in their absence by the independent members of the Board at least once a year.

### *Directorship with Other Reporting Issuers*

<b>Name of Director</b>	<b>Name of other Reporting Issuers</b>
Borys Chabursky	Acerus Pharmaceuticals Corp.

### *Orientation and Continuing Education*

The Board does not have a formal program for the orientation and education of new members. New members are briefed on their responsibilities by other directors of the Company. When a person joins the Board, he or she will be given the opportunity to become familiar with the Company by meeting with the other directors of the Company and with the officers and representatives of the Company. As each director has a different skill set and professional background, orientation and training activities will be tailored to the particular needs and experience of the individual director.

### *Ethical Business Conduct*

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to management to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical business conduct. While both the management of the Company and the Board are committed to ensuring the ethical operation of the Company's business, the Company does not at present have a formal code of ethics.

### *Nomination of Directors*

The Board does not at present have a formal policy for the nomination of new directors. The recruitment of new directors, when required, will be based on recommendations made by incumbent members of the Board and the Shareholders. Prior to standing for election, new nominees to the Board will be reviewed by the incumbent Board to ensure that they have adequate knowledge of corporate governance and experience in acting as director of reporting issuers in the junior mining sector.

### *Compensation*

The Board sets compensation for the directors and officers of the Company. See “EXECUTIVE COMPENSATION – Compensation Discussion and Analysis”.

### *Committees of the Board of Directors*

The Board currently has one standing committee, namely the Audit Committee. The Audit Committee is composed of a majority of members who are independent of the Company within the meaning of NI 58-101 (see “AUDIT COMMITTEE”). The Company does not have an Executive Committee or Corporate Governance Committee. Such functions are carried out by the Board.

### *Assessments*

Due to the small size of the Board, there is no formal process for evaluating the effectiveness of the Board, its committee and management. Management reports to the Board and evaluation of management’s performance takes place informally at the meetings of the Board or in informal meetings by the independent directors.

### *Director Term Limits*

The Company currently has not adopted a policy with respect to the term limits for directors. While term limits can help ensure the Board gains fresh perspective, imposing this restriction means the Board would lose the contributions of longer serving directors who have developed a deep knowledge and understanding of the Company over time. The Board does not believe that long tenure impairs a director’s ability to act independently of management.

### *Diversity and Inclusion*

The Company’s senior management and members of the Board have varying backgrounds and expertise and were selected on the belief that the Company and its stakeholders would benefit from such a broad range of talent and cumulative experience. The Board considers merit as the essential requirement for board and executive appointments, and as such, it has not adopted any specific target number or percentage, or a range of target numbers or percentages, respecting the representation of women, Indigenous peoples, persons with disabilities, or members of visible minorities (collectively, “**member of a designated group**”) on the Board or in senior management roles.

The Company has not adopted a written diversity policy and seeks to attract and maintain diversity at the executive and Board levels’ informally through the recruitment efforts of Management in discussion with directors prior to proposing nominees to the Board as a whole for consideration. Although the level of representation of members of designated groups is one of the many factors taken into consideration in making Board and executive officer appointments, emphasis is placed on hiring or advancing the most qualified individuals. As of the date of this Circular, the CFO of the Company is a member of a designated group.

## **AUDIT COMMITTEE**

### **Audit Committee Charter**

The full text of the Company’s Audit Committee Charter is set out in Schedule “H” hereto.

## **Composition of the Audit Committee**

The Audit Committee of the Company is currently comprised of Christopher Frostad, Allan Beach and Borys Chabursky. Mr. Chabursky is the Chairman of the Audit Committee. Each of the members of the Audit Committee is considered to be financially literate.

Allan Beach and Borys Chabursky are considered to be independent members of the Audit Committee. This determination was made by the Board upon inquiry of their activities and relationship with the Company.

## **Relevant Education and Experience**

Borys Chabursky is the founder and Chairman of Shift Health, a consultancy in the life sciences sector. Mr. Chabursky is also the Chairman of SHI Capital, an advisory company, and President of SHI Ventures, a vehicle through which he has invested as an angel in healthcare and life sciences, mining and food and beverage companies. He specializes in strategic planning, capital sourcing and business development. He has acquired the requisite financial literacy and experience to adequately carry out his duties as a member of the Audit Committee through his career founding, investing, managing and advising various start-up companies.

Christopher Frostad has spent over 35 years working with and building a variety of high growth, early stage companies (both private and public). Prior to co-founding the Company's predecessor Purepoint Uranium Corporation, Mr. Frostad was the CEO-in-Residence of a Toronto-based Venture Capital firm where he led or worked with portfolio companies focusing on a variety of responsibilities including corporate finance, mergers & acquisitions, sales strategy, product development and marketing. He holds an Honors Bachelor of Business Administration Degree from Wilfrid Laurier University and is a member of the Ontario Institute of Chartered Accountants.

Allan Beach currently serves as a director of Westney Group Inc., a private equity firm. Prior to joining Westney Group Inc., Mr. Beach was counsel at one of Canada's largest national law firms, specializing in the equity and debt financing of corporations, partnerships, limited partnerships, co-ventures and other projects and entities, by way of both private placement and public offering, with particular experience in venture capital corporations, flow-through share offerings and other government incentive financing.

## **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there have been no recommendations of the Audit Committee that the Board of the Company has not adopted.

## **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial period has the Company relied on the exemption in Section 2.4 (*De Minimis Non-audit Services*) of National Instrument 52-110 – *Audit Committees* ("NI 52-110"), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## **Pre-Approval Policies and Procedures**

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

## External Auditor Services Fees

The following table sets out the aggregate fees billed by the Company's external auditors in each of the last two financial years.

Category of Fees	Year Ended December 31, 2020	Year Ended December 31, 2019
Audit Fees <sup>(1)</sup>	\$28,000	\$28,000
Audit-Related Fees <sup>(2)</sup>	\$350	\$350
Tax Fees <sup>(3)</sup>	\$2,750	\$2,750
All Other Fees <sup>(4)</sup>	-	-
<b>Total</b>	<b>\$29,500</b>	<b>\$29,500</b>

Notes:

“**Audit Fees**” include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements and includes the fees of the Company's auditors. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

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

“**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

“**All Other Fees**” include all other non-audit service.

## Reliance on Exemption for Venture Issuers

The Company is a “venture issuer” as the Common Shares are listed for trading on the TSXV. As such, the Company is not required to comply with Part 3 of NI 52-110 (Composition of the Audit Committee) and Part 5 of NI 52-110 (Reporting Obligations) based on the exemption for venture issuers contained in section 6.1 of NI 52-110.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is MNP LLP. The Company's transfer agent and registrar is AST Trust Company (Canada).

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer or a 10% Shareholder. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the

Company or any of its subsidiaries during the financial year ended December 31, 2020, or has any interest in any material transaction in the current year other than as set out herein.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is filed on the System for Electronic Data Analysis and Retrieval (“**SEDAR**”) and can be accessed on the internet at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company’s comparative financial statements and management discussion and analysis (“**MD&A**”) for its most recently completed financial year. The Shareholders may request copies of such financial statements and MD&A by mailing a request to Purepoint Uranium Group Inc. at 120 Adelaide St. West, Suite 2500, Toronto, Ontario M5H 1T1.

#### **DIRECTORS’ APPROVAL**

The contents and sending of this Circular have been approved by the directors of the Company.

DATED the 14<sup>th</sup> day of May, 2021.

*(Signed) “Christopher Frostad”*

---

Christopher Frostad  
President and Chief Executive Officer

## **SCHEDULE "A"**

### **RESOLUTION TO APPROVE THE COMPANY'S STOCK OPTION PLAN**

**RESOLVED as an ordinary resolution of the Shareholders that:**

1. the continuation of the Stock Option Plan initially approved by the Board on May 30, 2005 is hereby approved and shall continue and remain in effect until further approval is required pursuant to the rules of the TSXV or other applicable regulatory requirements;
2. the Stock Option Plan may be amended in order to satisfy the requirements or requests of the TSXV or any regulatory authorities without requiring further approval of the Shareholders; and
3. any director or officer is hereby authorized to execute and deliver all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to foregoing resolution and the Board, from time to time, is hereby authorized to grant Options in the capital stock of the Company in accordance with the provisions of the Stock Option Plan and the policies of the TSXV.

## **SCHEDULE “B”**

### **SUMMARY OF THE AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN**

The following is a summary of the features of the Rights Plan. The summary is qualified in its entirety by the full text of the Rights Plan, a copy of which is available under the Company’s profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and upon request to the Company as described in the Circular. All capitalized terms used in this summary without definition have the meanings attributed to them in the Rights Plan unless otherwise indicated.

#### **Issuance of Rights**

One Right has been issued by the Company for each Common Share outstanding at the close of business on May 12, 2009, the date the Rights Plan came into effect, and one Right will be issued and will continue to be issued for each Common Share issued after such date and prior to the earlier of the Separation Time and the Expiration Time.

Each Right entitles the registered holder thereof to purchase from the Company one Common Share at an exercise price equal to three times the Market Price of the Common Share, subject to adjustment and certain anti-dilution provisions (the “**Exercise Price**”). The Rights are not exercisable until the Separation Time. If a Flip-in Event occurs, each Right will entitle the registered holder thereof to receive, upon payment of the Exercise Price, Common Shares having an aggregate market price equal to twice the Exercise Price.

The Company is not required to issue or deliver Rights, or securities upon the exercise of Rights, outside Canada where such issuance or delivery would be unlawful without registration of the relevant Persons or securities. If the Rights Plan would require compliance with securities laws or comparable legislation of a jurisdiction outside Canada, the Board may establish procedures for the issuance to a Canadian resident Fiduciary of such securities (i) to hold such Rights or other securities in trust for the Persons beneficially entitled to them, (ii) to sell such securities, and (iii) to remit the proceeds to such Persons.

#### **Trading of Rights**

Until the Separation Time (or the earlier termination or expiration of the Rights), the Rights will be evidenced by the certificates representing the Common Shares and will be transferable only together with the associated Common Shares. From and after the Separation Time, separate certificates evidencing the Rights (“**Rights Certificates**”) will be mailed to holders of record of Common Shares (other than an Acquiring Person) as of the Separation Time. Rights Certificates will also be issued in respect of Common Shares issued prior to the Expiration Time, to each holder (other than an Acquiring Person) converting, exchanging or exercising, after the Separation Time, securities (“**Convertible Securities**”) convertible into or exchangeable or exercisable for Common Shares. The Rights will trade separately from the Common Shares after the Separation Time.

#### **Separation Time**

The Separation Time is the close of business on the tenth Business Day after the earlier of: (i) the “**Stock Acquisition Date**”, which is generally the first date of public announcement of facts indicating that a Person has become an Acquiring Person; (ii) the date of the commencement of, or first public

announcement of the intent of any Person (other than the Company or any Subsidiary of the Company) to commence, a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid, and the Rights Plan requires such bid to continue to satisfy the requirements of a Permitted Bid or Competing Permitted Bid); and (iii) the date upon which a Permitted Bid ceases to be a Permitted Bid. In each case, the Separation Time can be such later date as may from time to time be determined by the Board. If a Take-over Bid expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, it shall be deemed never to have been made.

### **Acquiring Person**

In general, an Acquiring Person is a Person who is the Beneficial Owner of 20% or more of the outstanding Common Shares. Excluded from the definition of “Acquiring Person” are the Company and its Subsidiaries, and any Person who becomes the Beneficial Owner of 20% or more of the outstanding Common Shares as a result of one or more or any combination of an acquisition or redemption by the Company of Common Shares, a Permitted Bid Acquisition, an Exempt Acquisition, a Convertible Security Acquisition and a Pro Rata Acquisition. The definitions of “Permitted Bid Acquisition”, “Exempt Acquisition”, “Convertible Security Acquisition” and “Pro Rata Acquisition” are set out in the Rights Plan. However, in general:

- (a) a “**Permitted Bid Acquisition**” means an acquisition of Common Shares made pursuant to a Permitted Bid or a Competing Permitted Bid (see “Permitted Bid and Competing Permitted Bid” below);
- (b) an “**Exempt Acquisition**” means an acquisition of Common Shares:
  - (i) in respect of which the Board has waived the application of the Rights Plan; or
  - (ii) which was made on or prior to the Effective Date; or
  - (iii) which was made pursuant to a dividend reinvestment plan of the Company;
  - (iv) which was made pursuant to the receipt or exercise of rights issued by the Company to all holders of Common Shares (other than holders resident in a jurisdiction where such distribution is restricted or impracticable as a result of applicable law) to subscribe for or purchase Common Shares or Convertible Securities (provided that such rights are acquired directly from the Company and not from any other Person, and provided that the Person does not thereby acquire a greater percentage of Common Shares or Convertible Securities so offered than the Person’s percentage of Common Shares or Convertible Securities beneficially owned immediately prior to such acquisition);
  - (v) which was made pursuant to a distribution by the Company of Common Shares or Convertible Securities made pursuant to a prospectus (provided that the Person does not thereby acquire a greater percentage of the Common Shares or Convertible Securities so offered than the percentage owned immediately prior to such acquisition);
  - (vi) which was made pursuant to a distribution by the Company of Common Shares or Convertible Securities by way of a private placement or a securities exchange take-over bid circular or upon the exercise by an individual employee of stock options granted under a stock option plan of the Company or rights to purchase securities granted under a share purchase plan of the Company (provided that all necessary stock exchange approvals for such private placement, stock option plan or share purchase plan have been

obtained and such private placement, stock option plan or share purchase plan complies with the terms and conditions of such approvals, and provided that such Person does not become the Beneficial Owner of more than 25% of the Common Shares outstanding immediately prior to the distribution and in making this determination); or

- (vii) which is made pursuant to an amalgamation, merger or other statutory procedure requiring shareholder approval;
- (c) a “**Convertible Security Acquisition**” means an acquisition of Common Shares upon the exercise of Convertible Securities received by such Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or Pro Rata Acquisition; and
- (d) a “**Pro Rata Acquisition**” means an acquisition as a result of a stock dividend, a stock split or other event pursuant to which such Person receives or acquires Common Shares or Convertible Securities on the same pro rata basis as all other holders of Common Shares of the same class.

Also excluded from the definition of “Acquiring Person” are underwriters or members of a banking or selling group acting in connection with a distribution of securities by way of prospectus or private placement, a Person in its capacity as an Investment Manager, Trust Corporation, Plan Trustee, Statutory Body, Crown agent or agency or Manager (provided that such Person is not making or proposing to make a Take-over Bid), and a Person (a “**Grandfathered Person**”) who is the Beneficial Owner of 20% or more of the outstanding Common Shares of the Company as at the Record Time, provided, however, that this exception ceases to be applicable to a Grandfathered Person in the event that such Grandfathered Person shall, after the Record Time: (i) cease to own 20% or more of the outstanding Common Shares, or (ii) become the Beneficial Owner of additional Common Shares constituting more than 1% of the number of Common Shares outstanding as at the Record Time.

## **Beneficial Ownership**

### *General*

In general, a Person is deemed to Beneficially Own Common Shares actually held by others in circumstances where those holdings are or should be grouped together for purposes of the Rights Plan. Included are holdings by the Person’s Affiliates (generally, a person that controls, is controlled by, or under common control with another person) and Associates (generally, relatives sharing the same residence). Also included are securities which the Person or any of the Person’s Affiliates or Associates has the right to acquire within 60 days (other than (i) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution to the public or pursuant to a private placement of securities, or (ii) pursuant to a pledge of securities in the ordinary course of business).

A Person is also deemed to “Beneficially Own” any securities that are Beneficially Owned (as described above) by any other Person with which the Person is acting jointly or in concert (a “**Joint Actor**”). A Person is a Joint Actor with any Person who is a party to an agreement, arrangement or understanding with the first Person or an Associate or Affiliate thereof to acquire or offer to acquire Common Shares.

### *Institutional Shareholder Exemptions from Beneficial Ownership*

The definition of “Beneficial Ownership” contains several exclusions whereby a Person is not considered to “Beneficially Own” a security. There are exemptions from the deemed “Beneficial Ownership” provisions for institutional shareholders acting in the ordinary course of business. These exemptions

apply to: (i) an investment manager (“**Investment Manager**”) which holds securities in the ordinary course of business in the performance of its duties for the account of any other Person (a “**Client**”) including, the acquisition or holding of securities for non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable securities laws); (ii) a licensed trust company (“**Trust Corporation**”) acting as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent persons (each an “**Estate Account**”) or in relation to other accounts (each an “**Other Account**”) and which holds such security in the ordinary course of its duties for such accounts; (iii) the administrator or the trustee (a “**Plan Trustee**”) of one or more pension funds or plans (a “**Plan**”) registered under applicable law; (iv) a Person who is a Plan or is a Person established by statute (the “**Statutory Body**”), and its ordinary business or activity includes the management of investment funds for employee benefit plans, pension plans, insurance plans, or various public bodies; (v) a Crown agent or agency; (vi) a manager or trustee (“**Manager**”) of a mutual fund (“**Mutual Fund**”) that is registered or qualified to issue its securities to investors under the securities laws of any province of Canada or the laws of the United States of America or is a Mutual Fund. The foregoing exemptions only apply so long as the Investment Manager, Trust Corporation, Plan Trustee, Plan, Statutory Body, Crown agent or agency, Manager or Mutual Fund is not then making or has not then announced an intention to make a Take-over Bid, other than an Offer to Acquire Common Shares or other securities pursuant to a distribution by the Company or by means of ordinary market transactions.

A Person will not be deemed to “Beneficially Own” a security because (i) the Person is a Client of the same Investment Manager, an Estate Account or an Other Account of the same Trust Corporation, or Plan with the same Plan Trustee as another Person or Plan on whose account the Investment Manager, Trust Corporation or Plan Trustee, as the case may be, holds such security; or (ii) the Person is a Client of an Investment Manager, Estate Account, Other Account or Plan, and the security is owned at law or in equity by the Investment Manager, Trust Corporation or Plan Trustee, as the case may be.

#### *Exemption for Permitted Lock-up Agreement*

Under the Rights Plan, a Person will not be deemed to “Beneficially Own” any security where the holder of such security has agreed to deposit or tender such security, pursuant to a Permitted Lock-up Agreement, to a Take-over Bid made by such Person or such Person’s Affiliates or Associates or a Joint Actor, or such security has been deposited or tendered pursuant to a Take-over Bid made by such Person or such Person’s Affiliates, Associates or Joint Actors until the earliest time at which any such tendered security is accepted unconditionally for payment or is taken up or paid for.

A Permitted Lock-up Agreement is essentially an agreement between a Person and one or more holders of Common Shares (the terms of which are publicly disclosed and available to the public within the time frames set forth in the definition of Permitted Lock-up Agreement) pursuant to which each Locked-up Person agrees to deposit or tender, or cause to be deposited or tendered, Common Shares to the Lock-up Bid and which further (i) permits the Locked-up Person to withdraw its Common Shares in order to deposit or tender the Common Shares to another Take-over Bid or support another transaction at a price or value that exceeds the price under the Lock-Up Bid; or (ii) permits the Locked-up Person to withdraw its Common Shares in order to deposit or tender the Common Shares to another Take-over Bid or support another transaction at an offering price that exceeds the offering price in the Lock-up Bid by as much as or more than a Specified Amount and that does not provide for a Specified Amount greater than 7% of the offering price in the Lock-up Bid. The Rights Plan therefore requires that a Person making a Take-Over Bid structure any lock-up agreement so as to provide reasonable flexibility to the shareholder in order to avoid being deemed the Beneficial Owner of the Common Shares subject to the lock-up agreement and potentially triggering the provisions of the Rights Plan.

A Permitted Lock-up Agreement may contain a right of first refusal or require a period of delay to give the Person who made the Lock-up Bid an opportunity to match a higher price in another Take-Over Bid or other similar limitation on a Locked-up Person's right to withdraw Common Shares so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Common Shares during the period of the other Take-Over Bid or transaction. Finally, under a Permitted Lock-up Agreement, no "break up" fees, "top up" fees, penalties, expenses or other amounts that exceed in aggregate the greater of (i) 2.5% of the price or value of the consideration payable under the Lock-up Bid; and (ii) 50% of the amount by which the price or value of the consideration received by a Locked-up Person under another Take-Over Bid or transaction exceeds what such Locked-up Person would have received under the Lock-up Bid; can be payable by such Locked-up Person if the Locked-up Person fails to deposit or tender Common Shares to the Lock-up Bid or withdraws Common Shares previously tendered thereto in order to deposit such Common Shares to another Take-Over Bid or support another transaction.

### **Flip-in Event**

A Flip-in Event occurs when any Person becomes an Acquiring Person. In the event that, prior to the Expiration Time, a Flip-in Event which has not been waived by the Board occurs (see "Redemption, Waiver and Termination"), each Right (except for Rights Beneficially Owned or which may thereafter be Beneficially Owned by an Acquiring Person, an Affiliate or Associate of an Acquiring Person or a Joint Actor (or a transferee of any such Person), which Rights will become null and void) shall constitute the right to purchase from the Company, for the Exercise Price, upon exercise thereof in accordance with the terms of the Rights Plan, that number of Common Shares having an aggregate Market Price on the date of the Flip-in Event equal to twice the Exercise Price (such Right being subject to anti-dilution adjustments). For example, if at the time of the Flip-in Event the Exercise Price is \$7.50 and the Market Price of the Common Shares is \$2.50, the holder of each Right would be entitled to purchase Common Shares having an aggregate Market Price of \$15 (that is, six Common Shares) for \$7.50 (that is, at a 50% discount from the Market Price).

### **Permitted Bid and Competing Permitted Bid**

A "**Permitted Bid**" means a Take-over Bid, made by an Offeror by way of take-over bid circular pursuant to and in compliance with NI 62-104 and is made to all holders of Voting Shares of record, other than such Offeror, provided, however, that a Take-over Bid that qualified as a Permitted Bid shall cease to be a Permitted Bid at any time and as soon as such time as when such Take-over Bid ceases to meet any or all of the provisions of this definition.

A "**Competing Permitted Bid**" means a Take-over Bid that (i) is made after a Permitted Bid or another Competing Permitted Bid has been made and prior to the expiry, termination or withdrawal of that Permitted Bid or Competing Permitted Bid; and (ii) satisfies all the provisions of the definition of a Permitted Bid; provided, however, that a Take-over Bid that qualified as a Competing Permitted Bid shall cease to be a Competing Permitted Bid at any time and as soon as such time as when such Take-over Bid ceases to meet any or all of the provisions of this definition.

### **Redemption, Waiver and Termination**

- (a) *Redemption of Rights on Approval of Holders of Common Shares and Rights.* The Board acting in good faith may, after having obtained the prior approval of the holders of Common Shares or Rights, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.000001 per Right, appropriately adjusted for anti-dilution as provided in the Rights Agreement (the "Redemption Price").

- (b) *Waiver of Inadvertent Acquisition.* The Board acting in good faith may waive the application of the Rights Plan in respect of the occurrence of any Flip-in Event if (A) the Board has determined that a Person became an Acquiring Person under the Rights Plan by inadvertence and without any intent or knowledge that it would become an Acquiring Person; and (B) the Acquiring Person has reduced its Beneficial Ownership of Common Shares such that at the time of waiver the Person is no longer an Acquiring Person.
- (c) *Deemed Redemption.* In the event that a Person who has made a Permitted Bid or a Take-over Bid in respect of which the Board has waived or has deemed to have waived the application of the Rights Plan consummates the acquisition of the Common Shares, the Board shall be deemed to have elected to redeem the Rights for the Redemption Price.
- (d) *Discretionary Waiver with Mandatory Waiver of Concurrent Bids.* The Board acting in good faith may, prior to the occurrence of a Flip-in Event as to which the Rights Plan has not been waived under this clause, upon prior written notice to the Rights Agent, waive the application of the Rights Plan to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all holders of record of Common Shares. However, if the Board waives the application of the Rights Plan, the Board shall be deemed to have waived the application of the Rights Plan in respect of any other Flip-in Event occurring by reason of such a Take-over Bid made prior to the expiry of a bid for which a waiver is, or is deemed to have been, granted.
- (e) *Discretionary Waiver respecting Acquisition not by Take-over Bid Circular.* The Board acting in good faith may, with the prior consent of the holders of Common Shares, determine, at any time prior to the occurrence of a Flip-in Event as to which the application of the Rights Plan has not been waived, if such Flip-in Event would occur by reason of an acquisition of Common Shares otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to holders of Common Shares and otherwise than by inadvertence when such inadvertent Acquiring Person has then reduced its holdings to below 20%, to waive the application of the Rights Plan to such Flip-in Event. However, if the Board waives the application of the Rights Plan, the Board shall extend the Separation Time to a date subsequent to and not more than 10 Business Days following the meeting of the Shareholders called to approve such a waiver.
- (f) *Redemption of Rights on Withdrawal or Termination of Bid.* Where a Take-over Bid that is not a Permitted Bid is withdrawn or otherwise terminated after the Separation Time and prior to the occurrence of a Flip-in Event, the Board may elect to redeem all the outstanding Rights at the Redemption Price.

If the Board is deemed to have elected or elects to redeem the Rights as described above, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights is to receive the Redemption Price. Within 10 Business Days of any such election or deemed election to redeem the Rights, the Company will notify the holders of the Common Shares or, after the Separation Time, the holders of the Rights.

### **Anti-Dilution Adjustments**

The Exercise Price of a Right, the number and kind of securities subject to purchase upon exercise of a Right, and the number of Rights outstanding, will be adjusted in certain events, including:

- (a) if there is a dividend payable in Common Shares or Convertible Securities (other than pursuant to any optional stock dividend program, dividend reinvestment plan or a dividend payable in Common Shares in lieu of a regular periodic cash dividend) on the Common Shares;

- (b) a subdivision or consolidation of the Common Shares;
- (c) an issuance of Common Shares or Convertible Securities in respect of, in lieu of or in exchange for Common Shares; or
- (d) if the Company fixes a record date for the distribution to all holders of Common Shares of certain rights or warrants to acquire Common Shares or Convertible Securities, or for the making of a distribution to all holders of Common Shares of evidences of indebtedness or assets (other than regular periodic cash dividend or a dividend payable in Common Shares) or rights or warrants.

### **Supplements and Amendments**

The Company may make amendments to correct any clerical or typographical error or which are necessary to maintain the validity of the Rights Agreement as a result of any change in any applicable legislation, rules or regulation. Any changes made to maintain the validity of the Rights Plan shall be subject to subsequent confirmation by the holders of the Common Shares or, after the Separation Time, the holders of the Rights.

Subject to the above exceptions, after the meeting, any amendment, variation or deletion of or from the Rights Agreement and the Rights is subject to the prior approval of the holders of Common Shares, or, after the Separation Time, the holders of the Rights.

The Board reserves the right to alter any terms of or not proceed with the Rights Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Company and its Shareholders to do so, in light of subsequent developments.

### **Expiration**

If the Rights Plan is reconfirmed and approved at the Meeting, it will continue to be effective immediately following such approval and remain in force until the earlier of (i) the Termination Time (the time at which the right to exercise Rights shall terminate pursuant to the Rights Plan) and (ii) the termination of the annual meeting of the Company's Shareholders in the year 2024, unless at or prior to such meeting the Company's Shareholders ratify the continued existence of the Rights Plan. If required by the rules and regulations of any stock exchange on which the Common Share are then listed, at or prior to the annual meeting of the Shareholders in 2024, provided that a Flip-in Event has not occurred prior to such time, the Board shall submit a resolution ratifying the continued existence of the Rights Plan to all holders of Common Shares for their consideration and, if thought advisable, approval. If such approval is not required by the rules and regulations of any stock exchange on which the Common Shares are then listed, at or prior to the annual meeting of the Shareholders in 2024, provided that a Flip-in Event has not occurred prior to such time, the Board shall submit a resolution ratifying the continued existence of the Rights Plan to the Independent Shareholders for their consideration and, if thought advisable, approval. Unless the majority of the votes cast by all holders of Common Shares or by the Independent Shareholders, as applicable, who vote in respect of such resolution are voted in favour of the continued existence of the Rights Plan, the Board shall, immediately upon the confirmation by the chairman of such shareholders' meeting of the results of the votes on such resolution, and without further formality, be deemed to elect to redeem the Rights at the Redemption Price.

## SCHEDULE “C”

### RESOLUTION APPROVING THE AMENDED & RESTATED SHAREHOLDER RIGHTS PLAN

**RESOLVED as an ordinary resolution of the Shareholders that:**

1. the shareholder rights plan dated as of May 12, 2009 as amended and restated as of August 23, 2012, June 25, 2015 and May 16, 2018 (the “**Rights Plan**”), between the Company and AST Trust Company (Canada), as rights agent, be amended and restated as described in the Circular of the Company dated May 14, 2021;
2. the making of any revisions to the Rights Plan as may be required by the TSXV or by professional commentators on shareholder rights plans in order to give effect to the foregoing revisions or to conform the Rights Plan to versions of shareholder rights plans then prevalent for public reporting issuers in Canada, as may be approved by any director or officer of the Company and without further approval of the Shareholders, is hereby approved;
3. subject to approval of the TSXV, the Rights Plan, as amended and restated in accordance with paragraphs 1 and 2 above (the “**Amended Rights Plan**”), is hereby reconfirmed and approved; and
4. any director or officer of the Company, is hereby authorized, for and on behalf of the Company, to execute and deliver the Amended Rights Plan and such other documents and instruments and take such other actions as such director or officer may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or instruments and taking of any such actions.

## SCHEDULE "D"

### RESOLUTION TO APPROVE SHARE CONSOLIDATION

**RESOLVED as a special resolution of the Shareholders that:**

1. subject to approval by the TSXV, the Board, in its sole discretion if deemed in the best interest of the Company, is hereby authorized to amend the articles of the Company to consolidate all of the issued and outstanding common shares, on the basis of a consolidation ratio to be selected by the Board within a range between two (2) pre-consolidation Common Shares for one (1) post-consolidation Common Share and ten (10) pre-consolidation Common Shares for one (1) post-consolidation Common Share (the "**Share Consolidation**"), effective as at the discretion of the Board;
3. the date of completion of the Share Consolidation shall be determined at the discretion of the Board, provided that such date shall be on or before June 24, 2023;
4. in the event that the Share Consolidation would otherwise result in the issuance of a fractional Common Share, no fractional Common Share shall be issued and such fraction would be rounded up or rounded down to the nearest whole number at the sole discretion of the Board;
5. any officer or director of the Company is hereby authorized to sign, for and on behalf of the Company, and file the articles of amendment with Corporations Canada and deliver any document and to do all things and to sign any other document which he, in his sole discretion, may deem necessary or useful in order to give effect to this special resolution, including the determination of the effective date of the Share Consolidation and the filing of all appropriate documents with the TSXV so as to obtain its approval for such Share Consolidation; and
6. notwithstanding the foregoing, the Board is hereby authorized, without further approval of or notice to the Shareholders, to revoke this special resolution at any time before a certificate of amendment is issued by the Director under the CBCA.

**SCHEDULE "E"**

**NEW BY-LAW**

Please see attached.

**PUREPOINT URANIUM GROUP INC.**  
**BY-LAW NO. 2**

# TABLE OF CONTENTS

Page

<b>DEFINITIONS .....</b>	<b>1</b>
1.    Definitions .....	1
<b>REGISTERED OFFICE .....</b>	<b>2</b>
2.    Registered Office.....	2
<b>SEAL .....</b>	<b>2</b>
3.    Seal .....	2
<b>DIRECTORS.....</b>	<b>2</b>
4.    Number.....	2
5.    Vacancies .....	2
6.    Powers .....	2
7.    Duties .....	2
8.    Qualification.....	3
9.    First Directors.....	3
10.   Election/Term of Office .....	3
11.   Consent to Election .....	3
12.   Removal .....	3
13.   Vacation of Office .....	4
14.   Validity of Acts .....	4
<b>MEETINGS OF DIRECTORS.....</b>	<b>4</b>
15.   Regular and Special Purpose Meetings .....	4
16.   Notice .....	4
17.   Waiver of Notice .....	4
18.   Omission of Notice.....	5
19.   Chair of Board Meetings .....	5
20.   Electronic, Telephone Participation, Etc.....	5
21.   Adjournment.....	5
22.   Quorum and Voting.....	5
23.   Resolution in Lieu of Meeting .....	5
<b>COMMITTEES OF DIRECTORS .....</b>	<b>6</b>
24.   General .....	6
25.   Audit Committee .....	6
26.   Transaction of Business .....	6
27.   Procedure.....	6
<b>REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES .....</b>	<b>6</b>
28.   Remuneration of Directors, Officers and Employees .....	6
<b>SUBMISSION OF CONTRACTS OR TRANSACTIONS TO SHAREHOLDERS FOR APPROVAL .....</b>	<b>7</b>
29.   Submission of Contracts or Transactions to Shareholders for Approval .....	7
<b>CONFLICT OF INTEREST.....</b>	<b>7</b>

**TABLE OF CONTENTS**  
(continued)

Page

30.	Conflict of Interest .....	7
<b>FOR THE PROTECTION OF DIRECTORS AND OFFICERS .....</b>		<b>8</b>
31.	For the Protection of Directors and Officers .....	8
<b>INDEMNITIES TO DIRECTORS AND OTHERS .....</b>		<b>8</b>
32.	Indemnities to Directors and Others .....	8
<b>OFFICERS .....</b>		<b>9</b>
33.	Appointment of Officers .....	9
34.	Removal of Officers and Vacation of Office .....	9
35.	Chair of the Board .....	10
36.	President .....	10
37.	Vice-President .....	10
38.	Secretary .....	10
39.	Treasurer .....	10
40.	Assistant Secretary and Assistant Treasurer .....	11
41.	Managing Director .....	11
42.	Duties of Officers may be Delegated .....	11
43.	Agents and Attorneys .....	11
<b>SHAREHOLDERS' MEETINGS .....</b>		<b>11</b>
44.	Annual Meeting .....	11
45.	Special Meetings .....	11
46.	Meeting on Requisition of Shareholders .....	11
47.	Participation in Meetings by Electronic Means .....	12
48.	Meetings held by Electronic Means .....	12
49.	Notice .....	12
50.	Waiver of Notice .....	12
51.	Omission of Notice .....	12
52.	Record Dates .....	13
53.	Chair of the Meeting .....	13
54.	Votes .....	13
55.	Electronic Voting .....	14
56.	Right to Vote .....	14
57.	Proxies .....	15
58.	Conduct of Meeting .....	15
59.	Adjournment .....	15
60.	Quorum .....	15
61.	Persons Entitled to be Present .....	16
62.	Resolution in Lieu of Meeting .....	16
63.	Advance Notice of Shareholder Nominations and Proposals .....	16
<b>SHARES AND TRANSFERS .....</b>		<b>19</b>
64.	Issuance .....	19
65.	Security Certificates .....	19
66.	Agent .....	20

**TABLE OF CONTENTS**  
(continued)

Page

67.	Dealings with Registered Holder .....	20
68.	Surrender of Security Certificates .....	20
69.	Defaced, Destroyed, Stolen or Lost Security Certificates.....	20
70.	Enforcement of Lien for Indebtedness .....	20
71.	Electronic, Book-Based or Other Non-Certificated Registered Positions .....	21
<b>DIVIDENDS .....</b>		<b>21</b>
72.	Dividends .....	21
73.	Joint Shareholders .....	21
74.	Dividend Payments .....	22
<b>VOTING SECURITIES IN OTHER BODIES CORPORATE .....</b>		<b>22</b>
75.	Voting Securities in Other Bodies Corporate.....	22
<b>NOTICES, ETC. ....</b>		<b>22</b>
76.	Service .....	22
77.	Undelivered Notices .....	23
78.	Notice to Joint Shareholders .....	23
79.	Persons Becoming Entitled by Operation of Law .....	23
80.	Signatures upon Notices .....	23
81.	Computation of Time .....	23
82.	Proof of Service.....	23
<b>CUSTODY OF SECURITIES .....</b>		<b>24</b>
83.	Custody of Securities .....	24
<b>EXECUTION OF CONTRACTS, ETC. ....</b>		<b>24</b>
84.	Execution of Contracts, etc. ....	24
<b>FISCAL PERIOD .....</b>		<b>24</b>
85.	Fiscal Period.....	24
<b>UNANIMOUS SHAREHOLDER AGREEMENT .....</b>		<b>25</b>
86.	Unanimous Shareholder Agreement .....	25
<b>DELIVERY OF DOCUMENTS .....</b>		<b>25</b>
87.	Delivery of Documents .....	25
<b>BORROWING MONEY, ETC.....</b>		<b>25</b>
88.	Borrowing Money, etc.....	25

## BY-LAW NO. 2

A by-law relating generally to the conduct of the business and affairs of PUREPOINT URANIUM GROUP INC. (hereinafter called the "**Corporation**") is made as follows:

### DEFINITIONS

#### 1. Definitions

In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:

- (a) "**Act**" means the *Canada Business Corporations Act* and the regulations made thereunder, as from time to time amended, and in the case of such amendment any reference in the by-laws shall be read as referring to the amended provisions thereof;
- (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the written rules, regulations and forms made or promulgated under any such legislation and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province or territory of Canada;
- (c) "**board**" means the board of directors of the Corporation;
- (d) "**by-laws**" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (e) "**Chair**" means chairperson of the board;
- (f) "**Close of Business**" means 5:00 p.m. (Toronto time) on a business day in that city;
- (g) "**Meeting Notice Date**" means the date on which the first notice to the shareholders or first Public Announcement of the date of the meeting was issued by the Corporation;
- (h) "**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;
- (i) "**Public Announcement**" means disclosure in (a) a press release reported in a national news service in Canada; or (b) a document publicly filed by the Corporation or its transfer agent and registrar under the Corporation's profile on SEDAR; and
- (j) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

All terms used in the by-laws that are defined in the Act and are not otherwise defined in the by-laws shall have the meanings given to such terms in the Act. Words importing the singular number includes the plural and vice versa and words importing the use of any gender includes all genders, including the neutral gender "it". The headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

## REGISTERED OFFICE

### 2. Registered Office

The Corporation shall at all times have a registered office in the province or territory in Canada specified in its articles. The directors of the Corporation may change the place and address of the registered office within the province or territory specified in its articles.

## SEAL

### 3. Seal

The directors may by resolution from time to time adopt and change a corporate seal of the Corporation.

## DIRECTORS

### 4. Number

The number of directors shall be the number specified by the articles, or where the articles specify a variable number, the number shall be not less than the minimum and not more than the maximum number so specified and shall be determined from time to time within such limits by the board. At least 25% of the directors of the Corporation, or such other number of directors (if any) as may be prescribed by the Act from time to time, shall be resident Canadians. If the Corporation has less than four directors, at least one director shall be a resident Canadian.

### 5. Vacancies

Subject to section 111 of the Act, a quorum of directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the number or minimum or maximum number of directors or from a failure to elect the number or minimum number of directors provided for in the articles. If there is not a quorum of directors, or if there has been a failure to elect the number or minimum number of directors provided for in the articles, the directors then in office shall without delay call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

A director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor.

### 6. Powers

The directors shall manage, or supervise the management of, the business and affairs of the Corporation and may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not expressly directed or required to be done in some other manner by the Act, the articles, the by-laws, any special resolution of the shareholders of the Corporation, a unanimous shareholder agreement or by statute.

### 7. Duties

Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and

- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

8. Qualification

The following persons are disqualified from being a director of the Corporation:

- (a) anyone who is less than 18 years of age;
- (b) anyone who is incapable;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

A director of the Corporation is not required to hold shares issued by the Corporation.

9. First Directors

Each director named as a first director of the Corporation will hold office from the issue of the certificate of incorporation until the first annual meeting of shareholders following such director's election or appointment or until a successor to such director is elected or appointed.

10. Election/Term of Office

Subject to sections 106 and 107 of the Act, the shareholders of the Corporation shall at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, elect directors to hold office for a term expiring not later than the close of the third annual meeting of shareholders following the election. A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following his or her election but, if qualified, is eligible for re-election. Notwithstanding the foregoing, if directors are not elected at a meeting of shareholders, the incumbent directors continue in office until their successors are elected.

If a meeting of shareholders fails to elect the number or the minimum number of directors required by the articles by reason of the lack of consent, disqualification, incapacity or death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.

11. Consent to Election

A person who is elected or appointed as a director is not a director unless such person was present at the meeting when the person was elected or appointed and did not refuse to act as a director, or if the person was not present at the meeting when the person was elected or appointed, the person consented to act as a director in writing before the person's election or appointment or within 10 days after it or the person has acted as a director pursuant to the election or appointment.

12. Removal

Subject to subsection 107(g) of the Act, the shareholders of the Corporation may by ordinary resolution at a special meeting remove any director from office before the expiration of his or her term of office and may elect any person in his or her stead for the remainder of the director's term. Notwithstanding the foregoing sentence, where the holders of any class or series of shares of the Corporation have an exclusive right to

elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

13. Vacation of Office

A director of the Corporation ceases to hold office when:

- (a) the director dies or resigns;
- (b) the director is removed from office; or
- (c) the director ceases to be qualified pursuant to Paragraph 8 hereof.

A resignation of a director becomes effective at the time a written resignation is sent to the Corporation, or at the time specified in the resignation, whichever is later.

14. Validity of Acts

An act of a director or officer is valid notwithstanding an irregularity in the director's or officer's election or appointment or a defect in the director's or officer's qualification.

MEETINGS OF DIRECTORS

15. Regular and Special Purpose Meetings

Unless the articles otherwise provide, meetings of directors and of any committee of directors may be held at any place. A meeting of directors may be convened by the Chair (if any), the President (if any) or any director at any time. The Secretary (if any) or any other officer or any director shall, as soon as reasonably practicable following receipt of a direction from any of the foregoing, send a notice of the applicable meeting to the directors.

16. Notice

Notice of the time and place for the holding of any meeting of directors or of any committee of directors shall be sent to each director or each director who is a member of such committee, as the case may be, not less than 48 hours before the time of the meeting; provided that a meeting of directors or of any committee of directors may be held at any time without notice if all the directors or members of such committee are present (except where a director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the absent directors waive notice of the meeting. The notice of a meeting of directors shall specify the matters that are to be dealt with at the meeting, but need not otherwise specify the purpose or the business to be transacted at the meeting.

17. Waiver of Notice

Notice of any meeting of directors or of any committee of directors or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any director in writing or by facsimile or electronic mail addressed to the Corporation or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at any meeting of directors or of any committee of directors is a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

18. Omission of Notice

The accidental omission to give notice of any meeting of directors or of any committee of directors to, or the non-receipt of any notice by, any person shall not invalidate any resolution passed or any proceeding taken at such meeting.

19. Chair of Board Meetings

The Chair, if any, or, in his or her absence, the lead independent director, if any, or, in his or her absence, the president, if any and if a director, or, in the absence of all of them or in the event that the directors so determine, such director as is designated by the directors, shall be the chair of any meeting of the board. If no such person is present, the directors present shall choose one of them to be the chair of the meeting of the board.

20. Electronic, Telephone Participation, Etc.

If all the directors of the Corporation consent, a director may participate in a meeting of directors or of any committee of directors by means of a telephone, electronic or other communication facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting. A director's consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board or a committee thereof held while the director holds office. A director participating in such a meeting by such means is deemed for the purposes of the Act and the by-laws to be present at that meeting.

21. Adjournment

Any meeting of directors or of any committee of directors may be adjourned from time to time by the chair of the meeting, with the consent of the meeting, to a fixed time and place. Notice of an adjourned meeting of directors or committee of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at the adjourned meeting that might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

22. Quorum and Voting

A majority of the number of directors then in office constitutes a quorum at any meeting of directors. Notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors. Subject to section 111 of the Act and subsections 114 (3) and (4) of the Act, directors shall not transact business at a meeting of directors unless a quorum is present and at least 25% of the directors present are resident Canadians. Questions arising at any meeting of directors shall be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting in addition to his or her original vote shall not have a second or casting vote.

23. Resolution in Lieu of Meeting

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of

directors. A resolution in writing dealing with all matters required by the Act or the by-laws to be dealt with at a meeting of directors, and signed by all the directors entitled to vote at that meeting, satisfies all the requirements of the Act and the by-laws relating to meetings of directors.

#### COMMITTEES OF DIRECTORS

##### 24. General

The directors may from time to time appoint from their number a managing director, who must be a resident Canadian, or one or more committees of directors, and may delegate any such managing director or committee any of the powers of the directors.

##### 25. Audit Committee

At any time when the Corporation is a "distributing corporation" (as defined in the Act), the directors shall appoint from among their number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers or employees of the Corporation or any of its affiliates. At any time when the Corporation is not a "distributing corporation", the directors may (but shall not be required to) appoint from among their number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

Each member of the audit committee shall serve at the pleasure of the board and, in any event, only so long as such member shall be a director. The directors may fill vacancies in the audit committee by election from among their number.

##### 26. Transaction of Business

The powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.

##### 27. Procedure

Unless otherwise determined by the board and subject to the Act, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

#### REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES

##### 28. Remuneration of Directors, Officers and Employees

The directors of the Corporation may fix the remuneration of the directors, officers and employees of the Corporation. Subject to section 120 of the Act, the directors may also by resolution award special remuneration to any director in undertaking any special services on the Corporation's behalf other than the routine work ordinarily required of a director of the Corporation. The confirmation of any such resolution by the shareholders shall not be required. The directors, officers and employees shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

SUBMISSION OF CONTRACTS OR  
TRANSACTIONS TO SHAREHOLDERS FOR APPROVAL

29. Submission of Contracts or Transactions to Shareholders for Approval

The directors in their discretion may submit any contract, act or transaction for approval, ratification or confirmation at any annual meeting of the shareholders or at any special meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or other applicable law, including Applicable Securities Laws, or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified and/or confirmed by every shareholder of the Corporation.

CONFLICT OF INTEREST

30. Conflict of Interest

A director or an officer of the Corporation shall disclose to the Corporation, in writing or by requesting to have it entered in the minutes of meetings of directors or of meetings of committees of directors at the time and in the manner provided in the Act, the nature and extent of any interest that he or she has in a material contract or material transaction, whether made or proposed, with the Corporation, if the director or officer:

- (a) is a party to the contract or transaction;
- (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- (c) has a material interest in a party to the contract or transaction.

Except as provided in the Act, no such director of the Corporation shall vote on any resolution to approve such contract or transaction. A contract or transaction for which disclosure is required is not invalid, and the director or officer is not accountable to the Corporation or its shareholders for any profit realized from the contract or transaction, because of the director's or officer's interest in the contract or transaction or because the director was present or was counted to determine whether a quorum existed at the meeting of directors or committee of directors that considered the contract or transaction, if:

- (a) the director or officer disclosed his or her interest in accordance with the provisions of the Act;
- (b) the contract or transaction was approved by the directors; and
- (c) it was reasonable and fair to the Corporation when it was approved.

Even if the foregoing conditions are not met, a director or officer, acting honestly and in good faith, is not accountable to the Corporation or to its shareholders for any profit realized from a contract or transaction for which disclosure is required, and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if:

- (a) the contract or transaction is approved or confirmed by special resolution at a meeting of the shareholders;

- (b) disclosure of the interest was made to the shareholders in a manner sufficient to indicate its nature before the contract or transaction was approved or confirmed; and
- (c) the contract or transaction was reasonable and fair to the Corporation when it was approved or confirmed.

#### FOR THE PROTECTION OF DIRECTORS AND OFFICERS

##### 31. For the Protection of Directors and Officers

No director or officer of the Corporation shall be liable to the Corporation for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever that may happen in the execution of the duties of such director's or officer's respective office of trust or in relation thereto, unless the same shall happen by or through the director's or officer's failure to exercise the powers and to discharge the duties of office honestly and in good faith with a view to the best interests of the Corporation, and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, provided that nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or relieve such director or officer from liability under the Act. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact that the director or officer is a shareholder, director or officer of the Corporation or body corporate or member of the firm shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

#### INDEMNITIES TO DIRECTORS AND OTHERS

##### 32. Indemnities to Directors and Others

- (a) The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, or any other individual permitted by the Act to be so indemnified in the manner and to the fullest extent permitted by the Act. Without limiting the generality of the foregoing, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including costs reasonably incurred in the defence of an action or proceeding and an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.

- (b) The Corporation shall advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Paragraph 32(a). The individual shall repay the moneys if the individual does not fulfill the conditions of Paragraph 32(c).
- (c) The Corporation shall not indemnify an individual under Paragraph 32(a) unless the individual:
  - (i) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.
- (d) The Corporation shall, with the approval of a court, indemnify an individual referred to in Paragraph 32(a), or advance moneys under Paragraph 32(b), in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in Paragraph 32(a), against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfills the conditions set out in Paragraph 32(c).
- (e) The Corporation may purchase and maintain insurance for the benefit of any individual referred to in Paragraph 32(a) to the extent permitted by the Act.

## OFFICERS

### 33. Appointment of Officers

The directors annually or as often as may be required may appoint from among themselves a Chair (either on a full-time or part-time basis) and may appoint a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and one or more assistants to any of the officers so appointed. None of such officers except the Chair needs to be a director of the Corporation although a director may be appointed to any office of the Corporation. Two or more offices of the Corporation may be held by the same person. The directors may from time to time appoint such other officers, employees and agents as they shall deem necessary who shall have such authority and shall perform such functions and duties as may from time to time be prescribed by resolution of the directors. The directors may from time to time and subject to the provisions of the Act, vary, add to or limit the duties and powers of any officer, employee or agent.

### 34. Removal of Officers and Vacation of Office

All officers, employees and agents shall be subject to removal by resolution of the directors at any time, with or without cause.

An officer of the Corporation ceases to hold office when such officer dies, resigns or is removed from office. A resignation of an officer becomes effective at the time a written resignation is sent to the Corporation, or at the time specified in the resignation, whichever is later.

35. Chair of the Board

The Chair (if any) shall, if present, preside as chair at all meetings of the board and at all meetings of the shareholders of the Corporation. The Chair shall have such powers and shall perform such duties as may from time to time be assigned to him or her by resolution of the directors, or as are incident to his or her office.

36. President

The President (if any) shall, unless otherwise determined by resolution of the board, be the chief executive officer of the Corporation and shall, subject to the direction of the board, exercise general supervision and control over the business and affairs of the Corporation. In the absence of the Chair (if any), and if the President is also a director of the Corporation, the President shall, when present, preside as chair at all meetings of directors and the shareholders of the Corporation. The President shall have such powers and shall perform such duties as may from time to time be assigned to him or her by resolution of the directors or as are incident to his or her office.

37. Vice-President

The Vice-President (if any) or, if more than one, the Vice-Presidents in order of seniority, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chair at any meeting of directors or shareholders. The Vice-President or, if more than one, the Vice-Presidents shall have such powers and shall perform such duties as may from time to time be assigned to him or her or them by resolution of the directors or as are incident to the office of the applicable Vice-President.

38. Secretary

Unless another officer has been appointed for that purpose, the Secretary (if any) shall give or cause to be given notices for all meetings of directors, any committee of directors and shareholders when directed to do so and shall maintain the records referred to in subsections 20(1) and (2) of the Act. The Secretary shall have such powers and shall perform such duties as may from time to time be assigned to the Secretary by resolution of the directors or as are incident to the office of the Secretary.

39. Treasurer

Subject to the provisions of any resolution of the directors, the Treasurer (if any) or such other officer who has been appointed for that purpose shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such other depository or depositories as the directors may by resolution direct; provided that the Treasurer may from time to time arrange for the temporary deposit of moneys of the Corporation in banks, trust companies or other financial institutions within or outside Canada not so directed by the board for the purpose of facilitating transfer thereof to the credit of the Corporation in a bank, trust company or other financial institution so directed. Unless another officer has been appointed for that purpose, the Treasurer shall prepare and maintain adequate accounting records. The Treasurer shall have such powers and shall perform such duties as may from time to time be assigned to such person by resolution of the directors or as are incident to the office of the Treasurer. The Treasurer may be required to give such bond for the faithful performance of his or her duties as the directors in their sole discretion may require and no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

40. Assistant Secretary and Assistant Treasurer

The Assistant Secretary (if any) or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer (if any) or, if more than one, the Assistant Treasurers in order of seniority, shall assist the Secretary and Treasurer, respectively, in the performance of his or her duties and shall be vested with all the powers and shall perform all the duties of the Secretary and Treasurer, respectively, in the absence or inability or refusal to act of the Secretary or Treasurer as the case may be. The Assistant Secretary or, if more than one, the Assistant Secretaries and the Assistant Treasurer or, if more than one, the Assistant Treasurers shall have such powers and shall perform such duties as may from time to time be assigned to him or her or them by resolution of the directors.

41. Managing Director

The Managing Director (if any) shall conform to all lawful orders given to him or her by the directors and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation.

42. Duties of Officers may be Delegated

In case of the absence or inability or refusal to act of any officer of the Corporation or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

43. Agents and Attorneys

The Corporation shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to sub delegate) of management, administration or otherwise as may be thought fit.

### SHAREHOLDERS' MEETINGS

44. Annual Meeting

The annual meeting of shareholders shall be held at a place within Canada (or outside Canada if the place is specified in the articles or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place) determined by the directors on such day in each year and at such time as the directors may determine.

45. Special Meetings

The directors of the Corporation may at any time call a special meeting of shareholders to be held on such day and at such time and at such place within Canada (or outside Canada if the place is specified in the articles or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place) as the directors may determine.

46. Meeting on Requisition of Shareholders

The holders of not less than 5% of the issued shares of the Corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition. The requisition shall state the business to be transacted at the meeting and shall be sent to each director and to the registered office of the Corporation. Subject to subsection 143(3) of the

Act, upon receipt of the requisition, the directors shall call a meeting of shareholders to transact the business stated in the requisition (but if the directors are obligated to call a meeting and do not do so within 21 days after receiving the requisition, any shareholder who signed the requisition may call the meeting).

47. Participation in Meetings by Electronic Means

Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the Act, by means of a telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility and a person participating in a meeting by those means is deemed for the purposes of the Act and the by-laws to be present at the meeting.

48. Meetings held by Electronic Means

If the directors or the shareholders of the Corporation call a meeting of shareholders pursuant to the Act, those directors or shareholders, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

49. Notice

A notice in writing of a meeting of shareholders stating the day, hour and place of meeting and if special business is to be transacted thereat, stating (i) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment on that business and (ii) the text of any special resolution to be submitted to the meeting, shall be sent:

- (a) to each shareholder entitled to vote at the meeting, who on the record date for notice is registered on the records of the Corporation or its transfer agent as a shareholder;
- (b) to each director of the Corporation; and
- (c) to the auditor of the Corporation,

in each case not less than 21 days and not more than 60 days before the date of the meeting.

50. Waiver of Notice

Notice of any meeting of shareholders or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any shareholder, the duly appointed proxy of any shareholder, any director or the auditor of the Corporation in writing or any other manner and the attendance of any such person at a meeting of shareholders is a waiver of notice of the meeting except where he or she attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Any such waiver may be validly given either before or after the meeting to which such waiver relates.

51. Omission of Notice

The accidental omission to give notice of any meeting of shareholders to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any such meeting.

52. Record Dates

Subject to subsection 134(3) of the Act, the directors may, within the period prescribed by the Act, fix in advance a date as the record date for the determination of shareholders (i) entitled to receive payment of a dividend, (ii) entitled to participate in a liquidation distribution, (iii) entitled to receive notice of a meeting of shareholders, (iv) entitled to vote at a meeting of shareholders, or (v) for any other purpose.

If no record date is fixed,

- (a) the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be
  - (i) at the close of business on the business day immediately preceding the day on which the notice is given; or
  - (ii) if no notice is given, the day on which the meeting is held; and
- (b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating to that purpose.

53. Chair of the Meeting

The Chair, if any, or, in his or her absence or in case of his or her inability or refusal or failure to act, such other person as may have been designated by the Chair to exercise such function in his or her absence, shall preside at meetings of shareholders. In the absence of all such persons or, in case of their inability or refusal or failure to act, the persons present entitled to vote shall choose another director as chair and if no director is present, or if all the directors present refuse to act, then the persons entitled to vote shall choose one of their number to be chair of the meeting.

54. Votes

Votes at meetings of shareholders may be cast either personally or by proxy. Subject to Paragraph 56, every question submitted to any meeting of shareholders shall be decided on a show of hands, except when a ballot is required by the chair of the meeting or is demanded by a shareholder or proxyholder entitled to vote at the meeting or is otherwise required by the Act. A shareholder or proxyholder may demand a ballot either before or after any vote by a show of hands. At every meeting at which shareholders are entitled to vote, each shareholder present on his or her own behalf and every proxyholder present shall have one vote. Upon any ballot at which shareholders are entitled to vote, each shareholder present on his or her own behalf or by proxy shall (subject to the provisions, if any, of the articles) have one vote for every share registered in the name of such shareholder. In the case of an equality of votes under this paragraph, the chair of the meeting shall not have a second or casting vote in addition to the vote or votes to which he or she may be entitled as a shareholder or proxyholder.

At any meeting of shareholders, unless a ballot is demanded, an entry in the minutes for the applicable meeting of shareholders, following a vote on the applicable resolution by a show of hands, to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution, although the chair may direct that a record be kept of the number or proportion of votes in favour of or against the resolution for any purpose the chair of the meeting considers appropriate.

If at any meeting a ballot is demanded on the election of a chair for the meeting or on the question of adjournment or termination, the ballot shall be taken forthwith without adjournment. If a ballot is demanded on any other question or as to the election of directors, the ballot shall be taken in such manner and either at once or later at the meeting or after adjournment as the chair of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

55. Electronic Voting

Any person participating in a meeting of shareholders by telephone, electronic or other communication facility under Paragraph 47 or Paragraph 48 and entitled to vote at that meeting may vote, in accordance with the Act, by means of the telephone, electronic or other communication facility that the Corporation has made available for that purpose. Any vote referred to in Paragraph 54 may be held, in accordance with the Act, entirely by means of a telephone, electronic or other communication facility, if the Corporation makes such a communication facility available.

56. Right to Vote

Unless the articles otherwise provide, each share of the Corporation entitles the holder of such share to one vote at a meeting of shareholders.

Where a body corporate or a trust, association or other unincorporated organization is a shareholder of the Corporation, any individual authorized by a resolution of the directors of the body corporate or the directors, trustees or other governing body of the association, trust or unincorporated organization, to represent it at meetings of shareholders of the Corporation shall be recognized as the person entitled to vote at all such meetings of shareholders in respect of the shares held by such body corporate or by such trust, association or other unincorporated organization and the chair of the meeting may establish or adopt rules or procedures in relation to the recognition of a person to vote shares held by such body corporate or by such trust, association or other unincorporated organization.

Where a person holds shares as a personal representative, such person or his or her proxy is the person entitled to vote at all meetings of shareholders in respect of the shares so held by him or her, and the chair of the meeting may establish or adopt rules or procedures in relation to the recognition of such person to vote the shares in respect of which such person has been appointed as a personal representative.

Where a person mortgages, pledges or hypothecates his or her shares, such person or such person's proxy is the person entitled to vote at all meetings of shareholders in respect of such shares so long as such person remains the registered owner of such shares unless, in the instrument creating the mortgage, pledge or hypothec, the person has expressly empowered the person holding the mortgage, pledge or hypothec to vote in respect of such shares, in which case, subject to the articles, such holder or such holder's proxy is the person entitled to vote in respect of the shares and the chair of the meeting may establish or adopt rules or procedures in relation to the recognition of the person holding the mortgage, pledge or hypothec as the person entitled to vote in respect of the applicable shares.

Where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present on their own behalf or by proxy, they shall vote as one on the shares jointly held by them and the chair of the meeting may establish or adopt rules or procedures in that regard.

57. Proxies

Every shareholder, including a shareholder that is a body corporate or a trust, association or other unincorporated organization, entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

An instrument appointing a proxyholder shall be in written form executed by the shareholder or by such shareholder's duly authorized attorney or be in the form of an electronic document executed as contemplated by the Act by the shareholder or by his, her or its duly authorized attorney and shall conform with the requirements of the Act and is valid only at the meeting in respect of which it is given or any adjournment of that meeting.

An instrument appointing a proxyholder may be in any form which complies with the requirements of the Act.

The directors may specify in a notice calling a meeting of shareholders a time not exceeding 48 hours, excluding Saturdays and holidays, preceding the meeting or an adjournment of the meeting before which time proxies to be used at the meeting must be deposited with the Corporation or its agent.

58. Conduct of Meeting

The chair of the meeting shall conduct the proceedings at the meeting and his or her decision in any matter or thing, including, without limitation, any question regarding the validity or invalidity of any instruments of proxy and any question as to the admission or rejection of a vote, shall be conclusive and binding upon the shareholders.

59. Adjournment

The chair of the meeting may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn any meeting of shareholders from time to time and place to place to a fixed time and place and, if the meeting is adjourned by one or more adjournments for an aggregate of less than 30 days, it is not necessary to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than 90 days, subsection (1) of section 149 of the Act does not apply.

Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The persons who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting that might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

60. Quorum

At all meetings of shareholders, it shall be necessary in order to constitute a quorum for two persons entitled to vote at the meeting to be present and for not less than 5 per cent of the outstanding shares of the Corporation which may be voted at the meeting to be represented in person or by proxy or by a duly

authorized representative of a shareholder. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholders present may adjourn the meeting to a fixed time and place but may not transact any other business.

If the Corporation has only one shareholder, or one shareholder holding a majority of the shares entitled to vote at the meeting, that shareholder present on his, her or its own behalf or by proxy constitutes a meeting and a quorum for such meeting.

61. Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditor of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

62. Resolution in Lieu of Meeting

Except where a written statement is submitted by a director under subsection 110(2) of the Act or by an auditor under subsection 168(5) of the Act, a resolution in writing, signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders, is as valid as if it had been passed at a meeting of shareholders, and a resolution in writing dealing with all matters required by the Act or the by-laws to be dealt with at a meeting of shareholders, and signed by all the shareholders entitled to vote at that meeting, satisfies all the requirements of the Act and the by-laws relating to meetings of shareholders.

63. Advance Notice of Shareholder Nominations and Proposals

- (a) Subject to the Act, Applicable Securities Laws and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation:
  - (i) by or at the direction of the board, including pursuant to a notice of meeting;
  - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of a meeting of shareholders by one or more of the shareholders made in accordance with the provisions of the Act; or
  - (iii) by any person (a "**Nominating Shareholder**") who:
    - (A) at the Close of Business on the date of the giving of the notice provided for in the by-laws and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who has beneficial ownership of shares pursuant to the Act that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation; and
    - (B) complies with the notice procedures set forth below in this Paragraph 63.

- (b) A Nominating Shareholder must give written notice of its director nominations, the contents of which notice are set out in Paragraph 63(d) and Paragraph 63(e) (such notice, a "**Nomination Notice**"), to the secretary of the Corporation even if such matter is already the subject of a notice to the shareholders or a Public Announcement. The Nomination Notice must be received by the Corporation:
- (i) in the case of an annual meeting (or an annual and special meeting), not less than 30 days and not more than 65 days before the date of such meeting (except that, if the meeting is to be held on a date that is less than 50 days after the Meeting Notice Date, notice by the Nominating Shareholder shall be made not less than the Close of Business on the 10th day after the Meeting Notice Date); and
  - (ii) in the case of a special meeting (which is not an annual and special meeting) called for the purpose of electing directors (whether or not also called for the purpose of conducting other business) not later than the Close of Business on the 15th day after the Meeting Notice Date.
- (c) Notwithstanding any other provision of the by-laws, a Nominating Shareholder shall deliver the Nomination Notice to the Corporation's registered office. A Nomination Notice shall be delivered by personal delivery, nationally recognized overnight courier (with all fees prepaid), facsimile or e-mail of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid); provided that if such delivery or electronic communication is made on a day which is not a business day or later than Close of Business on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (d) A Nomination Notice must include the following information respecting each of the Nominating Shareholder's nominees:
- (i) each nominee's name, age, business address and residential address;
  - (ii) a statement indicating whether each nominee is a "resident Canadian" as defined in the Act and the regulations made under the Act;
  - (iii) each nominee's present principal occupation, business or employment;
  - (iv) each nominee's principal occupation, business or employment for the five years preceding the notice;
  - (v) the number of securities of each class or series of shares of the Corporation (or any of its subsidiaries) beneficially owned, or controlled or directed, directly or indirectly, by each nominee, as of the record date for the meeting (provided that such date shall have then have been made publicly available and shall have occurred) and as of the date of such Nomination Notice;
  - (vi) a description of any relationship, agreement, arrangement or understanding (including financial, compensation or indemnity related or otherwise) between each nominee and the Nominating Shareholder, or any affiliates or associates of, or any person or entity acting jointly or in concert with, each nominee or the

Nominating Shareholder, in connection with each nominee's nomination and election as a director;

- (vii) whether each nominee is a party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor, supplier, officer, employee or other person having or involved in any contractual or fiduciary relationship with the Corporation or any affiliate thereof or any third party which may give rise to an actual or perceived conflict of interest between the interest of the nominee and the interests of the Corporation or any affiliate thereof;
  - (viii) any other information relating to each nominee that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws;
  - (ix) the consent of each nominee to being named in the information circular to serve as a director if elected; and
  - (x) any such other information as the Corporation may reasonably require to determine the eligibility of each nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of each nominee.
- (e) A Nomination Notice must include the following information respecting the Nominating Shareholder:
- (i) the name, business address and residential address of the Nominating Shareholder;
  - (ii) the number of securities of each class and series of the Corporation (or any of its subsidiaries) beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom such Nominating Shareholder is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting (provided that such date shall have been made publicly available and shall have occurred) and as of the date of the Nomination Notice;
  - (iii) a description of any agreement, arrangement or understanding between or among the Nominating Shareholder and any of its affiliates or associates, and any others (including their names) acting in concert with any of the foregoing relating to the Nominating Shareholder's director nominations;
  - (iv) full particulars of any direct or indirect interest of the Nominating Shareholder in any contract or transaction (existing or proposed) with the Corporation or any affiliate thereof;
  - (v) a description of any agreement, arrangement or understanding (including any derivative or short positions, options, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the Nomination Notice by, or on behalf of, the Nominating Shareholder or any of its affiliates or associates, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of the

Nominating Shareholder or any of its affiliates or associates with respect to shares of the Corporation;

- (vi) a representation that the Nominating Shareholder is a registered or beneficial shareholder of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to nominate the individual or individuals specified in the Nomination Notice;
  - (vii) a representation whether the Nominating Shareholder intends to deliver an information circular or form of proxy to holders of the Corporation's outstanding shares or otherwise to solicit proxies from shareholders in support of its director nominations; and
  - (viii) any other information relating to the Nominating Shareholder that would be required to be made in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors under the Act or any Applicable Securities Laws.
- (f) In addition, to be considered timely and in proper written form, a Nomination Notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.
- (g) Notwithstanding anything in the by-laws to the contrary: (i) no director nominations shall be made at any meeting except in accordance with the procedures set forth in this Paragraph 63. The requirements of this Paragraph 63 shall apply to any director nominations to be brought before a meeting by a shareholder whether such director nominations are to be included in the Corporation's management information circular under the Act and NI 51-102 or presented to shareholders by means of an independently financed proxy solicitation. The requirements of this Paragraph 63 are included to provide the Corporation notice of a shareholder's intention to bring one or more director nominations before a meeting and shall in no event be construed as imposing upon any shareholder the requirement to seek approval from the Corporation as a condition precedent to make such director nominations before a meeting.
- (h) The board may, in its sole discretion, waive any requirement in this Paragraph 63.

#### SHARES AND TRANSFERS

##### 64. Issuance

Subject to the articles and to section 28 of the Act, shares in the Corporation may be issued at the times and to the persons and for the consideration that the directors determine; provided that a share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the Corporation would have received if the share had been issued for money.

##### 65. Security Certificates

Security certificates (if any) shall (subject to compliance with section 49 of the Act) be in such form as the directors may from time to time by resolution approve and such certificates shall be signed manually, or

the signature shall be printed or otherwise mechanically reproduced on the certificate, by at least one director or officer of the Corporation or by a registrar, transfer agent or branch transfer agent of the Corporation or an individual on their behalf, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced thereon. If a security certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the security certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the security certificate is as valid as if he or she were a director or an officer at the date of its issue.

66. Agent

The directors may from time to time by resolution appoint or remove an agent to maintain a central securities register and one or more branch securities registers for the Corporation.

67. Dealings with Registered Holder

Subject to the Act, the Corporation may treat the registered owner of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividends or other payments in respect of the security, and otherwise to exercise all the rights and powers of an owner of the security.

68. Surrender of Security Certificates

Subject to the Act, no transfer of a security issued by the Corporation shall be registered unless or until the security certificate representing the security to be transferred has been presented for registration or, if no security certificate has been issued by the Corporation in respect of such security, unless or until a duly executed transfer in respect thereof has been presented for registration.

69. Defaced, Destroyed, Stolen or Lost Security Certificates

In case of the defacement, destruction, theft or loss of a security certificate, the fact of such defacement, destruction, theft or loss shall be reported by the owner to the Corporation or to an agent of the Corporation (if any) with a statement verified by oath or statutory declaration as to the defacement, destruction, theft or loss and the circumstances concerning the same and with a request for the issuance of a new security certificate to replace the one so defaced (together with the surrender of the defaced security certificate), destroyed, stolen or lost. Upon the giving to the Corporation (or if there be an agent, hereinafter in this paragraph referred to as the "**Corporation's agent**", then to the Corporation and Corporation's agent) of a bond of a surety company (or other security approved by the directors) in such form as is approved by the directors or by any officer of the Corporation, indemnifying the Corporation (and the Corporation's agent if any) against all loss, damage or expense, which the Corporation and/or the Corporation's agent may suffer or be liable for by reason of the issuance of a new security certificate to such shareholder, and provided the Corporation or the Corporation's agent does not have notice that the security has been acquired by a bona fide purchaser, a new security certificate may be issued in replacement of the one defaced, destroyed, stolen or lost, if such issuance is ordered and authorized by any officer of the Corporation or by the directors.

70. Enforcement of Lien for Indebtedness

Subject to subsection 49(8) of the Act, if the articles of the Corporation provide that the Corporation may have a lien on the shares registered in the name of a shareholder or the shareholder's legal representative for a debt of that shareholder to the Corporation, such lien may be enforced by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of

such shares. No sale shall be made until such time as the debt ought to be paid and until a demand and notice in writing stating the amount due and demanding payment and giving notice of intention to sell on default shall have been served on the holder or such shareholder's legal representative of the shares subject to the lien and default shall have been made in payment of such debt for seven days after service of such notice. Upon any such sale, the proceeds shall be applied, firstly, in payment of all costs of such sale, and, secondly, in satisfaction of such debt and the residue (if any) shall be paid to the shareholder or as such shareholder shall direct. Upon any such sale, the directors may enter or cause to be entered the purchaser's name in the securities register of the Corporation as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by, any irregularity or invalidity in the proceedings, or be bound to see to the application of the purchase money, and after the purchaser's name or the name of the purchaser's legal representative has been entered in the securities register, the validity of the sale shall not be impeached by any person.

71. Electronic, Book-Based or Other Non-Certificated Registered Positions

Subject to subsection 49(1) of the Act, a registered security holder may have his, her or its holdings of securities of the Corporation evidenced by an electronic, book-based, direct registration service or other non-certificated entry or position on the register of securityholders to be kept by the Corporation or its agent in place of a physical security certificate pursuant to a registration system that may be adopted by the Corporation. The by-laws shall be read such that a registered holder of securities of the Corporation pursuant to any such electronic, book-based, direct registration service or other non-certificated entry or position shall be entitled to all of the same benefits, rights, entitlements and shall incur the same duties and obligations as a registered holder of securities evidenced by a physical security certificate. The Corporation and its transfer agent (if any) may adopt such policies and procedures and require such documents and evidence as they may determine necessary or desirable in order to facilitate the adoption and maintenance of a security registration system by electronic, book-based, direct registration system or other non-certificated means.

DIVIDENDS

72. Dividends

The directors may from time to time by resolution declare and the Corporation may pay dividends on its issued shares, subject to the provisions (if any) of the Corporation's articles.

The Corporation shall not declare or pay a dividend if there are reasonable grounds for believing that:

- (a) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

The Corporation may pay a dividend consisting of fully paid shares of the Corporation, money or other property.

73. Joint Shareholders

In case several persons are registered as the joint holders of any securities of the Corporation, any one of such persons may give effectual receipts for all dividends and payments on account of dividends, principal, interest and/or redemption payments in respect of such securities.

74. Dividend Payments

A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the recorded address of such registered holder, or, paid by electronic funds transfer to the bank account designated by the registered holder, unless such holder otherwise directs. In the case of joint holders, the cheque or payment shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and, if more than one address is recorded in the Corporation's security register in respect of such joint holding, the cheque shall be mailed to the first address so appearing. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, or the electronic funds transfer as aforesaid, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold. In the event of non-receipt of any dividend cheque or payment by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque or payment for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as any officer or the directors may from time to time prescribe, whether generally or in any particular case.

VOTING SECURITIES IN OTHER BODIES CORPORATE

75. Voting Securities in Other Bodies Corporate

All securities of or other interests held from time to time by the Corporation in a body corporate or a trust, association or other unincorporated organization carrying voting rights that may be exercised by or on behalf of the Corporation whether as a holder, trustee or otherwise may be voted at all meetings of shareholders, unitholders, bondholders, debenture holders or holders of such securities or other interests, as the case may be, of such other body corporate or a trust, association or other unincorporated organization, and in such manner and by such person or persons as the directors of the Corporation shall from time to time determine and authorize by resolution. Any officer of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and arrange for the issuance of voting certificates or other evidence of the right to vote in such names as such officer may determine, without the necessity of a resolution or other action by the directors.

NOTICES, ETC.

76. Service

Any notice or document required by the Act, the articles or the by-laws to be sent to any shareholder or director of the Corporation may be delivered personally to or sent by pre-paid mail addressed to:

- (a) the shareholder at the shareholder's latest address as shown in the records of the Corporation or its transfer agent; and
- (b) the director at the director's latest address as shown in the records of the Corporation or in the last notice filed under section 106 or 113 of the Act.

A notice or document sent by mail as contemplated by this Paragraph 76 to a shareholder or director of the Corporation shall be deemed to have been received by the shareholder or director (as the case may be) at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the shareholder or director (as the case may be) did not receive the notice or document at that time or at all.

Notwithstanding the foregoing, provided that the addressee has consented in writing and has designated an information system for the receipt of electronic documents as contemplated by the Act, the Corporation may satisfy the requirements to send any notice or document referred to above, subject to the Act, by creating an electronic document and providing such electronic document to the applicable specified information system or otherwise posting or making such document available on a generally accessible electronic source, such as a web site, and providing written notice of the availability and location of that electronic document, unless otherwise prescribed by the Act. Any such electronic document shall be deemed to have been sent to and received by the addressee when it enters the information system of the addressee or, if posted or otherwise made available through a generally accessible electronic source, when the addressee receives written notice of the availability and location of that electronic document.

77. Undelivered Notices

If the Corporation sends a notice or document to a shareholder and the notice or document is returned on two consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

78. Notice to Joint Shareholders

All notices or documents shall, with respect to any shares in the capital of the Corporation registered in more than one name, be sent to whichever of such persons is named first in the records of the Corporation and any notice or document so sent shall be sufficient notice of delivery of such document to all the holders of such shares.

79. Persons Becoming Entitled by Operation of Law

Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any shares in the capital of the Corporation shall be bound by every notice or document in respect of such shares which prior to his or her name and address being entered on the records of the Corporation in respect of such shares shall have been duly sent to the person or persons from whom such person derives his or her title to such shares.

80. Signatures upon Notices

Subject to applicable law and the requirements of any regulatory authority, the signature of any director or officer of the Corporation upon any notice need not be a manual signature.

81. Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given under any provisions of the articles or the by-laws, the day the notice is sent shall, unless it is otherwise provided by applicable law, be counted in such number of days or other period.

82. Proof of Service

A certificate of any officer of the Corporation in office at the time of the making of the certificate or of an agent of the Corporation as to facts in relation to the mailing or delivery or sending of any notice or document to any shareholder, director, officer or auditor of the Corporation or any other person or publication of any notice or document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation or other person, as the case may be.

## CUSTODY OF SECURITIES

### 83. Custody of Securities

All securities (including warrants) owned by the Corporation may be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or with such other depositories or in such other manner as may be determined from time to time by any officer or director.

All securities (including warrants) belonging to the Corporation may be issued and held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer thereof to be completed and registration thereof to be effected.

## EXECUTION OF CONTRACTS, ETC.

### 84. Execution of Contracts, etc.

Contracts, documents or instruments requiring the signature of the Corporation may be signed by any director or officer alone or any person or persons authorized by resolution of the directors and all contracts, documents or instruments so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation either to sign contracts, documents or instruments generally or to sign specific contracts, documents or instruments.

The corporate seal (if any) of the Corporation may be affixed by any director or officer to contracts, documents or instruments signed by such director or officer as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the directors.

The term "**contracts, documents or instruments**" as used in the by-laws shall include notices, deeds, mortgages, hypothecs, charges, cheques, drafts, orders for the payment of money, notes, acceptances, bills of exchange, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

The signature or signatures of any director or officer or any other person or persons appointed as aforesaid by resolution of the directors may be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon all contracts, documents or instruments executed or issued by or on behalf of the Corporation and all contracts, documents or instruments on which the signature or signatures of any of the foregoing persons shall be so reproduced shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments.

## FISCAL PERIOD

### 85. Fiscal Period

The fiscal period of the Corporation shall terminate on such day in each year as the board may from time to time by resolution determine.

UNANIMOUS SHAREHOLDER AGREEMENT

86. Unanimous Shareholder Agreement

The provisions of the by-laws are subject to the terms of any unanimous shareholder agreement in effect from time to time in respect of the Corporation and, to the extent of any inconsistency between the by-laws and any such unanimous shareholder agreement, such unanimous shareholder agreement shall govern and prevail over the by-laws.

DELIVERY OF DOCUMENTS

87. Delivery of Documents

The delivery of an executed copy of any and all by-laws, minutes of meetings, resolutions, consents, instruments, or like documents required by the Act to be kept with the records of the Corporation in counterparts, by facsimile or by electronic transmission shall be deemed to be the equivalent of the delivery of an original executed copy thereof and the counterparts together shall constitute one and the same document.

BORROWING MONEY, ETC.

88. Borrowing Money, etc.

The directors of the Corporation may from time to time:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation, including bonds, debentures, notes or other evidences of indebtedness or guarantees of the Corporation, whether secured or unsecured;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person, including any individual, partnership, association, body corporate or personal representative;
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation; or
- (e) delegate to one or more directors, a committee of directors or one or more officers of the Corporation as may be designated by the directors, all or any of the powers conferred by the foregoing clauses of this Paragraph to such extent and in such manner as the directors shall determine at the time of each such delegation.

\* \* \* \* \*

The foregoing by-law was made by the board of directors of the Corporation on the 14<sup>th</sup> day of May, 2021.

(Signed) "*Chris Frostad*"

---

Chris Frostad, President & CEO

The foregoing by-law was confirmed by the shareholders of the Corporation on the 24<sup>th</sup> day of June, 2021.

---

Chris Frostad, President & CEO

## **SCHEDULE “F”**

### **NEW BY-LAW RESOLUTION**

#### **RESOLVED as an ordinary resolution of Shareholders that:**

1. subject to approval of the TSXV, the repeal of By-Law No. 1 of the Company and the adoption of the New By-Law approved by the Board on May 14, 2021, is hereby confirmed and approved;
2. the making of any revisions to the New By-Law as may be required by the TSXV or any other regulatory authorities, and as may be approved by any director or officer of the Company, is hereby approved;
3. the New By-Law, as may be amended by the Shareholders at the Meeting or pursuant to paragraph 2 above, is hereby confirmed as the general by-laws of the Company; and
4. any officer or director of the Company is hereby authorized and directed to execute the New By-Law to evidence the confirmation by the Shareholders and to do all such further acts and things and execute such further documents, agreements and other instruments as such officer or director may determine to be necessary or desirable to give effect to this resolution and the matters contemplated hereby, and the execution of any such documents, agreements or instruments and the doing of any such acts and things by such officer or director shall be deemed to be conclusive evidence of such determination.

## SCHEDULE "G"

### RESOLUTION APPROVING ALL ACTS OF DIRECTORS

**RESOLVED as an ordinary resolution of the Shareholders that:**

1. notwithstanding:
  - (a) any failure to properly convene, constitute, proceed with, hold or record any meeting of the Board or Shareholders for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with a notice of a meeting, have a quorum present at a meeting, sign the minutes of a meeting or sign a ballot electing a slate of directors; or
  - (b) any failure to pass any resolution of the directors or the Shareholders or any by-laws of the Company for any reason whatsoever,

all by-laws, approvals, appointments, elections, resolutions, contracts, acts and proceedings enacted, passed, made, done or taken since the date of incorporation of the Company, including the issuance of any shares, warrants, options or convertible debt, including those set forth or referred to in the minutes of the meetings, or resolutions of the Board or the Shareholders or other documents contained in the minute and record book of the Company, or in the financial statements of the Company, and all actions heretofore taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, confirmed and approved; and
2. without limiting the generality of paragraph 1 above, all by-laws, resolutions, contracts, acts and proceedings of the Board of the Company enacted, passed, made, done or taken since the date of incorporation of the Company including all those set forth or referred to in the minutes or the meetings and resolutions of the Board in the minute and record book of the Company or in the financial statements of the Company are hereby approved, ratified and confirmed.

## **SCHEDULE “H”**

### **CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

#### **PURPOSE**

There shall be a committee of the board of directors (the “**Board**”) of the Company known as the Audit Committee. The Audit Committee shall assist the Board in fulfilling its oversight responsibilities with respect to the following principal areas:

- the Company’s external audit function, including the qualifications, independence, appointment and oversight of the work of the external auditors;
- the Company’s accounting and financial reporting requirements;
- the Company’s reporting of financial information to the public;
- the Company’s compliance with law and regulatory requirements;
- the Company’s risks and risk management policies;
- the Company’s system of internal controls and management information systems; and
- such other functions as are delegated to it by the Board.

Specifically, with respect to the Company’s external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to the quality and integrity of the Company’s financial statements, the independent auditors’ qualifications, and the performance of the Company’s independent auditors.

#### **MEMBERSHIP**

The Audit Committee shall consist of as many members as the Board shall determine but, in any event not fewer than three directors appointed by the Board as provided for in the By-laws of the Company. Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director of the Company. The Board may fill a vacancy which occurs in the Audit Committee at any time. No member of the Audit Committee should be a holder of more than 20% of the Company’s outstanding shares.

Members of the Audit Committee shall be selected based upon the following and in accordance with applicable laws, rules and regulations:

- Independence. At least 50% of the members shall be independent in accordance with applicable legal and regulatory requirements and in such regard shall have no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment.

- Financially Literate. Each member shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee. For these purposes, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## **Committee Procedure**

- Chair And Secretary

The Chair of the Audit Committee shall be designated by the Board. If the Chair is not present at a meeting of the Audit Committee, the members of the Audit Committee may designate an interim Chair for the meeting by majority vote of the members present. The Secretary of the Company shall be the Secretary of the Audit Committee, provided that if the Secretary is not present, the Chair of the meeting may appoint a secretary for the meeting with the consent of the Audit Committee members who are present. A member of the Audit Committee may be designated as the liaison member to report on the deliberations of the Audit Committees of affiliated companies (if applicable).

- Meetings

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least once in each fiscal year. The Audit Committee shall have the authority to convene additional meetings as circumstances require.

Meetings shall also be convened whenever requested by the external auditors or any member of the Audit Committee in accordance with applicable law. The Audit Committee shall meet separately and periodically with management, legal counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

A majority of the Audit Committee members, present in person or by conference telephone, shall constitute quorum for the transaction of business.

The Audit Committee may request that any directors, officers or employees of the Company, or any other person from whom the Audit Committee would like advice or counsel, attend any meeting to provide such information or guidance.

An Audit Committee member or the Company's Secretary shall keep written minutes of the Audit Committee meetings. The minutes are to be maintained with the books and records of the Company. The Chair of the Audit Committee will regularly report the Audit Committee's findings and recommendations to the Board.

- Meeting Agendas

Agendas for meetings of the Audit Committee shall be developed by the Chair of the Audit Committee in consultation with management and the corporate secretary, and shall be circulated to Audit Committee members as far in advance of each Audit Committee meeting as is reasonable.

- Resources And Authority

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Company, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management.

The Audit Committee shall have the authority to conduct any investigation necessary and appropriate to fulfilling its responsibilities, and has direct access to and the authority to communicate directly with the internal and external auditors, the general counsel of the Company and other officers and employees of the Company.

The members of the Audit Committee shall have the right for the purpose of performing their duties to inspect all the books and records of the Company and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Company with the officers and external and internal auditors of the Company and its subsidiaries. Any member of the Audit Committee may require the external or internal auditors to attend any or every meeting of the Audit Committee.

#### **Mandate of the committee**

The Company's management is responsible for preparing the Company's financial statements and the external auditors are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of those activities by the Company's management and external auditors, and overseeing the activities of the internal auditors.

The specific responsibilities of the Audit Committee shall include those listed below. The enumerated responsibilities are not meant to restrict the Audit Committee from examining any matters related to its purpose.

- Financial Reporting Process and Financial Statements

The Audit Committee shall:

- in consultation with the external auditors and the internal auditors, review the integrity of the Company's financial reporting process, both internal and external, and any major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies;
- review all material transactions and material contracts entered into between (i) the Company or any subsidiary of the Company, and (ii) any subsidiary, director, officer, insider or related party of the Company, other than officer or employee compensation arrangements or director remuneration approved or recommended by the Compensation Committee, or transactions in the ordinary course of business;
- review and discuss with management and the external auditors: (i) the preparation of the Company's annual audited consolidated financial statements and its interim unaudited consolidated financial statements; (ii) whether the financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition,

results of operations and cash flows of the Company as of and for the periods presented; (iii) any matters required to be discussed with the external auditors according to Canadian generally accepted auditing standards; (iv) an annual report by the external auditors describing: (A) all critical accounting policies and practices used by the Company; (B) all material alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, including the ramifications of the use such alternative treatments and disclosures and the treatment preferred by the external auditors; and (C) other material written communications between the external auditors and management;

- following completion of the annual audit, review with each of: (i) management; (ii) the external auditors; and (iii) the internal auditors, any significant issues, concerns or difficulties encountered during the course of the audit;
- resolve disagreements between management and the external auditors regarding financial reporting;
- review the interim quarterly and annual financial statements and annual and interim press releases prior to the release of earnings information; and
- review and be satisfied that adequate procedures are in place for the review of the public disclosure of financial information by the Company extracted or derived from the Company's financial statements, other than the disclosure referred to in (f), and periodically assess the adequacy of those procedures.

- External auditors

The Audit Committee shall:

- require the external auditors to report directly to the Audit Committee;
- be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Company's external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and in such regard recommend to the Board the external auditors to be nominated for approval by the Shareholders;
- approve all audit engagements and pre-approve the provision by the external auditors of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Audit Committee may establish the types of non-audit services the external auditors shall be prohibited from providing and shall establish the types of audit, audit related and non-audit services for which the Audit Committee will retain the external auditors. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Audit Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be

presented to the full Audit Committee at its next scheduled meeting following such pre-approval.

- Accounting Systems and Internal Controls

The Audit Committee shall oversee management's establishment and maintenance of disclosure controls and procedures and internal controls. The Audit Committee shall also receive and review reports from management, the internal auditors and the external auditors on an annual basis with regard to the reliability and effective operation of the Company's accounting system and internal controls;

- Legal and Regulatory Requirements

The Audit Committee shall:

- receive and review timely analysis by management of significant issues relating to public disclosure and reporting;
- review, prior to finalization, periodic public disclosure documents containing financial information, including the Management's Discussion and Analysis;
- review with the Company's legal counsel compliance matters, significant litigation and other legal matters that could have a significant impact on the Company's financial statements; and
- assist the Board in the oversight of compliance with legal and regulatory requirements and review with legal counsel the adequacy and effectiveness of the Company's procedures to ensure compliance with legal and regulatory responsibilities.

- Limitation on the Oversight Role of the Audit Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information, and the accuracy of the information provided to the Company by such persons or organizations.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditor.