



NOTICE OF MEETING

and

MANAGEMENT INFORMATION CIRCULAR and PROXY STATEMENT

with respect to the

Annual and Special Meeting of Shareholders

to be held on December 6, 2017

Dated: November 1, 2017

GEN III OIL CORPORATION
910 – 1050 West Pender Street
Vancouver, British Columbia V6E 3S7

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting of the shareholders (the "**Meeting**") of Gen III Oil Corporation (the "**Company**") will be held at the offices of the Company, 910 – 1050 West Pender Street, Vancouver, British Columbia V6E 3S7 on December 6, 2017, at 10:00 a.m. (Vancouver Time) for the following purposes:

1. to receive and consider the audited financial statements of the Company as at and for the years ended December 31, 2016 and 2015, together with the report of the auditors thereon;
2. to set the number of directors of the Company at five;
3. to elect the directors of the Company for the ensuing year;
4. to appoint the auditors of the Company and to authorize the directors of the Company to fix their remuneration;
5. to consider and, if thought advisable, to pass, with or without modification, an ordinary resolution for the approval, adoption and ratification of the stock option plan of the Company;
6. to consider and, if thought advisable, to pass, with or without modification, an ordinary resolution for the approval, adoption and ratification of the shareholder rights plan of the Company;
7. to consider and, if thought advisable, to pass, with or without modification, a special resolution for the approval of the continuance of the Company from the Province of British Columbia to the Province of Alberta; and
8. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The accompanying Management Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

SHAREHOLDERS WHO ARE UNABLE TO ATTEND THE MEETING IN PERSON ARE REQUESTED TO COMPLETE, DATE AND SIGN THE ENCLOSED FORM OF PROXY, AND TO RETURN IT IN THE ENVELOPE PROVIDED FOR THAT PURPOSE.

The board of directors of the Company has by resolution fixed the close of business on November 1, 2017 as the record date, being the date for the determination of the registered holders of common shares entitled to notice of and to vote at the Meeting or any adjournment thereof.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street Vancouver, B.C. V6C 3B9, or by fax at (604) 661-9401 not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for holding the Meeting or an adjournment thereof at which the proxy is to be used, prior to the

time of voting. Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

DATED at Vancouver, British Columbia, as of the 1st day of November, 2017.

BY ORDER OF THE BOARD

Signed: "Greg Clarkes"

Greg Clarkes
Chairman of the Board and
Chief Executive Officer

GEN III OIL CORPORATION
910 – 1050 West Pender Street
Vancouver, British Columbia V6E 3S7

MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

GENERAL PROXY MATTERS

Solicitation of Proxies by Management

This Management Information Circular (the "**Circular**") is being furnished in connection with the solicitation of proxies by the management of Gen III Oil Corporation (the "**Company**") for use at the annual general and special meeting of shareholders of the Company (the "**Meeting**") to be held on Wednesday, December 6, 2017 at the time and place and for the purposes set forth in the accompanying Notice of Meeting (the "**Notice**"), and any adjournment thereof. This Circular contains information as at November 1, 2017, unless otherwise noted.

Cost and Manner of Solicitation

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally, or by telephone, facsimile or electronically by the directors or regular employees of the Company, or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of common shares of the Company ("**Common Shares**"). All costs of solicitation will be borne by the Company.

Appointment of Proxy

A shareholder entitled to vote at the Meeting, may, by means of a properly executed and deposited proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders of the Company, to attend and act at the Meeting for the shareholder and on the shareholder's behalf.

The individuals named in the enclosed form of proxy are officers of the Company ("**Management Designees**"). **A shareholder wishing to appoint some other person (who need not be a shareholder of the Company) to represent him or her at the Meeting has the right to do so, either by inserting that person's name in the blank space provided in the form of proxy and striking out the names of the Management Designees, or by completing another form of proxy, or by using the internet at www.investorvote.com or the telephone by calling 1-866-732-8683 (Toll Free).** A proxy will not be valid unless the completed, dated and signed form of proxy is deposited with Computershare Investor Services Inc. ("**Computershare**") not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for holding the Meeting or an adjournment thereof, or is delivered to the chair of the Meeting prior to the commencement of the Meeting, or an adjourned meeting. Proxies may be voted in one of the following manners:

- (a) by using the internet at www.investorvote.com;
- (b) by using telephone by calling 1-866-732-8683 (Toll Free); or

- (c) by completing, then signing and depositing the enclosed form of proxy with the Company's transfer agent, Computershare, using one of the following methods:

By Mail: Computershare Investor Services Inc.
3rd Floor, 510 Burrard Street
Vancouver, BC V6C 3B9
Canada

By Facsimile: (604) 661-9401

If you vote your proxy using the internet or the telephone, do not send back the form of proxy.

Revocation of Proxy

A shareholder who has given a proxy may revoke it by an instrument in writing duly executed by the shareholder or by his or her attorney authorized in writing, or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Company at Robson Square, 2000 – 250 Howe Street, Vancouver, British Columbia, V6C 3R8, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

In addition, a proxy may be revoked by a shareholder executing another form of proxy bearing a later date and depositing the same at the offices of Computershare within the time period and in the manner set out above or by the shareholder personally attending the Meeting, withdrawing his or her proxy and voting the shares.

Voting of Proxies and Exercise of Discretion by Proxyholders

Unless a ballot is called for or required by law, voting at the Meeting will be by way of show of hands. Common Shares represented by a properly completed, executed and deposited proxy may be voted by the proxyholder on a show of hands, except where the proxyholder has conflicting instructions from more than one shareholder, in which case such proxyholder will not be entitled to vote on a show of hands. In addition, shares represented by proxies may be voted on any ballot. In either case, where a choice with respect to any matter to be acted upon has been specified in the proxy, the shares will be voted or withheld from voting accordingly.

IF A CHOICE WITH RESPECT TO ANY MATTER IS NOT CLEARLY SPECIFIED IN THE PROXY, THE MANAGEMENT DESIGNEES WILL VOTE THE SHARES REPRESENTED BY THE PROXY FOR EACH MATTER.

The enclosed form of proxy, when properly completed, executed and deposited and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the accompanying Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, the enclosed form of proxy confers discretionary authority on the Management Designees to vote in accordance with their best judgment on such matters or business. At the date of this Circular, management knows of no such amendment, variation or other matter which may be presented to the Meeting.

Advice to Beneficial Holders of Common Shares

Only registered holders of Common Shares of the Company or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to Non-Objecting Beneficial Owner ("NOBO")

In accordance with the requirements of the Canadian Securities Administrators and NI 54-101, the Company will have caused its agent to distribute copies of the Notice and this Circular (collectively, the "**meeting materials**") as well as a Voting Instruction Form directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner.

These securityholder materials are being sent to both registered and Non-Registered Holders of the securities. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request/or Voting Instruction Form enclosed with mailings to NOBOs.

The meeting materials distributed by the Company's agent to NOBOs include a Voting Instruction Form. Please carefully review the instructions on the Voting Instruction Form for completion and deposit.

Distribution to Objecting Beneficial Owner ("OBO")

In addition, the Company will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Holders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner.

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries generally use service companies such as Broadridge to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare with respect to the

Common Shares beneficially owned by such OBO, in accordance with the instructions above; OR

- (b) more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code or other information. In order for the form of proxy to validly constitute a proxy authorization form, the OBO must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or proxy authorization form is to be delivered.

Management does not intend to pay for Intermediaries to forward the meeting materials and Voting Instructions Forms to OBOs and therefore an OBO will not receive the meeting materials and Voting Instructions Form unless his or her Intermediary assumes the cost of delivery.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Securities

The Company's authorized share structure consists of an unlimited number of Common Shares without par value. The Company currently has issued and outstanding 58,732,154 fully paid and non-assessable Common Shares. Each Common Share carries the right to one vote at meetings of shareholders of the Company. The Company has no other classes of voting securities.

Principal Holders

To the knowledge of the directors and senior officers of the Company, as at November 1, 2017, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company.

Record Date

Any shareholder of record at the close of business on November 1, 2017 (the "**Record Date**") who either personally attends the Meeting or who has submitted a properly executed and deposited form of proxy in

the manner and subject to the provisions described above and which has not been revoked shall be entitled to vote or to have his or her shares voted at the Meeting.

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

Other than as disclosed below or elsewhere in this Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate or any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

STATEMENT OF EXECUTIVE COMPENSATION

The following sections outline the executive compensation practices of the Company with respect to those individuals who were: (i) acting as Chief Executive Officer (the "**CEO**") of the Company, or in a similar capacity, for any part of the financial year ended December 31, 2016; (ii) acting as Chief Financial Officer (the "**CFO**") of the Company, or in a similar capacity, for any part of such financial year; and (iii) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of such financial year and whose total compensation was more than \$150,000 (collectively the "**NEOs**").

Compensation Discussion and Analysis

The Company's approach to executive compensation has historically been to provide suitable compensation for executives that is internally equitable, externally competitive and reflects individual achievement. The Company has attempted to maintain compensation arrangements that will attract and retain highly qualified individuals who are able and capable of carrying out the objectives of the Company. The board of directors of the Company (the "**Board**") established and reviewed the Company's overall compensation philosophy and its general compensation policies with respect to the CEO and other officers, including the corporate goals and objectives and the annual performance objectives relevant to such officers. The Board evaluated each officer's performance in light of these goals and objectives and, based on its evaluation, determined and approved the salary, bonus, options and other benefits for such officers. In determining compensation matters, the Board considered a number of factors, including the Company's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years and other factors it considers relevant. The overall objectives of the Company's compensation strategy are to reward members of management for their efforts, while seeking to conserve cash. Until recently, compensation of the NEOs has emphasized conservation of cash.

Existing options held by the NEOs at the time of subsequent option grants are taken into consideration in determining the quantum or terms of any such subsequent option grants. Options have been granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of the Company. The size of the option awards is in proportion to the deemed ability of the individual to make an impact on the Company's success.

The Board has considered the implications of the risks associated with the Company's compensation policies and practices. The Board considered the balance between long-term objectives and short-term

financial goals incorporated into the Company's executive compensation program and whether or not NEOs are potentially encouraged to expose the Company to inappropriate or excessive risks. Risks, if any, may be identified and mitigated through regular meetings of the Compensation Committee (as defined below) and the Board. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company currently does not have a policy that restricts NEOs and directors from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEOs or director.

The Company has established a compensation committee which has been given the mandate to develop the Company's executive compensation philosophy and program and oversee the implementation thereof (the "**Compensation Committee**"). The Compensation Committee consists of three directors, namely, Gregory Clarkes, Paul DiPasquale and Larry Van Hatten. The Board believes that the members of the Compensation Committee collectively have the knowledge, experience and background required to fulfill the mandate of the Compensation Committee.

During the Company's most recently completed financial year, the Company has not retained a compensation consultant or advisor to assist the Compensation Committee or the Board in determining compensation for any of the Company's executive officers.

Summary of Executive Compensation

The following table summarizes the compensation paid during the financial years ended December 31, 2016, 2015 and 2014 to those individuals who were NEOs. Based on the foregoing, during the financial year ended December 31, 2016, the following individuals were NEOs of the Company: Gregory Clarkes, Rick Low, George Davidson and Neil Halldorson. Mr. Halldorson's involvement with the Company terminated in March of 2016.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)		
Gregory Clarkes Chairman and CEO	2016	-	-	-	-	-	335,000 ⁽¹⁾⁽²⁾	335,000
	2015	-	-	-	-	-	275,000 ⁽¹⁾	275,000
	2014	-	-	-	-	-	275,000 ⁽¹⁾	275,000
Rick Low CFO	2016	31,500 ⁽³⁾	-	-	-	-	15,990	47,490
	2015	64,875 ⁽³⁾	-	-	-	-	-	64,875
	2014	105,313	-	-	-	-	112,000 ⁽⁴⁾	217,313
George Davidson ⁽⁵⁾ President	2016	58,000 ⁽⁵⁾	-	-	-	-	18,000 ⁽⁵⁾	76,000
	2015	-	-	-	-	-	-	-
	2014	-	-	-	-	-	-	-
Neil Halldorson ⁽⁶⁾ Former President	2016	57,000	-	-	-	-	75,415	132,415
	2015	228,000	-	-	-	-	-	228,000
	2014	228,000	-	-	-	-	-	228,000

Notes:

- (1) Fees paid pursuant to a consulting agreement between Mr. Clarkes and the Company (the "**Clarkes Agreement**"). Under the terms of the consulting agreement, Mr. Clarkes was paid \$20,000 per month for his services. Inclusive of \$35,000 in director fees paid annually to Mr. Clarkes in each of 2016, 2015 and 2014. Mr. Clarkes received \$2,500 per month (\$30,000 per year) for service as a director and an additional \$416.67 per month (\$5,000 per year) for serving as Chair of the Compensation Committee. From February 16, 2016 to December 31, 2016, director fees were accrued and not paid. On April 20, 2017, accrued directors fees were settled in exchange for Common Shares issued at a deemed price of \$0.17 per Common Share.
- (2) Effective July 1, 2016, Mr. Clarkes' compensation increased from \$20,000 per month to \$30,000 per month.
- (3) Compensation paid pursuant to a consulting agreement between Mr. Low and the Company.
- (4) Lump-sum payable to Mr. Low for termination of Mr. Low's employment agreement with the Company.
- (5) Mr. Davidson provided consulting services to the Company from February 1, 2016 to August 31, 2016. On November 24, 2016, Mr. Davidson was appointed President of the Company and provides those services under a consulting agreement.
- (6) Mr. Halldorson was terminated on March 31, 2016. Other Compensation for Mr. Halldorson includes severance payment of \$57,000 and payment of accrued vacation pay of \$18,415.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards issued pursuant to the Stock Option Plan (as defined below) for each NEO outstanding as of December 31, 2016. The Company does not have any share-based awards.

Name	Option-based Awards			
	Number of Common Shares underlying Options ⁽²⁾	Option exercise price (\$) ⁽²⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Greg Clarkes	150,000	1.75	27-Aug-17	-
George Davidson	-	-	-	-
Rick Low	-	-	-	-
Neil Halldorson	-	-	-	-

Notes:

- (1) Calculated as the closing price of the Common Shares on the TSX Venture Exchange (the "**Exchange**") on December 30, 2016, being the last trading day of the year ended December 31, 2016, of \$0.10 less the exercise price, multiplied by the number of options.
- (2) As the Company undertook a 5:1 share consolidation, effective November 11, 2016, the numbers of options and the exercise prices are reported on a post-consolidation basis.

The following table provides information regarding the value on pay-out or vesting of options issued to the NEOs pursuant to the Stock Option Plan for the financial year ended December 31, 2016. The Company does not have any other incentive plans or awards.

Name	Option-based awards – Value vested during the year
Greg Clarkes	-
George Davidson	-
Rick Low	-
Neil Halldorson	-

Note:

(1) Options generally vest immediately upon grant. No options were granted during the year ended December 31, 2016.

Pension Plan Benefits

The Company does not provide pension plan benefits.

Termination and Change of Control Benefits

Except as disclosed herein, the Company does not have any employment contracts with any NEO, director or officer, nor does it have any arrangements with any NEO, director or officer for compensation in the event of resignation, retirement or other termination with the Company.

Commencing March 1, 2017, the compensation arrangements for Mr. Clarkes was modified such that Mr. Clarkes is paid a salary of \$5,000 per month and receives consulting fees of \$25,000 per month. Under the salary arrangement, if Mr. Clarkes is terminated without cause or within twelve months following a Change of Control (as defined below), whether Mr. Clarkes is terminated for any cause or Mr. Clarkes terminates the agreement for Good Cause (as defined below), he is entitled to a lump sum payment equal to 24 months' salary and benefits as well as all accrued and unpaid vacation pay, salary and reimbursement of all expenses. Additionally, Mr. Clarkes may be terminated upon any breach of the terms of the Clarkes Agreement, with just cause, due to death or disability, or Mr. Clarkes can terminate the agreement with 3 months' advance written notice plus one additional months' notice for each completed year of service, to a maximum of 6 months' notice (or with compensation in lieu of notice).

A Change of Control is defined as:

- a) the acquisition, directly or indirectly, by any person or group of persons acting in concert, within the meaning of the *Securities Act* (British Columbia), of common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons totals for the first time more than 50% of the outstanding common shares of the Company; or
- b) the acquisition, directly or indirectly, by any person, or group of persons acting in concert within the meaning of the *Securities Act* (British Columbia), of common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons totals for the first time 30% of the outstanding common shares of the Company followed, within 12 months of such event, by the removal, by extraordinary resolution of the shareholders of the Company, of more than 51% of the then incumbent directors of the Company, or the election of a majority of new directors to the Company's incumbent board;
- c) consummation of a sale of all or substantially all of the assets of the Company, or a reorganization, merger, or other transaction, which has substantially the same effect; or
- d) any plan of arrangement, reorganization, merger or other transaction which has substantially the same effect as (a) to (c) immediately above.

Good Cause is defined as when one of the following events occurs without his written consent:

- a) a reduction in the Employee's position, duties, responsibilities or status with the Company compared to those that existed immediately prior to such change or reduction;

- b) a material reduction by the Company in the Employee's salary or a change by the Company of the benefits plan; or
- c) a change in the principal place of work of the Employee to a location more than 75 kilometers from the then current place of work.

Under the consulting arrangement, either of Mr. Clarkes or the Company may terminate the arrangement on 30 days' notice.

Compensation of Directors

Except as disclosed herein, there are no arrangements under which directors were compensated by the Company and its subsidiaries during the most recently completed financial year for their services in their capacity as directors or consultants.

Director Compensation Table

The following table provides information regarding compensation paid to the Company's directors, who are not NEOs, during the financial year ended December 31, 2016.

Name	Fees earned (\$) ⁽¹⁾	Option-based Awards (\$)	Non-Equity based compensation (\$)	All other Compensation (\$)	Total Compensation (\$)
Paul DiPasquale	3,700	-	-	-	3,750
John Detmold	-	-	-	-	-
Bryan Nethery	3,750	-	-	-	3,750
Larry Van Hatten	5,000	-	-	60,000 ⁽²⁾	65,000

Notes:

(1) From February 16, 2016 to December 31, 2016, director fees were accrued and not paid. On April 20, 2017, accrued directors fees were settled in exchange for Common Shares issued at a deemed price of \$0.17 per common share.

(2) Represents consulting fees paid to a company that is controlled by Mr. Van Hatten.

Director Incentive Plan Awards

The following table provides information regarding the incentive plan awards issued pursuant to the Stock Option Plan for each director outstanding as of December 31, 2016. The Company does not have any share-based awards.

Name	Option-based Awards			
	Number of Common Shares underlying Options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the- money options (\$) ⁽¹⁾
Paul DiPasquale	60,000	1.75	27-Aug-17	-
John Detmold	110,000	1.75	27-Aug-17	-
Bryan Nethery	120,000	1.75	27-Aug-17	-
Larry Van Hatten	60,000	1.75	27-Aug-17	-

Notes:

- (1) Calculated as the closing price of the Common Shares on the Exchange on December 30, 2016, being the last trading day of the year ended December 31, 2016, of \$0.10 less the exercise price, multiplied by the number of options.
- (2) As the Company undertook a 5:1 share consolidation, effective November 11, 2016, the numbers of options and the exercise prices are reported on a post-consolidation basis.

The following table provides information regarding the value on pay-out or vesting of Options issued to each director pursuant to the Stock Option Plan for the financial year ended December 31, 2016. The Company does not have any other incentive plans or awards.

Name	Option-based awards – Value vested during the year
Paul DiPasquale	-
John Detmold	-
Bryan Nethery	-
Larry Van Hatten	-

Note:

- (1) Options generally vest immediately upon grant. No Options were granted during the year ended December 31, 2016.

Management Contracts

Management functions of the Company are substantially performed by directors or senior officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

Stock Option Plan

The Company has adopted the Stock Option Plan for the benefit of its employees, directors, officers and consultants. The Stock Option Plan was amended on July 22, 2016 and is required to be re-approved annually by shareholders of the Company. The Stock Option Plan was established to provide additional incentives to attract, retain and motivate directors, officers, employees and consultants.

The Stock Option Plan is a “rolling” plan and provides that the number of Common Shares issuable under the Stock Option Plan, together with all of the Company’s other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. In addition, the following restrictions apply to the Stock Option Plan: (i) the number of Common Shares reserved for issuance to any one individual under the Stock Option Plan will not exceed 5% of the issued and outstanding Common Shares; (ii) the aggregate number of Common Shares reserved for issuance to all individuals conducting investor relations activities in any 12-month period will not exceed 2% of the issued and outstanding Common Shares; and (iii) the number of Common Shares reserved for issuance to any one consultant in any twelve (12) month period under the Stock Option Plan will not exceed 2% of the issued and outstanding Common Shares.

Options granted under the Stock Option Plan are non-transferable and generally vest immediately. Options are exercisable for a period of up to ten (10) years from the date of the grant.

Employees, officers, directors, consultants, employees of any person providing management services to the Company, or any company wholly owned by any of the aforementioned are entitled to participate in the Stock Option Plan while they are engaged with the Company. If a participant under the Stock Option Plan dies while engaged with the Company, the right of that participant (or of that participant's legal

representative) to participate in the Stock Option Plan terminates as of the date of death, but any vested option may be exercised until the earlier of one year after the date of death of such participant and the date of expiration of the Option. If a participant under the Stock Option Plan ceases to be employed by or provide services to the Company, except in the case of termination for cause, any vested option may be exercised until the earlier of ninety (90) days after the participant ceases to be an eligible person under the Stock Option Plan and the date of expiration of the term otherwise applicable, or for such longer period as agreed by the Board and approved by the Exchange at any time prior to expiry of the Option. If a participant under the Stock Option Plan ceases to be employed by or provide services to the Company as a result of termination for cause, all options, whether or not vested, will terminate immediately without any right of exercise unless the Board extends the date of such termination to a later date, which must not exceed the earlier of the expiry date of the option and the date that is twelve (12) months after the participant ceases to be an eligible person under the Stock Option Plan.

Options granted under the Stock Option Plan may only be exercised during the lifetime of a participant by such participant personally and no assignment or transfer of options, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such options whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such options will terminate and be of no further force or effect. However, the Board retains discretion to waive this requirement, subject to the approval of the Exchange, and permit the participant or its legal representative to exercise all or any unvested part of an option if the option would have otherwise vested but for the participant ceasing to be an eligible person.

The Stock Option Plan is administered by the Board, which has authority and discretion, subject to the express provisions of the plan, to interpret the Stock Option Plan, to amend the Stock Option Plan and to make all other determinations deemed necessary or advisable for the administration of the Stock Option Plan. The Board has the right, in its sole discretion, to amend, suspend or terminate the Stock Option Plan or any portion thereof at any time, in accordance with applicable legislation, without obtaining the approval of shareholders; provided that any amendment to any provision of the Stock Option Plan will be subject to any required regulatory approval, stock exchange rules and the provisions of applicable law, if any, that require the approval of shareholders. Notwithstanding the foregoing, the Company will be required to obtain the approval of disinterested shareholders for any amendment related to: (i) the issuance to any one individual within a 12 month period a number of Common Shares exceeding 5% of the issued and outstanding Common Shares; and (ii) reducing the exercise price for outstanding options granted to an insider of the Company.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The table below sets out the outstanding options under the Stock Option Plan, being the Company's only compensation plan under which Common Shares were authorized for issuance, as of December 31, 2016.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽³⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽³⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽¹⁾⁽²⁾⁽³⁾
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	520,000	\$1.70	2,658,365
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	520,000	\$1.70	2,658,365

Notes:

- (1) The number of securities available for issuance under the Stock Option Plan is 10% of the issued and outstanding Common Shares from time to time.
- (2) From the year-end of December 31, 2016 to the date hereof, 4,405,000 options to purchase Common Shares have been granted, no options to purchase Common Shares have been exercised, and 870,000 options to purchase Common Shares have expired or were terminated. As of the date hereof there are options outstanding to purchase 4,055,000 Common Shares.
- (3) As the Company undertook a 5:1 share consolidation, effective November 11, 2016, these options and exercise prices are reported on a post-consolidation basis.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular and at all times since the commencement of the financial year ended December 31, 2016, no current or former employee, director, executive officer or nominee for election as a director (a "**Nominee**") of the Company (nor any of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Company or its subsidiaries, or (ii) any other entity which is, or was at any time since the commencement of the financial year ended December 31, 2016, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "**informed person**" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and

- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as set out in this Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

On March 28, 2016, the Company entered into a forbearance agreement (the "**Forbearance Agreement**") with VeroLube Inc. ("**VeroLube**"). Under the Forbearance Agreement, the Company agreed to forbear from exercising rights and remedies under the loan documents existing with VeroLube, conditionally upon VeroLube assigning the patents to the Company and issuing 305,875 common shares of VeroLube to the Company on or before May 31, 2016. VeroLube did not fulfill these conditions. The Forbearance Agreement provided that VeroLube was to repay the loans on or before December 31, 2016. VeroLube did not repay the VeroLube Loan by the agreed upon date of December 31, 2016.

On January 3, 2017, the Company announced that it had granted a limited 30-day extension to its Forbearance Agreement with VeroLube. The extension, from December 31, 2016 to January 30, 2017, was granted subject to certain conditions being met by VeroLube, including the following: delivery to the Company of three originally executed copies of the patent license agreement, and delivery to the Company of such documents as it may require to effect absolute assignment of the patents, both as provided for in the Forbearance Agreement. All other terms and conditions of the Forbearance Agreement remained in full force and effect. On January 15, 2017, VeroLube assigned the patents for the ReGen™ re-refining process technology to the Company. On February 3, 2017, the Company issued a demand to VeroLube for repayment of all outstanding loan amounts and accrued and unpaid interest. The Company also provided notice to VeroLube that it was proceeding to enforce its security over the VeroLube patents and personal property. VeroLube failed to repay the outstanding loan amounts and the Company fully exercised its rights.

AUDIT COMMITTEE

National Instrument 52-110 – *Audit Committees ("NI 52-110")* requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditors. This information is presented below.

Audit Committee Charter

The text of the Audit Committee's charter is attached hereto as Schedule "A".

Composition of the Audit Committee and Relevant Education and Experience

As at the date hereof, the Audit Committee consists of Larry Van Hatten, Paul DiPasquale and John Detmold. A member of the Audit Committee is considered 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.

All members are considered to be "financially literate" within the meaning of Section 1.6 of NI 52-110. Mr. Van Hatten is a chartered accountant. Mr. DiPasquale has many years of experience in the securities industry, and Mr. Detmold has over 30 years' of corporate finance experience.

A member of the Audit Committee is "independent" within the meaning of NI 52-110 if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. In the Board's view, Messrs. DiPasquale and Detmold are independent, and Mr. Van Hatten is not independent because he receives consulting fees from the Company. The Company is relying on the exemption at Section 6.1 of NI 52-110 from the requirement that all members of the audit committee be independent, which applies to companies (such as the Company) whose securities are listed only on the Exchange.

Pre-Approval Policies and Procedures

The Audit Committee may satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

- (a) the pre-approval policies and procedures are detailed as to the particular service;
- (b) the Audit Committee is informed of each non-audit service; and
- (c) the procedures do not include delegation of the Audit Committee's responsibilities to management.

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

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the audit and non-audit services provided by the Company's current auditor, Ernst & Young LLP, to the Company to ensure auditor independence. Fees incurred with Ernst & Young LLP for audit and non-audit services in the last two fiscal years are outlined in the following table.

Fiscal Year	Audit Fees	Audit-Related Fees	Tax Fees ⁽¹⁾	All Other Fees ⁽²⁾
2016	\$50,000	Nil	\$1,981	\$1,400
2015	\$70,000	Nil	\$29,760	\$1,500

Notes:

- (1) The aggregate fees billed for professional services rendered by the Company's auditors for tax compliance.
- (2) The aggregate fees billed by the Company's auditors for tax advice, tax planning and fees related to the Canadian Public Accountability Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on either (a) an exemption in section 2.4 of NI 52-110; or (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110. As the Company is listed on the Exchange, it is relying on the exemption provided in section 6.1 of NI 52-110, which provides that a venture issuer is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE POLICIES

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its stakeholders, particularly shareholders. National Policy 58-201 – *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument – 58-101 *Disclosure of Corporate Governance Practices ("NI 58-101")* prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed of the Company's operations at regular meetings and through reports and discussions with management on matters within their particular areas of expertise.

The Company has considered the applicable requirements and believes that its approach is appropriate and works effectively for the Company and its shareholders.

Board of Directors

Pursuant to NI 58-101, a director is independent if the director has no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Certain directors are deemed to have a material relationship with the issuer by virtue of their position or relationship with the Company. The Board is currently comprised of five members, three of whom the Board has determined are independent. Mr. Clarke is not considered to be independent due to his position as CEO. Mr. Van Hatten is not considered to be independent because he receives consulting fees from the Company.

Other Public Company Directorships

Certain of the directors, or nominees for directorship, are directors of other reporting issuers, as follows:

Director	Other Reporting Issuer
Paul DiPasquale	Hansa Resources Limited
John Detmold	Black Iron Inc.

Orientation and Continuing Education

The Board has not established a formal orientation and education program for new members of the Board. The current directors are experienced in boardroom procedures and corporate governance.

Ethical Business Conduct

To encourage and promote a culture of ethical business conduct, the Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges.

The Board has found that fiduciary duties placed on individual directors by the Company's governing corporate legislation, as well as the restrictions placed on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the board duties effectively and to maintain a diversity of view and experience. The Board does not have a nominating committee, and candidates for nomination to the Board are currently identified by the Board as a whole. In identifying new candidates, the Board takes into account a potential director's experience, skills and characteristics.

Compensation

The Board has appointed a compensation committee consisting of Gregory Clarkes, Paul DiPasquale and Larry Van Hatten, to review and advise the board with regard to the compensation of senior executives and directors. The Board regularly reviews the adequacy and form of the compensation of the directors, including the granting of stock options, to ensure the compensation realistically reflects the responsibilities and risks involved in being an effective director and that the compensation allows the Company to attract qualified candidates as directors.

Other Board Committees

The Company does not currently have any other committees of the Board, other than the Audit Committee and Compensation Committee.

Assessments

The Board, on an ad hoc basis, reviews its own performance to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

MATTERS TO BE CONSIDERED

1. Financial Statements

The audited financial statements of the Company as at and for the years ended December 31, 2016 and 2015, together with the report of the auditors thereon (the "**Financial Statements**") will be presented to

Shareholders at the Meeting. Copies of the Financial Statements, together with the Management's Discussion and Analysis, are available for review on www.sedar.com and will be available from the Company's Registrar and Transfer Agent, Computershare Investor Services Inc., 3rd Floor - 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

2. Election of Directors

The Board presently consists of five directors. The term of office of each of the present five directors expires at the Meeting. Management is proposing to set the number of directors at five. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of the election of these Nominees.** Management does not contemplate that any of these Nominees will be unable to serve as a director; however, if for any reason any of the proposed Nominees do not stand for election or are unable to serve as such, proxies held by the Management Designees will be voted for another Nominee in their discretion unless the shareholder has specified in his or her form of proxy that his or her Common Shares are to be withheld from voting in the election of directors. Each director elected at the Meeting will hold office until 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 of the Company, or with the provisions of the *Business Corporations Act* (British Columbia).

The following table sets out the names of the Nominees for election as directors, the province in which each is ordinarily resident, all offices of the Company now held by each of them, their present principal occupation or employment, the period of time for which each has been a director of the Company, and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at November 1, 2017.

Name, Present Office and Province and Country of Residence	Present Principal Occupation or Employment	Date First Appointed as Director	No. of Common Shares Owned, Beneficially Controlled or Held ⁽³⁾⁽⁴⁾
Gregory M. Clarkes ⁽²⁾ <i>Chairman of the Board and Chief Executive Officer British Columbia, Canada</i>	Chief Executive Officer, Chairman and Director of the Company	June 7, 2011	3,502,758
Paul DiPasquale ⁽¹⁾⁽²⁾ <i>Director British Columbia, Canada</i>	Businessman	June 7, 2011	464,411
Larry Van Hatten ⁽¹⁾⁽²⁾ <i>Director British Columbia, Canada</i>	Businessman	June 7, 2011	755,864
John Detmold ⁽¹⁾ <i>Director Mexico City, Mexico</i>	Businessman	September 23, 2011	1,864,039
Bryan Nethery <i>Director British Columbia, Canada</i>	Professional Engineer	August 14, 2012	538,454

Notes:

- (1) Member of the Audit Committee. Mr. Van Hatten is the chair of the Audit Committee.
- (2) Member of the Compensation Committee. Mr. Clarke is the chair of the Compensation Committee.
- (3) The number of Common Shares owned, controlled or directed by each Nominee, not being within the knowledge of the Company, has been furnished by each Nominee individually.
- (4) As the Company undertook a 5:1 share consolidation, effective November 11, 2016, these shares are reported on a post-consolidation basis.

Mr. Gregory Clarke is a self-employed businessman. He is the Chairman of the Board. Mr. Clarke was previously a director of MENA Hydrocarbons Inc., a junior oil and gas company listed on the Exchange, and Skye Resources Inc., a publicly traded resource company with a nickel project in Guatemala. Between October 1999 and March 2001, he was chief executive officer and director of Sextant Entertainment Group Inc., a publicly traded motion picture and entertainment company. Prior to that, between 1994 to 1997, he was chairman and managing director of Rainmaker Digital Pictures Corp., a publicly traded motion picture and entertainment company.

Mr. Larry Van Hatten is a director of the Company. From May 2005 to June 2010, Mr. Van Hatten was a partner of Ernst & Young LLP, leading its Vancouver assurance practice until announcing his retirement in June 2010. Prior to May 2005, Mr. Van Hatten was the managing partner of Ellis Foster, Chartered Accountants, a Vancouver-based firm that merged into Ernst & Young LLP in May 2005. Mr. Van Hatten also served on the board of the BC Children's Hospital Foundation, which he chaired from 1996 to 1999. Mr. Van Hatten received his Chartered Accountant designation in 1975 and his Fellow Chartered Accountant designation in 2009. In 2010, he completed the academic requirements for the Directors Education Program.

Mr. Paul DiPasquale is a self-employed businessman. He is a director of the Company. Mr. DiPasquale has been involved in the securities industry since 1969 and has held various executive positions with responsibility for sales and trading operations for a number of retail firms in his career, including; Brink, Hudson & LeFever Ltd., Yorkton Securities Inc., Haywood Securities Inc., Gardiner Watson Ltd. and Walwyn Stodgell. Latterly he was an Executive Vice President and Branch Manager at Canaccord Genuity Corp. Mr. DiPasquale was on the Board of Governors of the Vancouver Stock Exchange from 1984 to 1990, and served on its Executive Committee and as Chairman of its Audit and Automated Trading Committees. He is presently a director of Hansa Resources Inc., a junior mineral exploration company.

Mr. John Detmold is the founder of Investure Group, S.A. de C.V. that acts as the holding company for Frontera Copper Corporation. He was formerly the Chief Financial Officer for Frontera and managed the turnaround of the crushed leach Piedras Verdes Mine. He has over 30 years' of corporate finance, banking, leasing and manufacturing experience. He managed the takeover of Frontera Copper Corporation from November 2008 to May 2009. Mr. Detmold serves as the Chairman of Comunicacion Xersa, S.A. de C.V. an FM radio broadcaster with three Class C stations in Tijuana serving the San Diego market. He is a director of Black Iron Inc. and Chairman of its Audit Committee. He is an active Member of the World Presidents Organization. Mr. Detmold graduated from McGill University with a Bachelor's degree with honours in Economics.

Mr. Bryan Nethery is a metallurgical engineer and Professional Engineer (BC) who has over 30 years of domestic and international senior management and metallurgical engineering experience. He has extensive experience in all aspects of mining project development including scoping studies, pre-feasibility studies, "bankable" feasibility studies, metallurgical studies, valuations, due diligence studies, plant design, construction, commissioning and launching start-ups. He was a Vice President of AMEC from 1994 to 2005. Mr Nethery is fluent in Spanish and has extensive international mining experience. Since 2005, Mr. Nethery has been active in mining project development and management as a director and/or officer of various mining and resource related companies and has been president of a private mining company. In 2009, Mr. Nethery assisted Invecture S.A. in the acquisition of Frontera Copper Corporation and subsequently became CEO. He led the re-start of Piedras Verdes (PV) Mine in Mexico, successfully re-evaluating, redesigning, and modifying and expanding the operation to produce over 100M pounds per year of copper production.

Cease Trade Orders or Bankruptcies

Except as disclosed herein, no director of the Company or proposed director:

1. is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (a) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (collectively, an "**Order**"), for a period of more than 30 consecutive days; or
 - (b) was subject to an Order that was issued, after the director, executive officer or chief financial officer ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of such Order, that resulted from an event that occurred while that person was acting as director, chief executive officer or chief financial officer of that company.
2. has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
3. is, as at the date hereof, or has been within 10 years before the date hereof, 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 its assets; or
4. has been subject to:
 - (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

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

In May 1997, Mr. Clarkes entered into a settlement agreement with the Autorité des Marchés Financiers. Mr. Clarkes admitted that in February 1995, he effected trades of a publicly traded company through Longshot Capital Inc. ("**Longshot**"), his private company, while he possessed insider information. Longshot paid the sum of \$113,512 to cover the settlement and, in part, the inquiry costs of the Autorité des Marchés Financiers.

On November 17, 2006, Mr. DiPasquale entered into a settlement agreement with the Investment Dealers Association. Mr. DiPasquale admitted that between July 1998 and June 2001, while registered in a supervisory position at an investment firm, he failed to effectively supervise the activities of an investment representative and failed to ensure that effective supervision of such investment representative was achieved. Mr. DiPasquale paid the sum of \$100,000 and agreed to certain prohibitions on his registration.

3. Appointment of Auditors

The shareholders of the Company will be asked to vote for the appointment of Ernst & Young LLP as auditors of the Company for the ensuing year and authorize the directors to set the auditors' remuneration. **Unless such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing Ernst & Young LLP as auditors for the Company for the ensuing year, to hold office until the close of the next annual general meeting of shareholders, or until Ernst & Young LLP is removed from office or resigns, and to authorize the directors to set the remuneration for the auditors.** Ernst & Young LLP were first appointed as auditors of the Company on November 27, 2012.

4. Approval of Stock Option Plan

The Company has a stock option plan previously approved by the shareholders on December 16, 2015, as amended July 22, 2016, and is attached herein as Schedule "B".

Policy 4.4 of the TSX Venture Exchange Company Manual requires that rolling stock option plans must receive shareholder approval yearly, at an issuer's annual general meeting. In accordance with Policy 4.4, the shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving and adopting the Stock Option Plan as the Company's stock option plan.

Option Plan Resolution

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without modification, an ordinary resolution (the "**Option Plan Resolution**") approving the Option Plan. The proposed text of the Option Plan Resolution is as follows:

"BE IT RESOLVED as an ordinary resolution of the holders of common shares of GEN III Oil Corporation (the "**Company**") that:

- (1) the amended stock option plan of the Company attached as Schedule "B" to the Information Circular dated November 1, 2017 (the "**Option Plan**") be and is hereby approved, adopted and ratified as the stock option plan of the Company;

- (2) all issued and outstanding stock options previously granted are hereby continued under and governed by the Option Plan;
- (3) any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to do all things and to execute and deliver all documents and instruments as may be necessary or advisable to give effect to the true intent of these resolutions; and
- (4) notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to amend the form of the Option Plan in order to satisfy the requirements or requests of any regulatory authority without requiring further approval of the shareholders of the Company or to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order to be adopted, the Option Plan Resolution must be approved by a simple majority of votes cast by at the Meeting by Shareholders who vote in person or by proxy. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the ordinary resolution approving the Option Plan.**

5. Approval of the Shareholder Rights Plan

The Company proposes to enter into a shareholder rights plan agreement (the "**Rights Plan**") with Computershare Trust Company of Canada, as rights agent. The Rights Plan was approved by the Board on November 1, 2017, subject to the Company obtaining approval from the Exchange and the Shareholders at the Meeting. The Rights Plan has been conditionally approved by the Exchange.

A summary of the Rights Plan is set out in Schedule "C" to this Circular. This summary is qualified in its entirety by the full text of the Rights Plan, a copy of which will be made available under the Company's profile on SEDAR at www.sedar.com.

Objectives of the Rights Plan

The objectives of the Rights Plan are to ensure, to the extent possible, that all Shareholders are treated equally and fairly in connection with any take-over bid or similar proposal to acquire Common Shares. The Rights Plan will provide the Board and the Shareholders with more time to fully consider any unsolicited take-over bid for the Company without undue pressure, to allow the Board to pursue, if appropriate, other alternatives to maximize shareholder value and to allow additional time for competing bids to emerge.

Take-over bids may be structured in such a way as to be coercive or discriminatory in effect, or may be initiated at a time when it will be difficult for the Board to prepare an adequate response. Such offers may result in Shareholders receiving unequal or unfair treatment, or not realizing the full value of their investment in the Company.

The Rights Plan discourages the making of any such offers by creating the potential for significant dilution to any offeror who does so. This potential is created through the issuance to all Shareholders of contingent rights to acquire additional Common Shares at a significant discount to the prevailing market

price, which could, in certain circumstances, become exercisable by all Shareholders other than an offeror and its associates, affiliates and joint actors.

An offeror can avoid that potential by making an offer that either: (i) qualifies as a "permitted bid" under the Rights Plan, and therefore meets certain specified conditions which aim to ensure that all Shareholders are treated fairly and equally; or (ii) does not qualify as a "permitted bid" but is negotiated with the Company and has been exempted by the Board from the application of the Rights Plan in light of the opportunity to bargain for agreed terms and conditions to the offer that are believed to be in the best interests of Shareholders.

The Rights Plan is designed to address the following concerns arising out of the existing legislative framework governing take-over bids in Canada:

1. *Unequal Treatment.* While existing securities legislation has substantially addressed many concerns of unequal treatment, there remains the possibility that control of an issuer may be acquired pursuant to a private agreement in which one large securityholder or a small group of securityholders dispose of their securities at a premium to the market price and that the premium is not shared with other securityholders. In addition, a person may slowly accumulate securities through stock exchange acquisitions which may result, over time, in an acquisition of control without payment of fair value for control or a fair sharing of a control premium among all securityholders. The Rights Plan addresses these concerns by applying to all acquisitions that would result in a person or company owning 20% or more of the Common Shares (subject to certain limited exceptions), to better ensure that all securityholders receive equal treatment.
2. *Pressure to Tender.* A Shareholder may feel pressured to tender to a bid that the Shareholder considers to be inadequate out of a concern that failing to tender may result in the Shareholder being left with illiquid or minority discounted securities in the Company. The permitted bid provisions are intended to ensure that a Shareholder will not feel pressure to tender. In order for a take-over bid to be a permitted bid it must remain open for acceptance for a further 10 days following public announcement that more than 50% of the Common Shares held by Independent Shareholders (as defined in the Rights Plan) have been deposited and not withdrawn as at the initial date of take-up or payment by the buyer.

The Company is not adopting the Rights Plan in response to or in anticipation of any acquisition or take-over bid that is known to the management of the Company. The Rights Plan is not intended to prevent a take-over of the Company, to secure continuance of current management or the directors in office, or to deter fair offers for the Common Shares. The Rights Plan may, however, increase the price paid by a potential offeror to obtain control of the Company and may discourage certain transactions.

The Rights Plan does not affect in any way the Company's financial condition. The initial issuance of the rights will not dilute the Common Shares and will not affect reported earnings or cash flow per share until the rights separate from the underlying Common Shares and become exercisable. The Rights Plan will not lessen or affect the duty of the Board to give due and proper consideration to any offer that is made and to act honestly, in good faith, and in the best interests of the Company. The Rights Plan is designed to provide the directors with sufficient time to seek out and identify alternative transactions on behalf of the Shareholders.

Rights Plan Resolution

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without modification, an ordinary resolution (the "**Rights Plan Resolution**") approving the Rights Plan, as summarized in the attached Schedule "C". The proposed text of the Rights Plan Resolution is as follows:

"BE IT RESOLVED as an ordinary resolution of the holders of common shares of GEN III Oil Corporation (the "**Company**") that:

- (1) the shareholder rights plan of the Company, as approved by the directors of the Company on November 1, 2017 (the "**Rights Plan**"), be and the same is hereby approved, adopted and ratified;
- (2) any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to do all things and to execute and deliver the Rights Plan and all other documents and instruments as may be necessary or advisable to give effect to the true intent of these resolutions; and
- (3) notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to amend the form of the Rights Plan in order to satisfy the requirements or requests of any regulatory authority without requiring further approval of the shareholders of the Company or to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order to be adopted, the Rights Plan Resolution must be approved by a simple majority of votes cast by at the Meeting by Shareholders who vote in person or by proxy. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the ordinary resolution approving the Rights Plan.**

6. Approval of Continuance from British Columbia to Alberta

The Company is currently governed by the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). The Board believes that it is in the best interests of the Company to continue (the "**Continuance**") from being a corporation governed by the BCBCA to being a corporation governed by the *Business Corporations Act* (Alberta) (the "**ABCA**"). The Board believes it is in the best interest of the Company to effect the Continuance because the Company's principal asset is in Alberta and the Company's principal industry partners, as well as financial advisors and legal counsel, are located in Alberta. Further, the Board is of the view that completion of the Continuance would facilitate future potential transactions involving the Company and other Alberta corporations. The Board is also of the view that the ABCA is consistent with corporate legislation in most other Canadian jurisdictions and will provide Shareholders with substantially the same rights that are available to Shareholders under the BCBCA, including rights of dissent and appraisal, and rights to bring derivative actions and oppression actions.

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass a special resolution (the "**Continuance Resolution**") authorizing the Continuance, the full text of which is set out below. In order to become effective, the Continuance must be approved by at least two-thirds of all votes

cast with respect to the Continuance Resolution by the shareholders, present in person or by proxy, at the Meeting.

Notwithstanding that shareholders approve the Continuance, the Board may, in its discretion, abandon the application for continuance of the Company under the ABCA without further approval, ratification or confirmation by the shareholders.

The Continuance

The BCBCA and ABCA permit the Company to continue under the ABCA with the authority of a special resolution, the consent of the British Columbia Registrar of Companies and upon complying with certain procedures and filing certain forms. A shareholder has the right to dissent from the Continuance Resolution. See "Right of Dissent" below for a description of the right of dissent under the BCBCA in connection with the proposed Continuance. Upon Continuance, the Company will be treated as if it has been incorporated under the ABCA.

Continuance under the ABCA will not affect the application to the Company of the securities laws, regulations, rules and policies that presently apply. There will, however, be some changes to the rights of shareholders under corporate law. These are summarized below under the heading "Comparison of Shareholder Rights."

Articles of Continuance and By-Laws

The proposed Articles of Continuance to be filed under the ABCA to effect a continuance out of the jurisdiction of the BCBCA and into the jurisdiction of the ABCA is attached as Schedule "D" to this Circular. The proposed Articles of Continuance will become the new charter documents of the Company, replacing the Company's Notice of Articles. If the Company is continued under the ABCA, the Board intends to adopt by-laws in the form attached as Schedule "D" to this Circular. The proposed by-laws will replace the current Articles of the Company.

As of the effective date of the Continuance, the legal domicile of the Company will be the Province of Alberta, and the Company will no longer be subject to the provisions of the BCBCA.

By operation of law under the Province of Alberta, as of the effective date of the Continuance, all of the assets, property, rights, liabilities and obligations of the Company immediately prior to the Continuance will continue to be the assets, property, rights, liabilities and obligations of the Company after the Continuance.

Advance Notice

Assuming the Continuance is approved and implemented, the new by-laws of the Company will contain advance notice provisions similar to those contained in the Company's existing constating documents. The advance notice provisions will require that, subject to the applicable provisions of the ABCA, any shareholder proposing to nominate a person for election to the Board must provide timely notice of such nomination to the Company in the form and manner and containing the required information prescribed by the by-laws. To be timely, the notice must be made not less than 30 days and not more than 65 days prior to the date of a meeting of shareholders that is an annual meeting, and not later than the close of business on the 15th day following the day on which the meeting date was publically announced in the case of a special meeting (which is not also an annual meeting) of the Company called for the purposes

of electing directors (whether or not called for other purposes). The proposed by-laws, which contain the full text of the advance notice provisions discussed above, are attached as Schedule "D" to this Circular.

Comparison of Shareholder Rights

If the Continuance is approved and completed, the Company will be governed by the ABCA instead of the BCBCA. While the rights of shareholders under the ABCA are broadly similar to those under the BCBCA, there are certain differences. The following is a summary of certain similarities and differences between the ABCA and the BCBCA on matters pertaining to certain shareholder rights which management of the Company considers to be of significance to shareholders. This summary is not exhaustive and is of a general nature only. It is not intended to be, and should not be construed to be, legal advice to shareholders and accordingly shareholders should consult their own legal advisors with respect to the corporate law consequences to them of the Continuance.

Sale of the Company's Assets

Under the BCBCA, the directors of a company may dispose of all or substantially all of the business or undertaking of the company only if it is in the ordinary course of the company's business or with shareholder approval authorized by a special resolution. Under the BCBCA, a special resolution will need to be approved by a "special majority" which means the majority specified in a company's articles, being at least two-thirds and not more than three-quarters of the votes cast by those shareholders voting in person or by proxy at a meeting of the shareholders of the company. The Company's articles require that a special resolution be approved by at least two-thirds of the votes cast by those shareholders voting in person or by proxy cast in respect of such resolution.

The ABCA requires approval of the holders of at least two-thirds of the shares of a company represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the property of a company. Each share of the company carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of a company whether or not it otherwise carries the right to vote. Holders of shares of a class or series can vote separately only if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

Amendments to the Charter Documents of a Company

Changes to the articles of a company under the BCBCA will be effected by the type of resolution specified by the BCBCA, or if not specified by the BCBCA, then the type of resolution specified in the articles of the company which, for many amendments, could provide for approval by an ordinary resolution of the shareholders or by a resolution of the directors. In the absence of anything in the BCBCA or the articles, most corporate amendments will require a special resolution. Amendments of the special rights and restrictions attached to issued shares requires, in addition to any resolution provided for by the articles, separate consent by a special resolution of the holders of the class or series of shares affected. A proposed amalgamation or continuance of a company out of the jurisdiction requires a special resolution as described above.

Under the ABCA, substantive changes to the charter documents of a company require a resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration. In addition to requiring class approval of amendments to a company's articles effecting changes to the rights of a class of shares, where the articles of a company are amended: (i) to create a new class of shares with equal or superior rights to those of the first class; (ii) such that the rights

of another class of shares (having equal or superior rights to those of the first class) are increased or the rights of another class of shares (having rights inferior to those of the first class) are made equal with or superior to those of the first class; or (iii) to make another class of shares exchangeable or convertible into shares of the first class; a resolution must be passed by not less than two-thirds of the votes cast by the holders of the affected classes of shares and by special resolution of each class even if such class is not otherwise entitled to vote. Holders of a series of shares are entitled to a separate vote as a series, as above, only if the series is affected by an amendment in a manner different from other shares of the same class. A resolution to amalgamate an ABCA company requires a special resolution passed by the holders of each class of shares or series of shares, whether or not such shares otherwise carry the right to vote, if the amalgamation agreement in respect of such amalgamation contains a provision that, if contained in a proposed amendment to the company's articles, would entitle those holders to vote as a class.

Rights of Dissent and Appraisal

The BCBCA provides that shareholders, including beneficial holders, who dissent from certain actions being taken by a company, may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where any court order permits dissent or the company proposes to (i) authorize the continuance into a jurisdiction other than British Columbia, (ii) authorize the sale, lease or other disposal of all or substantially all of the company's undertaking, (iii) adopt an amalgamation agreement or approve an amalgamation into a foreign jurisdiction, (iv) amend its articles to add, change or remove any restriction on the powers of the company or on the business that the company may carry on, (v) approve an arrangement, the terms of which arrangement permit dissent, or (vi) take any other action if the resolution approving such action by its terms gives a right to dissent.

The ABCA contains a similar dissent remedy which also includes the right of a shareholder to dissent where a company proposes to amend its articles to add, change, or remove any provisions restricting or constraining the issue or transfer of shares of the class held by such shareholder. The procedure for exercising this remedy is different than that contained in the BCBCA.

Oppression Remedies

Under the BCBCA, a shareholder, including a beneficial owner of a share of a company, or any other person whom the court considers to be an appropriate person to make an application, has the right to apply to court on the grounds that (i) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant, or (ii) some act of the company has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

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

Under the ABCA, a registered or beneficial shareholder, former registered or beneficial shareholder, director, former director, officer, former officer or a creditor (if recognized by a court, as below) of a company or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where in respect of a company or any of its affiliates any act or omission of a company or its affiliates effects a

result, the business or affairs of a company or its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the company or any of its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interest of any security holder, creditor, director or officer.

Shareholder Derivative Actions

Under the BCBCA, a shareholder, including a beneficial shareholder, a director of a company or any other person who, in the discretion of the court, is an appropriate person may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such a right, duty or obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against a company.

A broader right to bring a derivative action is contained in the ABCA and this right extends to officers, former shareholders, directors, officers or creditors of a company or its affiliates, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the ABCA permits derivative actions to be commenced in the name and on behalf of a company or any of its subsidiaries.

Requisition of Meetings

The BCBCA provides that one or more shareholders of a company holding in the aggregate not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting which meeting must be held within four months. If the directors do not call a meeting within 21 days of receiving the requisition, the requisitioning shareholders, or any one or more requisitioning shareholders, holding in the aggregate more than 2.5% of the issued voting shares of the company, may call the meeting.

The ABCA permits the holders of not less than 5% of the issued shares that carry the right to vote at a meeting sought to be held to require the directors to call and hold a meeting of the shareholders of the Company for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

Place of Meetings

The BCBCA requires all meetings of shareholders to be held in British Columbia unless (i) a location outside the province is provided for in the company's articles, or (ii) the articles do not restrict the company from approving a location outside of British Columbia and the location is approved by the type of resolution required by the articles for such purpose or, if no type of resolution is specified in the articles, by ordinary resolution of the shareholders or (iii) approved in writing by the British Columbia Registrar of Companies before the meeting is held.

The ABCA provides that a meeting of shareholders may be held outside Alberta where the articles so provide or where all shareholders entitled to vote at such a meeting so agree.

Directors

The BCBCA provides that a public company must have a minimum of three directors and does not impose any residency requirements on the director.

The ABCA requires that at least one quarter of the directors be resident Canadians and requires that for distributing corporations at least two of the directors not be officers or employees of the Company or its affiliates.

Form of Proxy and Information Circular

Both the ABCA and the BCBCA require a public company to provide notice of a general meeting and a form of proxy for use by every shareholder entitled to vote at such meeting as well as an information circular containing prescribed information regarding the matters to be dealt with at and the conduct of the meeting. The minimum notice a public company must give its shareholders for a general meeting is 21 days before the meeting date under the BCBCA. The ABCA also provides that the minimum notice to be given by a company to its shareholders of the time and place of a meeting is 21 days before the date of the meeting and also provides that notice must not be given more than 50 days before the date of the meeting. The minimum notice requirements under the BCBCA and ABCA are in addition to the notice requirements under applicable securities law.

Further Information

For further information regarding the similarities and differences between the ABCA and the BCBCA, shareholders should consult their legal advisors and refer to the statutes, copies of which will be available at the Company's registered office, during normal business hours up to and including the date of the Meeting.

Right of Dissent

Division 2 of Part 8 of the BCBCA provides shareholders with certain rights of dissent ("**Dissent Rights**") and provides certain procedures to be followed in respect of exercising such Dissent Rights. Pursuant to section 238 of the BCBCA, a shareholder has a right of dissent in respect of the Continuance Resolution. Pursuant to section 242 of the BCBCA, a shareholder who wishes to dissent ("**Dissenting Shareholder**") must send written notice of dissent to the Company at least two days before the date of the Meeting. Since the date of the Meeting is December 6, 2017, a notice of dissent must be received by the Company no later than 4:00 p.m. (Vancouver time) on December 4, 2017. A shareholder wishing to give a notice of dissent should send it to the registered office of the Company at Dentons Canada LLP, 1500 Bankers Court, 850 – 2nd Street S.W. Calgary, Alberta, T2P 0R8, Attention: Tim Haney.

If a shareholder gives a notice of dissent, the dissent procedure provisions of section 243 of the BCBCA apply. If a shareholder gives notice of dissent and the Company intends to act on the authority of the Continuance Resolution, the Company must give notice to the Dissenting Shareholder of its intention to act and advise the Dissenting Shareholder of the Dissenting Shareholder's rights under section 244 of the BCBCA. If the Company gives notice of its intention to act and the Dissenting Shareholder follows other prescribed notice procedures, the Dissenting Shareholder will become bound to sell and the Company will become bound to purchase the Shares of the Dissenting Shareholder. The price to be paid for such Shares is the fair value thereof immediately before the passing of the Continuance Resolution. If any shareholder gives notice of dissent in respect of any Shares, the Company will not be obliged to act upon the Continuance Resolution, should it be passed by shareholders at the Meeting.

A shareholder may not dissent for only part of the Shares owned by him or her. A person who beneficially owns Shares must cause the shareholder to whom such Shares are registered to exercise the Dissent Rights with respect to such Shares and the Dissent Rights must be exercised with respect to all of the

Shares beneficially owned by such beneficial owner. Accordingly, a beneficial owner of Shares desiring to exercise his or her Dissent Right must make arrangements for the registered holder of his or her Shares to dissent on his or her behalf.

The giving of a notice of dissent does not deprive a shareholder of the right to vote his or her Shares. A vote either in person or by proxy against the Continuance Resolution does not constitute a notice of dissent. However, a shareholder is not entitled to dissent if the shareholder votes or instructs or is deemed to have instructed his or her proxyholder to vote, any of the shareholder's Shares in favour of the Continuance Resolution. Accordingly, a shareholder who gives a notice of dissent and then votes in favour of the Continuance Resolution will lose his or her Dissent Rights.

The Provisions of Division 2 of Part 8 of the BCBCA are complex and technical and failure to comply strictly with them may prejudice the exercise of the right of dissent. This summary of Dissent Rights is qualified in its entirety by reference to the full text of Division 2 of Part 8 of the BCBCA, a copy of which is attached to this Circular as Schedule "E". **A shareholder wishing to exercise the Dissent Rights should seek independent legal advice.**

Continuance Resolution

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without modification, a special resolution (the "**Continuance Resolution**") approving the Continuance. The proposed text of the Option Plan Resolution is as follows:

"BE IT RESOLVED as a special resolution of the holders of common shares of GEN III Oil Corporation (the "**Company**") that:

- (1) the continuance of the Company into Alberta under the *Business Corporations Act* (Alberta) (the "**ABCA**") is authorized and approved;
- (2) the Company is authorized to apply to the British Columbia Registrar of Companies for authorization to permit such continuance in accordance with section 308 of the *Business Corporations Act* (British Columbia);
- (3) the Company is authorized to apply to the appropriate officer of the Province of Alberta for a Certificate of Continuance continuing the Company as if it had been incorporated under the laws of the Province of Alberta in accordance with the ABCA;
- (4) effective upon the issuance by the proper officer of the Province of Alberta of a Certificate of Continuance, the Company is authorized to adopt and confirm the Articles of Continuance and by-laws in the forms attached as Schedule "D" to the Management Information Circular of the Company dated November 1, 2017 in substitution for the Notice of Articles and Articles of the Company, and otherwise amend the Company's charter documents as necessary in order to conform to the laws of the Province of Alberta or to
- (5) satisfy the requirements or requests of any regulatory authority without requiring further approval of the shareholders of the Company;
- (6) any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to do all things and to execute and deliver all documents

and instruments as may be necessary or advisable to give effect to the true intent of these resolutions; and

- (7) notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order to be adopted, the Continuance Resolution must be approved by at least two-thirds of votes cast by at the Meeting by Shareholders who vote in person or by proxy. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the special resolution approving the Continuance.**

Additional Information

Additional information relating to the Company may be found under the profile of the Company on SEDAR at www.sedar.com. Additional financial information is provided in the Company's audited financial statements and related management's discussion and analysis for the financial year ended December 31, 2016, which can be found under the profile of the Company on SEDAR. Shareholders may also request these documents from the Company by telephone at (604) 806-5275.

Board of Directors Approval

The contents of this Circular and the sending thereof to the shareholders of the Company have been approved by the Board.

BY ORDER OF THE BOARD

Signed: "Greg Clarkes"

Greg Clarkes
Chairman of the Board and
Chief Executive Officer

Vancouver, British Columbia
November 1, 2017

SCHEDULE "A"

GEN III OIL CORPORATION (the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

2. Composition

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be independent directors, pursuant to the policies of the TSX Venture Exchange.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in the capacity and the external auditor.

4. **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Require the external auditors to report directly to the Committee.
- (b) Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (c) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company and confirming their independence from the Company.
- (d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (e) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (f) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
- (g) Review with management and the external auditors the terms of the external auditors' engagement letter.
- (h) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (i) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

- (j) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (k) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors regarding financial reporting.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

- (h) Review certification process.
- (i) Establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- (a) Review any related-party transactions.

5. Authority

The Committee may:

- (a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

The Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

SCHEDULE "B"

GEN III OIL CORPORATION (the "Company")

SHARE OPTION PLAN

Dated for Reference August 15, 2011
as amended July 22, 2016

ARTICLE 1 PURPOSE AND INTERPRETATION

Purpose

- 1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

Definitions

- 1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the *Securities Act*;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
 - (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,

- (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

- (f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);
- (g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;
- (h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:
 - (i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an affiliate of the Company, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
 - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
 - (v) Consultant Company means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (i) **Directors** means the directors of the Company as may be elected from time to time;
- (j) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (k) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;

- (l) **Distribution** has the meaning assigned by the *Securities Act*, and generally refers to a distribution of securities by the Company from treasury;
- (m) **Effective Date for an Option** means the date of grant thereof by the Board;
- (n) **Employee** means:
 - (i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (o) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (p) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (q) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (r) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (s) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (t) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (u) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (v) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (w) **NEX Issuer** means a company listed on NEX;

- (x) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (y) **Officer** means a Board appointed officer of the Company;
- (z) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (aa) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (bb) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (cc) **Optionee** means the recipient of an Option hereunder;
- (dd) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (ee) **Participant** means a Service Provider that becomes an Optionee;
- (ff) **Person** includes a company, any unincorporated entity, or an individual;
- (gg) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;
- (hh) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (ii) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (jj) **Securities Act** means the *Securities Act*, R.S.B.C. 1996, c. 418, or any successor legislation;
- (kk) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (ll) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (mm) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;

- (nn) **Take Over Bid** means a take-over bid as defined in Multilateral Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (oo) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and
- (pp) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

Other Words and Phrases

- 1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

Gender

- 1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 **SHARE OPTION PLAN**

Establishment of Share Option Plan

- 2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

- 2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, NEX Policies).

Eligibility

- 2.3 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

Options Granted Under the Plan

- 2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.
- 2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Limitations on Issue

- 2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:
- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
 - (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and
 - (c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

Options Not Exercised

- 2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

Powers of the Board

- 2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to
- (a) allot Common Shares for issuance in connection with the exercise of Options;
 - (b) grant Options hereunder;
 - (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and

- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

Amendment of the Plan by the Board of Directors

- 2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:
- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
 - (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
 - (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
 - (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
 - (e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
 - (f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Amendments Requiring Disinterested Shareholder Approval

- 2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
- (a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;
 - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,

- (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider.

Options Granted Under the Company's Previous Share Option Plans

- 2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

Repricing of Options Granted to Non-Insiders

- 2.12 Any reduction in the exercise price of an Option held by an Optionee who is not an Insider at the time of the proposed amendment is subject to shareholder approval.

ARTICLE 3 **TERMS AND CONDITIONS OF OPTIONS**

Exercise Price

- 3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Market Price.

Term of Option

- 3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

- 3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.
- 3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.
- 3.5 Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

Vesting of Options

- 3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Consultants Conducting Investor Relations Activities

- 3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:
- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
 - (b) such longer vesting period as the Board may determine.

Effect of Take Over Bid

- 3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 and §3.7 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

Extension of Options Expiring During Blackout Period

- 3.9 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.9 may not be extended by the Board.

Optionee Ceasing to be Director, Employee or Service Provider

- 3.10 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:
- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

- (b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non Assignable

- 3.11 Subject to §3.10, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

- 3.12 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:
- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
 - (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
 - (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
 - (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise

of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.12;

- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.12, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.12, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 4

COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

- 4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

- 4.2 An Optionee who wishes to exercise his Option may do so by delivering
- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
 - (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.3.

Tax Withholding and Procedures

4.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current market price of the Common Shares on the TSX Venture at the time of grant, or if the Optioned Shares are being issued to an Insider of the Company, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

ARTICLE 5 **GENERAL**

Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Interpretation

- 5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

- 5.4 The Plan will become effective from and after August 15, 2011, and will remain effective provided that the Plan, or any amended version thereof receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to August 15, 2011.

Amendment of the Plan

- 5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

SCHEDULE A TO SHARE OPTION PLAN

OPTION COMMITMENT

Notice is hereby given that, effective this ____ day of _____, _____ (the "**Effective Date**") GEN III Oil Corporation (the "**Company**") has granted to _____ (the "**Optionee**"), an Option to acquire _____ Common Shares ("**Optioned Shares**") up to 5:00 p.m. Vancouver Time on the ____ day of _____, _____ (the "**Expiry Date**") at an Exercise Price of Cdn\$ ____ per share.

Optioned Shares are to vest immediately.

OR

Optioned Shares will vest [INSERT VESTING SCHEDULE AND TERMS]

The Option shall expire ____ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate or written notice in the case of uncertificated shares for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. [Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares and provided the Optionee is not an Insider of the Company. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL 12:00 A.M. (MIDNIGHT) ON [insert date 4 months from the date of grant]".

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

GEN III OIL CORPORATION

Authorized Signatory

[insert name of optionee]

Signature of Optionee

SCHEDULE "C"

SUMMARY OF THE SHAREHOLDER RIGHTS PLAN

The following summary of the Rights Plan is qualified in its entirety by reference to the full text of the Shareholder Rights Plan Agreement (the "**Agreement**") between GEN III Oil Corporation (the "**Corporation**") and Computershare Trust Company of Canada, as rights agent (the "**Rights Agent**"), to be dated December 6, 2017. The Agreement shall govern in the event of any conflict between the provisions thereof and this summary. A copy of the Agreement which gives effect to the Rights Plan will be available under the Corporation's profile on SEDAR at www.sedar.com.

Definitions

1. "**Convertible Security**" shall mean at any time:
 - (a) any right (contractual or otherwise and regardless of whether such right constitutes a security) to acquire Voting Shares (as defined below); and
 - (b) any securities issued by the Corporation from time to time (other than the Rights (as defined below)) carrying any exercise, conversion or exchange right,

which is then exercisable or exercisable within a period of 60 days from that time pursuant to which the holder thereof may acquire Voting Shares or other securities which are convertible into or exercisable or exchangeable for Voting Shares (in each case, whether such right is then exercisable or exercisable within a period of 60 days from that time and whether or not on condition or the happening of any contingency or the making of any payment);
2. "**Exercise Price**" shall mean, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right and, until adjustment thereof in accordance with the terms hereof, shall be:
 - (a) until the Separation Time (as defined below), an amount equal to three times the Market Price (as defined below), from time to time, per Common Share (as defined below); and
 - (b) from and after the Separation Time, an amount equal to three times the Market Price, as at the Separation Time, per Common Share;
3. "**Independent Shareholders**" shall mean Shareholders (as defined below) excluding (i) any Acquiring Person (as defined below), or (ii) any person that is making or has announced a current intention to make a Take-over Bid (as defined below) (including a Permitted Bid (as defined below) and a Competing Permitted Bid (as defined below)) other than a person referred to in Section 1.1(e)(iii)(B) of the Agreement, but excluding any such person if the Take-over Bid so announced or made by such person has been withdrawn, terminated or expired, or (iii) any affiliate or associate of such Acquiring Person or persons referred to in clause (ii), or (iv) any Person acting jointly or in concert with such Acquiring Person or a person referred to in clause (ii), or (v) a person who is a trustee of any employee benefit plan, share purchase plan, deferred profit sharing plan or any similar plan or trust for the benefit of employees of the Corporation or a subsidiary of the Corporation, unless the beneficiaries of the plan or trust direct the manner in which the Voting Shares are to be voted or direct whether the Voting Shares are to be tendered to a Take-over Bid;

4. **"Offer to Acquire"** shall include:
 - (a) an offer to purchase, or a solicitation of an offer to sell, securities; and
 - (b) an acceptance of an offer to sell securities, whether or not such offer to sell has been solicited;or any combination thereof, and the person accepting an offer to sell shall be deemed to be making an offer to acquire to the person that made the offer to sell;
5. **"Offeror"** means a person who has announced (and has not withdrawn) an intention to make or who has made (and has not withdrawn) a Take-over Bid other than a Person who has completed a Permitted Bid or a Competing Permitted Bid;
6. **"Offeror's Securities"** shall mean Voting Shares beneficially owned on the date of an Offer to Acquire by any person who is making a Take-over Bid and by such person's affiliates and associates and by any person acting jointly or in concert with such person or such person's affiliates and associates;
7. **"Permitted Bid Acquisition"** shall mean a Voting Share acquisition made pursuant to a Permitted Bid or a Competing Permitted Bid;
8. **"Take-over Bid"** shall mean an Offer to Acquire Voting Shares or Convertible Securities, where the Voting Shares subject to the Offer to Acquire, together with the Voting Shares into which the securities subject to the Offer to Acquire are convertible, and the Offeror's Securities, constitute in the aggregate 20% or more of the outstanding Voting Shares at the date of the Offer to Acquire; and
9. **"Voting Shares"** shall mean the common shares and any other securities of the Corporation entitling the holder to vote generally in the election of directors.

Term

If the Rights Plan is approved by shareholders of the Corporation ("**Shareholders**") at the annual and special meeting of Shareholders (the "**Meeting**"), it will remain in effect until the Expiration Time, which pursuant to the Rights Plan is defined as the earlier of:

- (a) the time at which the right to exercise Rights terminates pursuant to Subsection 5.1 or Section 5.17 of the Agreement;
- (b) the termination of the third annual meeting of Shareholders occurring after the date of ratification of the Agreement pursuant to Section 5.17 of the Agreement if the continuation of the Rights Plan is not submitted to holders of Voting Shares for their approval at such meeting or, if so submitted, is not approved by a majority of the votes cast by Independent Shareholders present or represented by proxy; and
- (c) the close of the third annual meeting of Shareholders occurring after the date of approval of the continuation of the Rights Plan pursuant to paragraph (b) above or this paragraph (c) if the continuation of the Rights Plan is not submitted to holders of Voting Shares for

their approval at such meeting or, if so submitted, is not approved by a majority of the votes cast by Independent Shareholders present or represented by proxy.

Issue of Rights

One right to purchase a Common Shares upon the terms and subject to the conditions of the Agreement (a "**Right**") will be issued by the Corporation in respect of each Common Share that is outstanding at the close of business (Calgary time) on the effective date of the Agreement (the "**Effective Date**"). One Right will also be issued for each Common Share issued after the Effective Date and prior to the earlier of the Separation Time and the Expiration Time.

The issuance of the Rights is not dilutive and will not affect reported earnings or cash flow per Common Share unless the Rights separate from the underlying Common Shares in connection with which they were issued and become exercisable or are exercised.

The issuance of the Rights will also not change the manner in which Shareholders currently trade their Common Shares, and is not intended to interfere with the Corporation's ability to undertake equity offerings in the future. The Rights themselves will not be listed on a stock exchange, however the Common Shares issuable upon exercise of the Rights are intended to be listed on the TSX Venture Exchange.

Separation Time / Ability to Exercise Rights

The Rights are not exercisable, and are not separable from the Common Shares in connection with which they were issued, until the "Separation Time", being the close of business on the tenth trading day after the earlier of:

- (a) the first date of public announcement by the Corporation or an Acquiring Person (as defined below) of facts indicating that a person has become an Acquiring Person (the "**Share Acquisition Date**");
- (b) the date of the commencement of or first public announcement of the intent of any person (other than the Corporation or any subsidiary of the Corporation) to commence a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid); or
- (c) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be a Permitted Bid or Competing Permitted Bid;

or such later time as may be determined by the Board of Directors.

Subject to adjustment as provided in the Rights Plan, following the Separation Time, each Right will entitle the holder to purchase one Common Share for the Exercise Price.

Acquiring Person

A person will be considered to be an Acquiring Person for the purposes of the Rights Plan if it acquires beneficial ownership (within the meaning of the Agreement) of 20% or more of the outstanding Voting Shares other than pursuant to certain types of acquisitions.

Consequences of a Flip-in Event

A "**Flip-in Event**" refers to any transaction or event in, or pursuant to, which any person becomes an Acquiring Person. Upon the occurrence of a Flip-in Event as to which the Board of Directors has not waived the application of the Rights Plan, any Rights that are or were beneficially owned on or after the earlier of the Separation Time or the Share Acquisition Date by:

- (a) an Acquiring Person (or any of its affiliates, associates or joint actors); or
- (b) a transferee or other successor in title, directly or indirectly, of Rights held by an Acquiring Person (or any affiliate, associate or joint actors),

shall become null and void without any further action, and any holder of such Rights (including any transferee) shall thereafter have no right to exercise such Rights under any provision of the Agreement and further shall thereafter not have any other rights whatsoever with respect to such Rights.

After the close of business on the tenth trading day after the Share Acquisition Date each Right will entitle the holder to purchase, for the Exercise Price, that number of Common Shares having an aggregate market price (based on the prevailing market price at the time of the consummation or occurrence of the Flip-in Event) equal to twice the Exercise Price, subject to adjustment in certain circumstances.

Permitted Bid Requirements

An offeror may make a Take-over Bid for the Corporation without becoming an Acquiring Person (and therefore subject to the consequences of a Flip-in Event described above) if it makes a Take-over Bid, by way of take-over bid circular, that also complies with certain additional provisions (a "**Permitted Bid**"), including that the bid must:

- (a) be made to all holders of record of Voting Shares other than the offeror, for all Voting Shares;
- (b) remain open for acceptance for at least 105 days following the date of the Take-over Bid or such shorter minimum initial deposit period that a Take-over Bid must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to applicable securities laws;
- (c) be subject to a minimum tender condition of more than 50% of the Voting Shares held by Independent Shareholders;
- (d) contain a provision that unless the bid is withdrawn, Voting Shares may be deposited pursuant to such bid at any time during the period of time between the date of the bid and the date on which Voting Shares may be taken up and paid for and that any Voting Shares deposited pursuant to the bid may be withdrawn until taken up and paid for; and
- (e) provide that the bid will be extended for at least 10 business days if more than 50% of the Voting Shares held by Independent Shareholders are deposited to the bid (and the Offeror shall make a public announcement of that fact);

provided always that a Permitted Bid will cease to be a Permitted Bid at any time when such bid ceases to meet any of the provisions of the definition of Permitted Bid and provided that, at such time, any

acquisition of Voting Shares made pursuant to such Permitted Bid, including any acquisition of Voting Shares theretofore made, will cease to be a Permitted Bid Acquisition.

A Take-over Bid that is made while a Permitted Bid is outstanding and satisfies all of the criteria for Permitted Bid status, other than the requirements set out in clause (b) of that definition, will be considered to be a "**Competing Permitted Bid**" for the purposes of the Rights Plan, provided that a Competing Permitted Bid will cease to be a Competing Permitted Bid at any time when such bid ceases to meet any of the provisions of the definition of Competing Permitted Bid and provided that, at such time, any acquisition of Voting Shares made pursuant to such Competing Permitted Bid, including any acquisitions of Voting Shares theretofore made, will cease to be a Permitted Bid Acquisition.

Certificates and Transferability

Before the Separation Time, the Rights will be evidenced by a legend imprinted on certificates representing Common Shares issued after the effective date of the Agreement. Although Rights will also be attached to Common Shares outstanding on the Effective Date, certificates representing Common Shares issued before the Effective Date will not (and need not) bear the legend. Shareholders will not be required to return their certificates to be entitled to the benefits of the Rights Plan.

From and after the Separation Time, Rights will be evidenced by separate certificates.

Before the Separation Time, Rights will trade together with, and will not be transferable separately from, the Common Shares in connection with which they were issued. From and after the Separation Time, Rights will be transferable separately from the Common Shares.

Waiver

A potential offeror for the Corporation that does not wish to make a Permitted Bid can nevertheless negotiate with the Board of Directors to make a formal Take-over Bid on terms that the Board of Directors considers fair to all Shareholders, in which case the Board may, with prior written notice being delivered to the Rights Agent, waive the application of the Rights Plan. Any waiver of the Rights Plan's application in respect of a particular Take-over Bid will constitute a waiver of the Rights Plan in respect of any other formal Take-over Bid made, by way of take-over bid circular to all holders of Voting Shares, while the initial bid is outstanding.

The Board of Directors may also waive the application of the Rights Plan in respect of a particular Flip-in Event that has occurred through inadvertence, provided that the Acquiring Person that inadvertently triggered the Flip-in Event thereafter reduces its beneficial holdings below 20% of the outstanding common shares in the capital of the Corporation.

With the prior consent of the Shareholders, the Board of Directors may waive the application of the Rights Plan in respect of a particular Flip-in Event prior to its occurrence, if such Flip-in Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a Take-over Bid made by means of a take-over bid circular to all holders of record of Voting Shares and otherwise than in the circumstances set forth in the immediately preceding paragraph. In the event that the Board of Directors proposes such a waiver, the Board of Directors shall extend the Separation Time to a date subsequent to and not more than ten business days following the meeting of shareholders called to approve such waiver.

Redemption

With the prior consent of the Shareholders or of the holders of Rights, as the case may be, the Board of Directors may also, 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 nominal redemption price of \$0.00001 per Right.

Rights are deemed to be redeemed following completion of a Permitted Bid (including a Competing Permitted Bid) or any other Take-over Bid in respect of which the Board of Directors has waived the Rights Plan's application.

Exemptions for Investment Advisors, etc.

Investment advisors (for client accounts), trust companies (acting in their capacity as trustees or administrators), statutory bodies whose business includes the management of funds (for employee benefit plans, pension plans, or insurance plans of various public bodies), and administrators or trustees of registered pension plans or funds and agents or agencies of the Crown, which acquire more than 20% of the outstanding Common Shares, are effectively exempted (through the definition of "beneficial ownership" under the Rights Plan) from triggering a Flip-in Event provided that they are not in fact making, either alone or jointly or in concert with any other person, a Take-over Bid.

Directors' Duties

The Rights Plan does not in any way lessen or affect the duty of the Board of Directors to act honestly and in good faith with a view to the best interests of the Corporation. In the event of a Take-over Bid or any other such proposal, the Board of Directors will still have the duty to take such actions and make such recommendations to Shareholders as are considered necessary or appropriate.

Amendments

The Board of Directors is authorized to supplement or make amendments to the Rights Plan to correct any clerical or typographical error, or to maintain the validity of the Rights Plan as a result of changes in law or regulation. Other amendments or supplements to the Rights Plan may be made with the prior approval of Shareholders or holders of Rights, as the case may be.

SCHEDULE "D"

ARTICLES OF CONTINUANCE AND BY-LAWS

[Please see attached]

ALBERTA

Articles of Continuance

Business Corporations Act
Sections 188, 273 and 274

1. Name of Corporation

GEN III OIL CORPORATION

2. Corporate Access Number

3. The classes of shares, and any maximum number of shares that the Corporation is authorized to issue:

See attached Schedule of Share Provisions.

4. Restrictions on share transfers (if there are no restrictions, enter "NONE"):

None.

5. Number, or minimum and maximum number of directors:

Minimum of 3; Maximum of 15

6. If the Corporation is restricted FROM carrying on a certain business, or restricted TO carrying on a certain business, specify the restrictions (if there are no restrictions, enter "NONE"):

None.

7. If a change of name is effected, indicate previous name:

8. Details of incorporation:

Formed by incorporation in British Columbia on September 27, 1984.

9. Other rules or provisions (if there are no rules or provisions, enter "NONE"):

See attached Schedule of Other Provisions.

Name of Person Authorizing (please print)

Signature

Title (please print)

Date

SCHEDULE OF SHARE PROVISIONS

The authorized capital of the Corporation shall consist of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series, which shares shall have the following rights, privileges, restrictions and conditions:

Common Shares

The Common Shares shall have the following rights, privileges, restrictions and conditions:

1. **Dividends:** The holders of Common Shares shall be entitled to receive, subject to the prior rights and privileges attaching to any other class of shares of the Corporation, any dividend declared by the Corporation.
2. **Voting Rights:** The holders of Common Shares shall be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each Common Share held at all such meetings, except meetings at which only holders of a specified class of shares are entitled to vote.
3. **Participation upon Liquidation, Dissolution or Winding-up:** The holders of Common Shares shall be entitled to receive, subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the remaining property of the Corporation on the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary.

Preferred Shares

The Preferred Shares shall have the following rights, privileges, restrictions and conditions:

1. **Issuance in Series:** The Preferred Shares may, at any time and from time to time, be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the directors of the Corporation.
2. **Share Terms:** Subject to the provisions of the *Business Corporation Act (Alberta)*, the directors of the Corporation may by resolution fix, from time to time before the issue thereof, the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Shares.

SCHEDULE OF OTHER PROVISIONS

1. The directors may, between annual general meetings, appoint one or more additional directors of the corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual meeting of the corporation.
2. Meetings of shareholders may be held outside of Alberta.

BY-LAW NO. ONE

**A BY-LAW RELATING GENERALLY
TO THE TRANSACTION OF THE
BUSINESS AND AFFAIRS OF**

GEN III OIL CORPORATION

PART ONE
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions

In the By-laws, unless the context otherwise requires:

- (a) **"Act"** means the *Business Corporations Act* (Alberta), as amended, and all regulations under the Act in force from time to time;
- (b) **"appoint"** includes elect and vice versa;
- (c) **"Articles"** includes the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution and articles of revival of the Corporation, and any amendment to any of them;
- (d) **"Board"** means the board of directors of the Corporation;
- (e) **"By-laws"** means this by-law and all other by-laws of the Corporation from time to time in force;
- (f) **"Corporation"** means Gen III Oil Corporation;
- (g) **"director"** means an individual who is duly elected or appointed as a director of the Corporation;
- (h) **"Indemnified Party"** has the meaning set out in section 5.2 for purposes of that section;
- (i) **"officer"** means any officer of the Corporation appointed by the Board; and
- (j) **"shareholder"** means a shareholder of the Corporation.

Section 1.2 Interpretation

In the By-laws, except if defined in section 1.1 or the context does not permit:

- (a) words and expressions defined in the Act have the meaning given to them in the Act;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing gender include masculine, feminine and neuter genders; and
- (d) words importing persons include bodies corporate.

Section 1.3 Headings

The headings used in the By-laws are inserted for convenience of reference only. The headings are not to be considered or taken into account in construing the terms of the By-laws nor are they to be deemed in any way to clarify, modify or explain the effect of any term of the By-laws.

PART TWO
SHAREHOLDERS

Section 2.1 Place and Time of Meetings

Meetings of shareholders may be held at the place and at the time the Board determines.

Section 2.2 Calling of Meetings

The Board must call an annual meeting of shareholders not later than fifteen months after holding the last preceding annual meeting and may at any time call a special meeting of shareholders to be held at the place and at the time the Board determines.

Section 2.3 Notice of Meetings

Notice of the time and place of a meeting of shareholders must be sent not less than twenty-one days and not more than fifty days before the meeting:

- (a) to each shareholder entitled to vote at the meeting;
- (b) to each director; and
- (c) to the auditor of the Corporation.

Section 2.4 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, notice to one of those persons is sufficient notice to all of them. A notice must be addressed to all those joint holders and the address to be used by the Corporation must be the address appearing in the securities register of the Corporation in respect of that joint holding or the first address appearing if there is more than one address.

Section 2.5 Failure to Give Notice

The accidental failure to give notice of a meeting of shareholders to any person entitled to a notice or any error in a notice not affecting its substance does not invalidate any action taken at the meeting to which the notice relates.

Section 2.6 Waiver of Notice

A shareholder or any other person entitled to attend a meeting of shareholders may waive, in any manner, notice of a meeting of shareholders. Attendance of a shareholder or other person at a meeting of shareholders is a waiver of notice of the meeting, except when the shareholder or other person 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.

Section 2.7 Notice of Adjourned Meetings

With the consent of the shareholders present at a meeting of shareholders, the chairperson may adjourn that meeting to another fixed time and place. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of less than thirty days, it is not necessary to give notice of the adjourned meeting, other than by verbal announcement at the time of the adjournment. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting must be given as for the original meeting.

Section 2.8 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders are:

- (a) the shareholders entitled to vote at the meeting;
- (b) any individual authorized by a resolution of the directors or governing body of a body corporate or association which is a shareholder entitled to vote at the meeting;
- (c) the directors and officers;
- (d) the auditor of the Corporation; and
- (e) any others who, although not entitled to vote, are entitled or required under any provision of the Act, the Articles or the By-laws to be present at the meeting.

Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

Section 2.9 Meeting by Electronic Means/Telephone

Any person described in paragraphs (a) through (e) of section 2.8 may participate in a meeting of the shareholders by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear or otherwise communicate with each other. A shareholder participating in a meeting by electronic means, telephone or other communication facilities is deemed to be present at the meeting.

Section 2.10 Quorum

A quorum of shareholders is present at a meeting of shareholders if at least two individuals are present in person, each of whom is entitled to vote at a meeting, and who hold or represent by proxy in the aggregate not less than 5% of the total number of shares entitled to be voted at the meeting. If any share entitled to be voted at a meeting of shareholders is held by two or more persons jointly, the persons or those of them who attend the meeting of shareholders constitute only one shareholder for the purpose of determining whether a quorum of shareholders is present.

Section 2.11 Loss of Quorum

If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

Section 2.12 Chairperson

The chairperson of any meeting of shareholders will be the first mentioned of the following officers (if appointed) present at the meeting: Chairman of the Board, Chief Executive Officer, President, or any other Vice-President. If none of the foregoing officers are present, the shareholders present and entitled to vote at the meeting may choose a chairperson from among those individuals present.

Section 2.13 Procedure at Meetings

The chairperson of any meeting of shareholders will conduct the proceedings at the meeting in all respects. The chairperson's decision on any matter or thing relating to procedure, including, without limiting the generality of the foregoing, any question regarding the validity of any instrument of proxy, is conclusive and binding upon the shareholders.

Section 2.14 Voting

Voting at a meeting of shareholders must be by a show of hands of those present in person or represented by proxy or by a verbal poll of those present by telephone or other communication facilities. If a ballot is required by the chairperson of the meeting or is demanded by a shareholder or proxy entitled to vote at the meeting, either before or on the declaration of the result of a vote by a show of hands or verbal poll, voting must be by ballot. A demand for a ballot may be withdrawn at any time before the ballot is taken. If a ballot is taken on a question, a prior vote on that question by show of hands or verbal poll has no effect. At every meeting a shareholder present in person or represented by proxy or present by telephone or other communication facilities and entitled to vote has one vote on a show of hands and, subject to the Articles, one vote on a ballot for each share held.

Section 2.15 Decision on Questions

At every meeting of shareholders all questions proposed for the consideration of shareholders must be decided by the majority of votes, unless otherwise required by the Act or the Articles. In the case of an equality of votes, the chairperson does not, either on a show of hands or verbal poll or on a ballot, have a casting vote in addition to the vote or votes to which the chairperson may be entitled as a shareholder or proxy.

Section 2.16 Resolution in Lieu of Meeting

A resolution in writing signed by all the shareholders entitled to vote on that resolution is as valid as if it had been passed at a meeting of the shareholders. A resolution in writing may be signed in one or more counterparts, all of which together constitute the same resolution. A facsimile or a duplicate copy produced by electronic means of a signed counterpart of a resolution in writing is as valid as an originally signed counterpart.

PART THREE
DIRECTORS

Section 3.1 Number of Directors

The Board consists of that number of directors as the shareholders may determine from time to time by ordinary resolution, but there must not be less than the minimum and not more than the maximum number of directors permitted by the Articles at any one time.

Section 3.2 Election and Term of Office

At each annual meeting of shareholders at which an election of directors is required, the shareholders, by ordinary resolution, must elect directors to hold office for a term expiring not later than the close of the next annual meeting of shareholders following the election.

Section 3.3 Calling of Meetings

The Chairman of the Board, if any, the President or any director may call a meeting of directors. A meeting of directors may be held at any place within the municipality in which the registered office of the Corporation is located or at any other place determined by the Board.

Section 3.4 Notice of Meetings

Notice in writing of the time and place of a meeting of directors must be sent to each director not less than forty-eight hours before the time fixed for that meeting.

Section 3.5 Failure to Give Notice

The accidental failure to give notice of a meeting of directors to any director entitled to a notice or any error in a notice not affecting its substance does not invalidate any action taken at the meeting to which the notice relates.

Section 3.6 Waiver of Notice

A director may waive, in any manner, notice of a meeting of directors. Attendance of a director at a meeting of directors is a waiver of notice of the meeting, except when the 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.

Section 3.7 Meetings Without Notice

No notice of meeting need be given:

- (a) to a newly elected Board following its election at an annual or special meeting of shareholders; or
- (b) for a meeting of directors at which a director is appointed to fill a vacancy in the Board,

if a quorum is present.

Section 3.8 Meeting by Electronic Means/Telephone

If all the directors consent, a director may participate in a meeting of directors or of a committee of directors by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear or otherwise communicate with each other. A director participating in a meeting by electronic means, telephone or other communication facilities is deemed to be present at the meeting.

Section 3.9 Quorum

From time to time the directors may fix the quorum for meetings of directors or of a committee of directors, but unless so fixed, a majority of the directors or of a committee of directors constitutes a quorum and, to the extent required by the Act, no business may be transacted unless at least one-quarter of the directors present are resident Canadians.

Section 3.10 Chairperson of Meetings

The chairperson of any meeting of directors will be the first mentioned of the following individuals (if appointed) who is a director and is present at the meeting: Chairman of the Board, Chief Executive Officer, President, or any other Vice-President. If none of the foregoing officers are present, the directors present may choose one of their number to be chairperson of the meeting.

Section 3.11 Decision on Questions

At every meeting of directors all questions proposed for the consideration of the directors must be decided by the majority of votes. In the case of an equality of votes, the chairperson does not have a casting vote.

Section 3.12 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 may be signed in one or more counterparts, all of which together constitute the same resolution. A facsimile or a duplicate copy produced by electronic means of a signed counterpart of a resolution in writing is as valid as an originally signed counterpart.

Section 3.13 Borrowing Power

Without authorization of the shareholders, the directors may authorize the Corporation to:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) subject to section 45 of the Act, give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (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.

The directors, by resolution, may delegate to a director, a committee of directors or an officer all or any of the powers conferred on them by this section.

Section 3.14 Compensation

The Corporation may pay to the directors the remuneration fixed by the Board and may reimburse the directors in respect of transportation and other expenses actually incurred in attending meetings of the directors or in otherwise performing the duties of their office.

PART FOUR **OFFICERS**

Section 4.1 Appointment of Officers

The directors may designate offices of the Corporation and appoint individuals to those offices as they consider advisable. No officer need be a director. The same individual may hold two or more offices of the Corporation.

Section 4.2 Term of Office

All officers are subject to removal by the directors, with or without cause. An officer may resign at any time by giving notice to the Board.

Section 4.3 Duties of Officers

Subject to any limitations imposed by the Act or the Articles, an officer has all the powers and authority and must perform all the duties usually incident to, or specified by the By-laws or the Board for, the office held.

PART FIVE
LIABILITY AND INDEMNIFICATION

Section 5.1 Limitation of Liability

Every director and officer in exercising the powers and discharging the duties of office must act honestly and in good faith with a view to the best interests of the Corporation and must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No director or officer is liable for:

- (a) the acts, omissions or defaults of any other director or officer or an employee of the Corporation,
- (b) any loss, damage or expense incurred by the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation,
- (c) the insufficiency or deficiency of any security in or upon which any of the money of the Corporation is invested,
- (d) any loss or damage arising from the bankruptcy, insolvency or tortious or criminal acts of any person with whom any of the Corporation's money is, or securities or other property are, deposited,
- (e) any loss occasioned by any error of judgement or oversight, or
- (f) any other loss, damage or misfortune which occurs in the execution of the duties of office or in relation to it,

unless occasioned by the wilful neglect or default of that director or officer. Nothing in this By-law relieves any director or officer of any liability imposed by the Act or otherwise by law.

Section 5.2 Indemnity

Subject to the Act, the Corporation indemnifies a director or officer, a former director or officer and a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor (the "Indemnified Parties") and the heirs and legal representatives of each of them, against all costs, charges and expenses, which includes, without limiting the generality of the foregoing, the fees, charges and disbursements of legal counsel on an as-between-a-solicitor-and-his-own-client basis and an amount paid to settle an action or satisfy a judgement, reasonably incurred by an Indemnified Party, or the heirs or legal representatives of an Indemnified Party, or both, in respect of any action or proceeding to which any of them is made a party by reason of an Indemnified Party being or having been a director or officer of the Corporation or that body corporate, if:

- (a) the Indemnified Party acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Indemnified Party had reasonable grounds for believing that the Indemnified Party's conduct was lawful.

The Corporation indemnifies an Indemnified Party and the heirs and legal representatives of an Indemnified Party in any other circumstances that the Act permits or requires. Nothing in this By-law limits the right of a person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

Section 5.3 Insurance

The Corporation may purchase and maintain insurance for the benefit of a person referred to in section 5.2 against the liabilities and in the amounts the Act permits and the Board approves.

PART SIX
EFFECTIVE DATE

Section 12.1 Effective Date

This by-law shall be effective as of [●], 2017.

BY-LAW NO. TWO

**A BY-LAW RELATING
TO ADVANCE NOTICE OF
NOMINATIONS OF DIRECTORS OF**

GEN III OIL CORPORATION

INTRODUCTION

The Corporation is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote.

The purpose of this Advance Notice By-Law (the "**Notice By-Law**") is to provide shareholders, directors and management of the Corporation with direction on the nomination of directors. This Notice By-Law fixes a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the position of the Corporation that this Notice By-Law is beneficial to shareholders and other stakeholders. This Notice By-Law will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. In this this Notice By-Law:
 - (a) "**Act**" means the *Business Corporations Act* (Alberta), as amended, and all regulations under the Act in force from time to time;
 - (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;
 - (c) "**Board**" means the board of directors of the Corporation;
 - (d) "**Corporation**" means Gen III Oil Corporation;
 - (e) "**Nominating Shareholder**" has the meaning ascribed to that term in Section 2(c) of this Notice By-Law;
 - (f) "**Notice Date**" means the date the first Public Announcement of an annual shareholder meeting or special shareholder meeting (which is not also an annual shareholder meeting), as applicable, is made; and
 - (g) "**Public Announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.
2. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (b) 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 the shareholders made in accordance with the provisions of the Act; or

- (c) by any person (a "**Nominating Shareholder**") who:
 - i. at the close of business on the date of the giving of the notice provided for below in this Notice By-Law and at the close of business 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 beneficially owns shares that are entitled to be voted at such meeting; and
 - ii. who complies with the notice procedures set forth below in this Notice By-Law.
- 3. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation.
- 4. To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of the shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after Notice Date, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the Notice Date. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.
- 5. To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - i. the name, age, business address and residential address of the person;
 - ii. the principal occupation or employment of the person;
 - iii. the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and
 - iv. any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
 - (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed 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 such proposed nominee. In addition, a Nominating Shareholder's 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.

6. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Notice By-Law; provided, however, that nothing in this Notice By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
7. Notwithstanding any other provision of this Notice By-Law, notice given to the Secretary of the Corporation pursuant to this Notice By-Law may only be given by personal delivery, facsimile transmission or by email (at such address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Calgary time) 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.
8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Notice By-Law.
9. This by-law shall be effective as of [●], 2017.

SCHEDULE "E"

DISSENT RIGHTS

Division 2 — Dissent Proceedings

Definitions and application

237(1) In this Division:

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

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

"payout value" means:

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

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

- (2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that
 - (a) the court orders otherwise, or
 - (b) in the case of a right of dissent authorized by a resolution referred to in section 238(1)(g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

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

- (a) under section 260, in respect of a resolution to alter the articles

- (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or
 - (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
 - (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
 - (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
 - (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
 - (e) under section 301(5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
 - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
 - (b) identify in each notice of dissent, in accordance with section 242(4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239(1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240(1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
- (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

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

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242(1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240(1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
- (b) if the company has complied with section 240(3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

- (c) if the company has not complied with section 240(1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(g) must send written notice of dissent to the company
 - (a) on or before the date specified by the resolution or in the statement referred to in section 240(2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

- (3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company
 - (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
 - (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and

- (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243(1) A company that receives a notice of dissent under section 242 from a dissenter must,

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

Completion of dissent

244(1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
 - (b) the certificates, if any, representing the notice shares, and
 - (c) if section 242(4)(c) applies, a written statement that complies with subsection (2) of this section.
- (2) The written statement referred to in subsection (1)(c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
 - (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.
- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

- 245(1) A company and a dissenter who has complied with section 244(1) may agree on the amount of the payout value of the notice shares and, in that event, the company must
- (a) promptly pay that amount to the dissenter, or
 - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the

payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

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

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;

- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244(4) or (5), 245(4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

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

