



MANAGEMENT INFORMATION CIRCULAR

Solicitation of Proxies

THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF CLAIM POST RESOURCES INC. (THE "COMPANY") of proxies to be used at the annual and special meeting of holders of common shares ("**Common Shares**") of the Company (the "**Meeting**") to be held at the offices of Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1, on Thursday, October 25, 2018, at 2:00 (Calgary time) and at any adjournment thereof for the purposes set forth in the enclosed Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of September 24, 2018. Although it is expected that the solicitation of the proxies will be primarily by mail, proxies may also be solicited personally or by telephone or other similar means of communication by the directors and/or officers of the Company at nominal cost. The cost of solicitation will be borne by the Company.

Appointment and Completion of Proxies

The purpose of a proxy is to designate persons who will vote the proxy on a shareholders behalf in accordance with the instructions given by the shareholder in the proxy. The persons named in the enclosed form of proxy represent management of the Company. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM AT THE MEETING MAY DO SO** by filling in the name of such person in the blank space provided in the proxy or by completing another proper form of proxy. A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit their duly executed form of proxy with the Company's registrar and transfer agent not later than 2:00 p.m. (Calgary time) October 23, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding non-business days and holidays, preceding the time of such adjourned meeting, at which the proxy is to be used. Such shareholders should notify the nominee of the appointment, obtain the nominee's consent to act as proxyholder and provide instructions on how the shareholders shares are to be voted. The nominee should bring personal identification with them to the Meeting. A proxy should be executed by the shareholder or his or her attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the form of proxy and returning it to the Company's transfer agent, TSX Trust Company, by mail or hand at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1; or by fax at (416) 595-9593; or
- (b) using the internet through the website of the Company's transfer agent at www.voteproxyonline.com. Registered shareholders must follow the instructions that appear on the screen and refer to the proxy form for the holder's Control Number.

In all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Proxies received after that time may not be accepted by the Chairman of the Meeting in the Chairman's discretion, and the Chairman is under no obligation to accept late proxies.

Beneficial Shareholders

The information set forth in this section is of significant importance as many shareholders do not hold shares in their own name.

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are non-registered shareholders ("**Beneficial Shareholders**") because the shares they own are not registered in their names, but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (an "**Intermediary**"). If you purchased your shares through a broker, you are likely a Beneficial Shareholder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the notice of meeting, this Circular and the form of proxy. Intermediaries are required to forward the Meeting materials to Beneficial Shareholders who request copies and to seek their voting instructions in advance of the Meeting. Shares held by Intermediaries can only be voted in accordance with the instructions of the Beneficial Shareholder. The Intermediaries often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Intermediary in order to ensure your shares are voted at the Meeting.

If you, as a Beneficial Shareholder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Intermediary, and you should return the form to the Intermediary in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

There are two kinds of Beneficial Shareholders – those who object to their identity being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners), and those who do not (called "**NOBOs**" for Non-Objecting Beneficial Owners).

Non-Objecting Beneficial Owners

The Company is relying on the provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), which permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**") from TSX Trust Company. The VIF is to be completed and returned to TSX Trust Company as set out in the instructions provided on the VIF. TSX Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive. These shareholder materials are being sent to both registered and non-registered owners of the shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address, and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions sent to you.

Objecting Beneficial Owners

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their shares are voted at the Meeting. The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and Canada. Broadridge mails a VIF in

lieu of the proxy provided by the Company. The VIF will name the same persons as the Company's proxy to represent your shares at the Meeting. You have the right to appoint a person (who need not be a shareholder, and who can be yourself), other than any of the persons designated in the VIF, to represent your shares at the Meeting. To exercise this right, insert the name of the desired representative, who may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile, or provided to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting and the appointment of any shareholders representative. If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have your shares voted, or to have an alternate representative duly appointed to attend and vote your shares at the Meeting.

Voting of Proxies

Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed form of proxy **WILL BE VOTED FOR EACH OF THE MATTERS TO BE VOTED ON BY SHAREHOLDERS AS DESCRIBED IN THIS CIRCULAR OR WITHHELD FROM VOTING OR VOTED AGAINST IF SO INDICATED ON THE FORM OF PROXY.**

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

The enclosed proxy confers discretionary authority upon the management designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the notice of meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of, or other matters which may come before the Meeting. If other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the Company.

Revocation of Proxies

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a registered shareholder personally attending at the Meeting and voting their shares. A shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the registered shareholder or by their authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Company's registrar and transfer agent at the foregoing address or the Company at 400, 522 – 11th Avenue SW, Calgary, Alberta T2R 008, at any time, up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such meeting on the day of the Meeting, or adjournment thereof, or in any other manner permitted by law. Only registered shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of Ontario, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the

Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (Ontario) ("**OBCA**"), certain of its directors and its executive officers are residents of Canada and elsewhere outside the United States, and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Quorum

Persons present in person holding or representing by proxy the holders of 2% of the shares entitled to vote at the Meeting, will constitute a quorum at the Meeting or any adjournment or postponement thereof. The Company's list of shareholders as of the Record Date (as defined below) has been used to deliver to shareholders the notice of meeting and this Circular as well as to determine who is eligible to vote at the meeting.

Voting Shares and Principal Holders Thereof

The authorized share capital of the Company consists of an unlimited number of Common Shares. As of the date hereof, the Company had 318,666,899 Common Shares issued and outstanding, each of which carries the right to one vote in respect of each of the matters properly coming before the Meeting.

The board of directors of the Company (the "**Board**") has fixed a record date of September 24, 2018 (the "**Record Date**") to determine shareholders entitled to receive the Notice of Meeting. The failure of any shareholder to receive a copy of the Notice of Meeting does not deprive the shareholder of the right to vote at the Meeting. Only holders of Common Shares as of the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote in respect of each Common Share. Except as may otherwise be indicated, approval of any matter at the Meeting requires a majority of the votes cast at the Meeting on the question.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person or company owns beneficially, or exercises control or direction over, directly or indirectly, securities carrying in excess of 10% of the voting rights attached to any class of outstanding voting securities of the Company, other than:

<u>Name of Shareholder</u>	<u>Securities Owned, Controlled or Directed</u>	<u>% of the Class of Outstanding Voting Securities of the Company</u>
Paramount Resources Ltd.	41,390,909	12.99
David Wilson	41,390,909	12.99

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Circular, the only "**Named Executive Officers**" or "**NEOs**" of the Company for the most recently completed fiscal year were Charles Gryba, Former President and Chief Executive Officer and Rebecca Hudson, Former Chief Financial Officer.

Compensation Discussion and Analysis

Overview

The Board is responsible for ensuring that the Company has in place an appropriate plan for executive compensation. The Board ensures that total compensation paid to all NEOs is fair and reasonable and is consistent with the Company's compensation philosophy.

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. The Company's compensation philosophy is to foster entrepreneurship at all levels of the organization through, among other things, the granting of stock options, a significant component of executive compensation. This approach is based on the assumption that the performance of the Common Share price over the long term is an important indicator of long term performance.

The Company's compensation philosophy is based on the following fundamental principles:

- Compensation programs align with shareholder interests – the Company aligns the goals of executives with maximizing long term shareholder value;
- Performance sensitive – compensation for executive officers should be linked to operating and market performance of the Company and fluctuate with the performance; and
- Offer market competitive compensation to attract and retain talent – the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest caliber.

Objectives of Compensation Program

The objectives of the compensation program in compensating all NEOs were developed based on the above-mentioned compensation philosophy and are as follows:

- to attract and retain highly qualified executive officers;
- to align the interests of executive officers with shareholders' interests and with the execution of the Company's business strategy;
- to evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value; and
- to tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

Competitive Compensation

Aggregate compensation for each NEO is designed to be competitive. The Board reviews compensation practices of similarly situated companies in determining its own compensation policy. Although the Board reviews each element of compensation for market competitiveness, and may weigh a particular element more heavily based on the NEO's role within the Company, total compensation is primarily based on remaining competitive in the market.

The Board is expected to review data related to compensation levels and programs of various companies that are similar in size to the Company and operate within the mining exploration and development industry, prior to making its decisions.

The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar revenues and business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish as a basis for developing salary adjustments and short-term and long-term incentive awards for the directors' approval.

Aligning the Interests of the NEOs with the Interests of the Company's Shareholders

The Company believes that transparent, objective and easily verified corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for the NEOs. The Company's objective is to establish benchmarks and targets for its NEOs which, if achieved, will enhance shareholder value. Specific benchmarks and targets for the NEOs have not yet been established by the Company.

A combination of fixed and variable compensation will be used to motivate executives to achieve overall corporate goals. For the 2018 financial year, it is anticipated that the basic components of executive officer compensation program will be:

- fixed salary;
- annual incentives (cash bonus); and
- option-based compensation.

Fixed salary comprises a portion of the total cash-based compensation; however, going forward, annual incentives and option based compensation are expected to represent compensation that is "at risk", and thus may or may not be paid to the respective executive officer depending on whether the executive officer is able to meet or exceed his or her applicable performance targets. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, it is expected that the Board will consider both performance target, and the Company's performance, and assign compensation based on this assessment.

Base Salary

The Board approves the salary ranges for the NEOs. At the current stage of the Company's development, salaries have been determined by Board discussion without any formal targeted objectives. Going forward, the base salary review for each NEO will be based on an assessment of factors, such as current competitive market conditions, compensation levels within the peer group, and particular skills; such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group will also be accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers is consistent with the administration of salaries for all other employees.

Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. For the financial year ended September 30, 2017, no bonuses were paid to NEOs. The Company, in its discretion, may award annual incentives in order to motivate executives to achieve short-term corporate goals.

The success of NEOs in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The determination of annual bonus is subjective, however, it is expected that the Board will assess each NEO's performance on the basis of his respective contribution

to the achievement of corporate objectives, as well as to needs of the Company that arise on a day-to-day basis. This assessment is expected to be used by the Board with respect to the determination of annual bonuses for the NEOs.

Compensation and Measurements of Performance

The Board is expected to set targeted amounts of annual incentives for each NEO at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies. At the current stage of the Company's development, the Board has not yet established specific targeted amounts in order to determine annual incentives for NEOs.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, will trigger the award of a bonus payment to the NEO. The NEO will receive a partial or full incentive payment depending on the number of the predetermined targets met, and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board, and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the stock option plan of the Company (the "**Stock Option Plan**"), as discussed below. The purpose of the Stock Option Plan is to encourage Common Share ownership by directors, senior officers, employees and consultants of the Company and its affiliates and other designated persons. The Board believes the Stock Option Plan aligns the interests of the NEOs with shareholders, by linking a component of executive compensation to the longer-term performance of the Common Shares.

Option Based Awards

Under the terms of the Stock Option Plan, the Board is able to grant stock options to executive officers and directors, among others. The Stock Option Plan provides compensation to participants and an additional incentive to work toward long-term corporate performance. Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. The Stock Option Plan is used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board will take into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of any exchange on which the Common Shares of the Company are then listed, and closely align the interests of the executive officers with the interests of shareholders of the Company.

Long-term Incentive Plan Awards

The Board determines the level of compensation in respect of the senior executive officers of the Company. Other than options to purchase Common Shares granted under the Stock Option Plan, there were no longer-term incentive awards made to the NEOs during the most recently completed financial year.

Purchase of Financial Instruments Not Prohibited

As of the date of this Circular, the Board had not, collectively, considered the implications of any risks associated with policies and practices regarding compensation of its NEOs or directors. The Company does not prohibit its NEOs or directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which 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 directors.

Stock Option Plan Information

The Company has a 10% rolling incentive Stock Option Plan to attract, retain and motivate directors, officers, employees and persons engaged to provide ongoing management and consulting services ("**service providers**") by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth.

The number of Common Shares reserved for issue under the Stock Option Plan may not exceed 10% of the issued and outstanding Common Shares of the Company at any given time. The options granted under the Stock Option Plan are non-assignable and may be granted for a term not exceeding five years. Options may be granted under the Stock Option Plan only to directors, officers, employees and other service providers subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Common Shares may be listed or may trade from time to time. The exercise price of options issued under the Stock Option Plan may not be less than the market price of the Common Shares at the time the option is granted, subject to any discounts permitted by applicable legislative and regulatory requirements.

The Stock Option Plan contains the following restrictions as to insider and individual eligibility thereunder: (i) the maximum number of Common Shares which may be reserved for issuance to insiders under the Stock Option Plan, any other employer stock option plans or options for services, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis); (ii) the maximum number of options which may be granted to insiders under the Stock Option Plan, any other employer stock option plans or options for services, within any 12 month period, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis); and (iii) the maximum number of Common Shares which may be issued to any one optionee, together with any other previously established or proposed share compensation arrangements, within a one year period shall be 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to any one consultant under the Stock Option Plan, any other employer stock options plans or options for services, within any 12 month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to "investor relations persons" under the Stock Option Plan, any other employer stock options plans or options for services, within any 12 month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).

As at the date hereof, there are 8,800,000 options outstanding under the Stock Option Plan.

Compensation Summary

The table below sets forth information concerning the compensation paid, awarded or earned by each of the NEOs for services rendered in all capacities to the Company during the three most recently completed fiscal year ends.

Summary Compensation Table

NEO Name and Principal Position	Year	Salary (\$)	Share- Based Awards (\$)	Option- Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽¹⁾	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Charles Gryba Former CEO ⁽³⁾	2017	Nil	Nil	Nil	Nil	Nil	Nil	120,000 ⁽²⁾	120,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil	120,000 ⁽²⁾	120,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	115,000 ⁽²⁾	115,000
Rebecca Hudson Former CFO ⁽⁴⁾	2017	Nil	Nil	Nil	Nil	Nil	Nil	6,000 ⁽²⁾	6,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil	7,125 ⁽²⁾	7,125
	2015	Nil	Nil	Nil	Nil	Nil	Nil	5,912 ⁽²⁾	5,912

Notes:

- (1) Perquisites and other personal benefits that do not exceed the lesser of \$50,000 or 10% of the total annual salary for each of the NEOs are not disclosed.
- (2) Consulting fees paid to Charles Gryba and Rebecca Hudson.
- (3) Charles Gryba resigned as President and Chief Executive Officer effective December 31, 2017.
- (4) Rebecca Hudson resigned as Chief Financial Officer effective July 31, 2017.

Incentive Plan Awards

Outstanding Option-based and Share-based Awards

No incentive stock options (option-based awards) and share-based awards are outstanding for any NEO.

Value Vested or Earned During the Year

During the financial year ended September 30, 2017, there was no value vested or earned in respect of option-based awards, share-based awards and non-equity incentive plan compensation by the NEOs.

Employment Contracts

For the financial year ended September 30, 2017, the Company had no employment contracts.

Termination and Change of Control Benefits

The Company does not have in place any compensatory plan or arrangement with any NEO that would be triggered by the resignation, retirement or other termination of employment of such officer, from a change of control of the Company or a change in the executive officers responsibilities following any such change of control.

Pension and Retirement Plans and Payments made upon Termination of Employment

The Company does not have any pension or retirement plan which is applicable to the NEOs. The Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a NEO of the Company, in connection with or related to the retirement, termination or resignation of such person other than as described below and the Company has provided no compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates. The Company is not party to any compensation plan or arrangement with a NEO resulting from the resignation, retirement or the termination of employment of such person.

Director Compensation

Directors of the Company do not receive any compensation for attending meetings of the Board, serving on committees of the Board, and attending shareholders meetings. Other than stock options to purchase Common Shares, which are granted to the Company's directors from time to time, the Company does not have any arrangements pursuant to which directors are remunerated by the Company or any of its subsidiaries for their services in their capacities as directors, consultants or experts.

Outstanding Option-based and Share-based Awards

The following table sets out for each non-executive director, the incentive stock options (option-based awards) and share-based awards outstanding as at September 30, 2017. These incentive stock options either vested at the time of grant, or were fully vested during the year ended September 30, 2017. The closing price of the Company's shares on the TSXV on September 30, 2017 was \$0.09.

Name	Option-Based Awards ⁽¹⁾				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Lowell Jackson	NIL	N/A	N/A	NIL	NIL	NIL	NIL
Thomas MacInnis	NIL	N/A	N/A	NIL	NIL	NIL	NIL
Richard Williams	175,000	0.10	07/19/2018	NIL	NIL	NIL	NIL
John Assman	400,000	0.10	01/23/2018	NIL	NIL	NIL	NIL
John Assman	150,000	0.10	07/19/2018	NIL	NIL	NIL	NIL
Todd Garman	NIL	N/A	N/A	NIL	NIL	NIL	NIL
Rodrigo Sousa	NIL	N/A	N/A	N/A	NIL	NIL	NIL

Note:

- (1) The Company has in place the Stock Option Plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan will not exceed 10% of the issued Common Shares at the time of grant. As at September 30, 2017, 12,638,390 Common Shares may be reserved for issuance pursuant to the Stock Option Plan.

Value Vested or Earned During the Year

During the financial year ended September 30, 2017, there was no value vested or earned in respect of option-based awards, share-based awards and non-equity incentive plan compensation by directors of the Company (who are not also NEOs).

Discussion

The significant terms of all plan-based awards, including non-equity incentive plan awards, issued or vested, or under which options have been exercised, during the year, or outstanding at year end, are set out above in the "Compensation Discussion and Analysis" section. No options held by directors were exercised during the financial year ended September 30, 2017.

Generally, each year the Board considers whether to grant additional options to the directors. However, there are no definitive arrangements, and such consideration is done after review and consideration by the Board. During the fiscal year ended September 30, 2017, no options were granted to directors.

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal year ended September 30, 2017, and the report of the auditor, thereon which accompany this Circular, will be submitted to the Meeting. Receipt at the Meeting of the auditors reports and the Company's audited financial statements for these periods will not constitute approval or disapproval of any matters referred to therein.

2. ELECTION OF DIRECTORS

The Articles of the Company provide that the Board of Directors of the Company shall consist of a minimum of three (3) and a maximum of seven (7) directors. The shareholders of the Company delegated the power to fix the number of directors to the Board by a special resolution dated December 19, 2006. On October 22, 2013 the Board of Directors determined that it would be in the best interests of the Company to increase the number of directors from five (5) to six (6) pursuant to that power.

Accordingly, at the Meeting, shareholders will be asked to elect six (6) directors (the "**Nominees**"). The following table provides the names of the Nominees and information concerning them. Shareholders may vote for all of the Nominees, some of them and withhold for others, or withhold from all of them. The persons in the enclosed form of proxy intend to vote for the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director. Each director will hold office until the next annual meeting or until his successor is duly elected unless his office is earlier vacated in accordance with the by-laws.

Name, Province or State and Country of Residence, and Position Held in the Company	Principal Occupation	Director Since	Number of Common Shares of the Company Beneficially Owned, Directly or Indirectly, or Controlled or Directed at Present⁽¹⁾
Lowell Jackson ⁽⁴⁾ Calgary, Alberta, Executive Chairman	Executive Chairman, Claim Post Resources Inc.	2013	12,746,826
Richard Williams ⁽²⁾ Ontario, Canada Director and Secretary	President, Blackwell Investor Relations	2005	2,356,253
John Assman ⁽³⁾⁽⁴⁾ Edmonton, Alberta Director	President and CEO, Landtran Systems Inc.	2013	21,331,313
Thomas MacInnis ⁽²⁾⁽³⁾ Calgary, Alberta Director	Independent businessman. Presently a director of Bellatrix Exploration Ltd. and Crestwynd Exploration Ltd. and an advisory committee member for a number of private equity funds managed by Lex Capital Management Inc.	2017	10,028,163

Name, Province or State and Country of Residence, and Position Held in the Company	Principal Occupation	Director Since	Number of Common Shares of the Company Beneficially Owned, Directly or Indirectly, or Controlled or Directed at Present ⁽¹⁾
Todd Garman ⁽³⁾ Calgary, Alberta Director	Vice President, Corporate Development, Iron Horse Energy Services	2017	nil
Rodrigo Sousa ⁽²⁾⁽⁴⁾ Calgary, Alberta Director	Vice-President, Corporate Development, Paramount Resources Ltd.	2018	500,000

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective Nominees, individually.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation and Corporate Governance Committee.
- (4) Member of the Environmental, Health and Safety Committee.

As at the date of this Circular, the current directors and senior officers of the Company as a group, directly or indirectly, beneficially own or exercise control or direction over 46,962,555 Common Shares, representing approximately 14.74% of the issued and outstanding Common Shares.

Corporate Cease Trade Orders or Bankruptcies

Other than as indicated below, none of the directors or executive officers:

- (a) is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or chief executive officer or chief financial officer of any company that:
 - (i) was the subject of an order (as defined in Multilateral Instrument 51-102F5) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer, or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer, or chief financial officer.

None of the directors, executive officers or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (b) is at the date hereof, or has been within 10 years before the date of this Circular, a director or executive officer of any 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
- (c) has, within the 10 years before this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

In 2009, Mr. Williams was a director and officer of First Metals Inc., which filed a Notice of Intention to make a Proposal under the Bankruptcy and Insolvency Act. The filing was made in order to facilitate the Company's ability to implement a restructuring plan, all terms of which were met.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

3. APPOINTMENT OF AUDITOR

It is proposed to re-appoint RSM Canada LLP, Chartered Accountants, as auditors of the Corporation for the year ending September 30, 2018, and to authorize the directors to fix its remuneration.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPOINTMENT OF RSM CANADA LLP, CHARTERED ACCOUNTANTS, AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF THE SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

4. CONFIRMATION OF STOCK OPTION PLAN

The Company has adopted a stock option plan (the "**Stock Option Plan**") for senior officers, directors, employees and consultants of the Company. The Stock Option Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital as at the date of grant, subject to standard anti-dilution adjustment. This is a "rolling plan", as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. At no time will more than 10% of the outstanding shares be subject to grant under the Stock Option Plan. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares of the Company in respect of that expired, exercised or terminated stock option shall again be available for the purpose of the Stock Option Plan. The principal features of the Stock Option Plan are described in more detail above (see "Stock Option Plan Information").

The Stock Option Plan is a "rolling" stock option plan, and under Policy 4.4 of the TSX Venture Exchange ("**TSXV**"), a listed company on the TSXV is required to obtain the approval of its shareholders for a "rolling" stock option plan at each annual meeting of shareholders.

The text of the Stock Option Plan is attached hereto as Schedule "A". Disinterested shareholders are being asked to approve the following resolution:

"BE IT RESOLVED THAT:

1. the stock option plan of the Company attached as Schedule "A" to the Management Information Circular dated September 24, 2018, be and it is hereby approved.
2. all unallocated options issuable pursuant to the Stock Option Plan are hereby approved and authorized; and

3. any one director or officer of the Company is hereby authorized and directed for and in the name of an on behalf of the Company to execute or cause to be executed, whether under seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to give effect to this resolution."

In accordance with the policies of the TSXV, the Stock Option Plan must be approved by the majority of votes cast at the Meeting on the resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE FOREGOING RESOLUTION IN RESPECT OF THE STOCK OPTION PLAN, UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

5. APPROVAL OF NAME CHANGE

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass a special resolution (the "**Name Change Resolution**"), the text of which is set out below, authorizing an amendment to the Articles of the Company, pursuant to Section 168(1)(a) of the OBCA, to change the name of the Company from "Claim Post Resources Inc." to "Canadian Premium Sand Inc."

If the Name Change Resolution is approved by shareholders, the Company intends to file articles of amendment, in the prescribed form, with the Registrar under the OBCA. The Name Change Resolution requires the approval of at least 66 2/3% of the votes cast by shareholders in person or by proxy at the Meeting in respect of the resolution. The Board has determined that the proposed amendment is in the best interests of the Company and its shareholders. The Board unanimously recommends that shareholders vote in favour of the Name Change Resolution set out below. In the absence of contrary instructions, or if no choice is specified in the proxy with respect to the Name Change Resolution, the persons designated by management of the Company named in the enclosed form of proxy intend to vote any Common Shares represented by such proxy FOR the Name Change Resolution authorizing the amendment to the Articles.

If approved by shareholders, the effective date of the change of the Company's name will be the date of issuance of a certificate of amendment by the Registrar of Corporations in respect of the change of the Company's name under the OBCA, which is expected to be obtained as soon as practicable after the Meeting. The Company is not forwarding a letter of transmittal to shareholders for their use in transmitting share certificates representing Common Shares of the Company in exchange for new share certificates giving effect to the change of the Company's name. Instead, in the event that the Name Change Resolution is approved by the requisite number of shareholders at the Meeting and articles of amendment are subsequently filed to give effect thereto, each existing share certificate reflecting the current name of the Company shall continue to be a valid share certificate of the Company until such certificate is transferred, re-registered or otherwise exchanged.

The Name Change Resolution provides that the Board is authorized, in its sole discretion, to revoke the resolution before it is acted on without further approval of the shareholders. In particular, the Board may determine not to present the Name Change Resolution to the Meeting or, if the Name Change Resolution is presented to the Meeting and approved, may determine not to proceed with completion of the amendment and filing the articles of amendment under the OBCA.

Special Resolution

It is the intention of the management designees, if named as proxy, to vote the Common Shares represented by any such proxy FOR approval of the Name Change Resolution, unless otherwise directed in the instrument of proxy. At the Meeting, the shareholders will be asked to approve the following special resolution:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. pursuant to Section 168(1)(a) of the *Business Corporations Act* (Ontario), the Articles of the Company are hereby amended to change the name of the Company from "CLAIM POST RESOURCES INC." to "CANADIAN PREMIUM SAND INC.";
2. the shareholders of the Company hereby expressly authorize the Board of Directors to revoke this special resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
3. any one director or officer of the Company be and are hereby authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this special resolution, all without further approval of the shareholders of the Company, including without limitation executing and filing the Articles of Amendment with the Registrar of Corporations and to do all such acts and execute all instruments and documents necessary or desirable to carry out the foregoing."

The Board believes that approving the Name Change Resolution is in the best interests of the Company. Therefore, the Board unanimously recommends that shareholders vote in favor of the special resolution.

Unless otherwise directed, the persons named in the enclosed proxy form intend to vote proxies given in respect of the Meeting or any adjournment thereof in favour of the Name Change Resolution.

6. **CONTINUANCE UNDER THE CANADA BUSINESS CORPORATIONS ACT**

The Company is currently governed, as to matters of corporate law, by the OBCA. A company subject to the OBCA may, if authorized by a special resolution of the shareholders of the Company and the Ontario Ministry of Government and Consumer Services, apply under the Canada Business Corporations Act (the "CBCA") for a certificate of continuance under the CBCA.

Shareholders are being asked to approve the continuance of the Company under the CBCA (the "**Continuance**"). Upon the issuance of a certificate of continuance in respect of the Company, the OBCA will cease to apply to the Company and the CBCA will become applicable to the Company as if it has been incorporated under the CBCA. The Continuance will not result in any change in the name or business of the Company or its assets, liabilities or net worth.

Reasons for Continuance

The principal reason for continuing the Company under the CBCA is that the Company has over the years expanded its operations from Ontario to other parts of Canada, including Western Canada. As a result, it would be generally preferable for the federal corporate statute to apply to the Company. In some instances the shareholders' rights and remedies under the CBCA differ from those under the OBCA. The material differences between the OBCA and the CBCA are outlined in Schedule "C". This paragraph and Schedule "C" are qualified in their entirety by the provisions of the OBCA and the CBCA.

Shareholders are being asked to pass the following special resolution to authorize the Company to make an application to be continued under the CBCA (the "**Continuance Resolution**"):

"BE IT RESOLVED THAT:

1. The Company is authorized to make application to the Ministry of Government and Consumer Services (the "**Ministry**") for its authorization to continue under the CBCA.
2. The Company is authorized pursuant to Section 181 of the OBCA and pursuant to Section 187 of the CBCA, to make application to Corporations Canada for a Certificate of Continuance under the CBCA as if it had been incorporated under the laws of the government of Canada.
3. The Company is hereby authorized to prepare and file articles of continuance (the "**Articles of Continuance**") substantially in the form of the Company's current articles of incorporation, as amended (the "**Articles**") subject to any amendments necessary to comply with the provisions of the CBCA, and upon the issuance of a certificate of continuance continuing the Company under the CBCA, the Articles shall be replaced in their entirety by the Articles of Continuance.
4. Any officer or director of the Company is authorized and directed to execute, under the corporate seal or otherwise, and to deliver all documents and to do all things necessary or desirable to effect the foregoing, including the execution and delivery to the Ministry of an Application for Authorization to Continue and to Corporations Canada of Articles of Continuance for such purpose.
5. The directors of the Company may abandon the application to continue under the CBCA without further approval of the shareholders of the Company."

In order to be effective, the Continuance Resolution must be approved by an affirmative vote of not less than two-thirds (66 2/3%) of the votes cast at the Meeting on the Resolution.

The Board of Directors of the Company unanimously recommends that shareholders vote in favour of the Continuance Resolution. The directors named in the accompanying Form of Proxy (if named and absent contrary directions) intend to vote in favour of the resolution for the continuance of the Company under the CBCA.

Right of Dissent

The following description of the dissent rights of the shareholders (the "**Dissent Rights**") is not a comprehensive statement of the procedures to be followed by a registered shareholder who dissents in respect of the Continuance Resolution (a "**Dissenting Shareholder**") and is qualified in its entirety by reference to the full text of Section 185 of the OBCA which is attached to this Circular as Schedule "D". A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Section 185 of the OBCA. Failure to comply strictly with the provisions of Section 185 of the OBCA, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Any registered holder of Common Shares is entitled to be paid the fair value of such shares in accordance with Section 185 of the OBCA if the shareholder dissents to the Continuance Resolution, and if such Continuance becomes effective. A shareholder is not entitled to object with respect to his, her or its shares if he, she or it votes any of such shares in favour of any resolutions authorizing the Continuance.

The Dissenting Shareholder is required to send a written objection to the resolutions to the Company at or prior to the Meeting. A vote against the Continuance Resolution or an abstention does not constitute a written objection. Within 10 days after the Continuance Resolution is adopted by the shareholders, the Company must notify the Dissenting Shareholder who is then required, within 20 days after receipt of such notice (or if he, she or it does not receive such notice, within 20 days after he, she or it learns of the adoption of the Continuance Resolution), to send to the Company a written notice containing his, her or its name and address, the number of Common Shares in respect of which he, she or it dissents and a demand for payment of the fair value of such shares and, within 30 days after sending such written notice, to send to the Company the appropriate share certificate or certificates.

The Company shall, not later than seven days after the later of the day on which the action approved by the Continuance Resolution becomes effective, or the day the Company received the aforementioned notice, make a written offer to pay such amount and shall pay for the Dissenting Shareholders Common Shares an amount considered by the directors to be the fair value thereof, accompanied by a statement showing how the fair value was determined, to the Dissenting Shareholder within 10 days following the date such offer is made, unless such offer is not accepted within 30 days of such date. Where the Company fails to make an offer or the Dissenting Shareholder fails to accept an offer, the Company may, within 50 days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any Dissenting Shareholder. If the Company fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow.

There is no obligation on the Company to apply to the court. If an application is made by either party, the Dissenting Shareholder will be entitled to be paid the amount fixed by the court which may be greater or less than the value of the Common Shares which the Dissenting Shareholder would otherwise have received.

Attached hereto as Schedule "D" is the full text of Section 185 of the OBCA. Shareholders who may wish to dissent should seek legal advice, as failure to comply with the strict requirements set out in Section 185 of the OBCA may result in the loss or unavailability of any right to dissent. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time consuming and expensive process. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should contact the registered shareholder for assistance with exercising the Dissent Rights.

Address for Dissent Notices

All notices to the Company pursuant to Section 185 of the OBCA should be addressed to Claim Post Resources Inc., Suite 400, 522 – 11th Avenue SW, Calgary, Alberta T2R 008, Attention: Executive Chairman.

The Board may elect not to proceed with the transactions contemplated in the Continuance Resolution if any notices of dissent are received.

7. CONFIRMATION OF NEW BY-LAWS

The Board of Directors has approved a new By-Law No. 1 of the Company (the "**New By-Law No. 1**"), a copy of which is attached hereto as Schedule "E"; provided however, such New By-Law No. 1 will be effective only upon the effective date of the Continuance of the Company as described under the heading "Continuance under the *Canada Business Corporations Act*". The New By-Law No. 1 is consistent with the provisions of the CBCA and modern practice, and relates to the transaction of the business and affairs of the Company.

The shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass a resolution confirming the New By-Law No.1, effective upon the issuance of the certificate of continuance to the Company by the Director under the CBCA.

The existing Articles will remain in effect if the Continuance of the Company is not effected as set out herein, or if the By-Law Resolution is not passed by the shareholders at the Meeting.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY THAT:

1. effective upon the issuance of a certificate of continuance to the Company by the Director under the CBCA, the New By-Law No. 1, being a CBCA by-law relating generally to the transaction of the business and affairs of the Company, is confirmed as a by-law of the Company; and
2. any one officer or director of the Company is authorized for and on behalf of the Company to execute and deliver such documents and instruments and to take such other actions as such officer or director may determine to be necessary or advisable to implement this resolution and the matters authorized hereby."

The directors of the Company believe that the confirmation of the New By-Law No. 1 is in the Company's best interest and recommend that the shareholders pass the By-Law Resolution. It is intended that all proxies received will be voted in favour of approving the By-Law Resolution, unless a proxy contains instructions to vote against the By-Law Resolution. Greater than 50% of the votes cast by shareholders present in person or by proxy is required to approve the By-Law Resolution.

8. CHANGE OF PROVINCE OF REGISTERED OFFICE

Shareholders are being asked to pass the following special resolution to change the province of the registered head office of the Company from Ontario to Alberta (the "**Change of Registered Office Resolution**"), subject to the continuance of the Company under the CBCA.

"BE IT RESOLVED THAT:

1. Subject to the continuance of the Company under the *Canada Business Corporations Act*, the province within which the registered office of the Company may be located is changed from Ontario to Alberta.
2. Any officer or director of the Company is authorized to do all acts and to execute (whether under the corporate seal of the Company or otherwise) and deliver all documents or instruments which may be necessary or desirable in order to give effect to the foregoing."

In order to give effect to the Change of Registered Office Resolution, such special resolution must be approved by an affirmative vote of not less than two-thirds (66 2/3%) of the votes cast at the Meeting on the resolution.

The Board of Directors of the Company unanimously recommends that shareholders vote in favour of the change of the province of the registered office. The directors named in the accompanying Form of Proxy (if named and absent contrary directions) intend to vote in favour of the Special Resolution to approve the change of the province of the registered office of the Company.

Irrespective of whether the Change of Registered Office Resolution is passed by the shareholders of the Company, the directors of the Company may elect not to proceed with the change in the province of the registered office of the Company.

9. CONSOLIDATION OF ISSUED AND OUTSTANDING SHARES

Management believes that the current number of outstanding Common Shares is inconsistent with the size, assets and structure of the Company. Management proposes to reduce the number of shares in the Company in order to increase its flexibility with respect to potential business transactions, including any equity financings, if determined by the Company to be necessary.

Shareholders are being asked to consider and, if thought fit, to pass the special resolution authorizing the Board of Directors, in its sole discretion, to consolidate the Common Shares on the basis of one (1) new common share for fifteen (15) old common shares (the "**Consolidation**") and amending the Company's articles accordingly. Notwithstanding approval of the Consolidation by shareholders, the Board may, in its sole discretion, revoke this special resolution, and abandon the Consolidation without further approval or action by or prior notice to shareholders.

Prior to making any amendment to effect the consolidation of Common Shares, the Company shall first be required to obtain any and all applicable regulatory approvals, including approval of the TSXV.

Reasons for the Consolidation

The Board believes that shareholder approval of a maximum potential Consolidation ratio (rather than a single consolidation ratio) provides the Board with maximum flexibility to achieve the desired results of the Consolidation, and to ensure that the Company remains in compliance with applicable shareholder distribution requirements of any applicable exchange of listing. If the special resolution is approved, the Consolidation will be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Company and its shareholders at that time. In connection with any determination to implement a Consolidation, the Board will set the timing for such a consolidation and select the specific ratio from within the range for a ratio set forth in the special resolution.

Certain Risks Associated with the Consolidation

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

Principal Effects of the Consolidation

As of September 24, 2018, the Company had 318,666,899 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares of the Company issued and outstanding will be 21,244,459.

Consolidation will not have any effect on the number of Common Shares that remain available for future issuances. The Common Shares reserved for issuance pursuant to the Stock Option Plan will be reduced proportionately.

The Consolidation may result in some shareholders owning "odd lots" of less than 100 Common Shares of the Company on a post-Consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "board lots" of even multiples of 100 shares. Brokerage commissions and other costs of transactions in odd lots are often higher than the costs of transactions in "roundlots" of even multiples of 100 shares.

The Consolidation will not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a shareholder who holds such Common Shares as capital property. The adjusted cost base to the shareholder of the new Common Shares immediately after the consolidation will be equal to the aggregate adjusted cost base to the shareholder of the old Common Shares immediately before the Consolidation.

Fractional Common Shares

No fractional Common Shares of the Company will be issued upon the Consolidation. All fractions of post-consolidation shares will be rounded to the next lowest whole number if the first decimal place is less than five and rounded to the next highest whole number if the first decimal place is five or greater.

Percentage Shareholdings

The Consolidation will not affect any shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of shares. Instead, the Consolidation will reduce proportionately the number of shares held by all shareholders.

Implementation

The implementation of the special resolution is conditional upon the Company obtaining the necessary regulatory consents. The special resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation, without further approval of the Company's shareholders. In particular, the Board may determine not to present the special resolution to the Meeting or, if the special resolution is presented to the Meeting and approved, may determine after the Meeting not to proceed with completion of the proposed Consolidation and filing the articles of amendment.

No delivery of new certificates to a shareholder will be made until the shareholder has surrendered their current issued certificates. Until surrendered, each share certificate formally representing old Common Shares of the Company shall be deemed for all purposes to represent the number of new Common Shares to which the holder is entitled as a result of the Consolidation. No fractional shares will be issued in connection with the Consolidation.

The Company is not forwarding a letter of transmittal to shareholders for their use in transmitting share certificates representing Common Shares of the Company in exchange for new share certificates giving effect to the Consolidation. Instead, in the event that the Consolidation is approved by the requisite number of shareholders at the Meeting and articles of amendment are subsequently filed to give effect thereto, each existing share certificate shall continue to be a valid share certificate of the Company until such certificate is transferred, re-registered or otherwise exchanged for new certificates representing the number of Common Shares to which such shareholder is entitled as a result of the Consolidation.

Effect on Beneficial Shareholders

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

Vote Required and Recommendation of Board of Directors

The Board recommends that shareholders vote for the adoption of the Share Consolidation Resolution as set forth below. In order to be effective, the resolution must be approved by the affirmative vote of not less than 66-2/3% of the votes cast at the Meeting in respect of such resolution. Proxies received in favour of management will be voted FOR the approval of the special resolution to authorize the Board to amend the articles of the Company to effect a consolidation of the issued and outstanding Common Shares on such basis as the Board determines to be in the best interests of the Company, unless the shareholder has specified in the proxy that his or her shares are to be voted against

such resolution. In the event shareholder approval is not obtained, no consolidation of the issued and outstanding share capital will occur.

Resolution to Approve the Share Consolidation

Shareholders are being asked to pass the following special resolution to approve the Share Consolidation (the "**Share Consolidation Resolution**"):

"BE IT RESOLVED THAT:

1. The issued and outstanding common shares in the capital of the Company be consolidated on the basis of one (1) new common share for every fifteen (15) common shares presently issued and outstanding (the "**Consolidation**").
2. Any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such documents, agreements and instruments, and to do or to cause to be done all such other acts and things, as such person determines to be necessary or desirable or required by any regulatory authority in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.
3. Notwithstanding the passing of this resolution by the Shareholders of the Company, the directors of the Company are hereby authorized and empowered without further notice to or approval of the Shareholders of the Company not to proceed with the Consolidation or to revoke this resolution at any time prior to the Consolidation becoming effective."

In order to give effect to the Share Consolidation Resolution, such special resolution must be approved by an affirmative vote of not less than two-thirds (66-2/3%) of the votes cast at the Meeting on the resolution.

The Board unanimously recommends that shareholders vote in favour of the Share Consolidation Resolution. The directors named in the accompanying Form of Proxy (if named and absent contrary directions) intend to vote in favour of the special resolution to approve the share consolidation.

Irrespective of whether the Share Consolidation Resolution is passed by the shareholders, the directors of the Company may elect not to proceed with the share consolidation.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Audit Committee and Relationship with Auditor

National Instrument 52-110 ("**NI 52-110**") requires that certain information regarding the Audit Committee of a "venture issuer" (as such term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer's annual meeting.

Audit Committee Charter

The full text of the charter of the Company's Audit Committee is attached hereto as Schedule "B", "Charter of the Audit Committee of the Board of Directors."

The Audit Committee is comprised of Mr. Rodrigo Sousa (Chair), Mr. Thomas MacInnis and Mr. Richard Williams. All members of the Audit Committee are considered to be "independent" for service on the Audit Committee and "financially literate" within the meanings of such terms in NI 52-110.

Relevant Education and Experience

Set out below is a description of the education and experience of each of the Company's current Audit Committee members, which is relevant to the performance of his responsibilities as an Audit Committee member.

Rodrigo Sousa

Mr. Sousa is Paramount's Vice-President, Corporate Development. Prior thereto, Mr. Sousa held senior roles as an oil and gas executive and in investment banking at TD Securities Inc., Ross Smith Sousa Energy Advisors and Scotia Capital. He holds a Bachelor of Commerce degree with Distinction from the University of Calgary and a Chartered Financial Analyst designation from the CFA Institute.

Thomas MacInnis

Mr. MacInnis is an independent businessman. He is presently an independent director of Bellatrix Exploration Ltd. and Crestwynd Exploration Ltd., each of which are oil and gas companies based in Calgary, Alberta. He is also presently an advisory committee member for a number of private equity funds managed by Lex Capital Management Inc., a private equity firm that invests in high growth, resource opportunities in the Canadian energy sector based in Regina, Saskatchewan. Previously he was the Head of Financial Markets for National Bank Financial, Calgary from 2009 to 2017. Prior thereto, he was a founder and Managing Director of Tristone Capital, an energy focused boutique investment banking practice in Calgary, Alberta, from 2000 to 2009.

Richard Williams

Mr. Williams, is the President and founder of Blackwell Investor Relations Corp., an investor relations firm specializing in establishing and strengthening relationships between public companies and the investment community. Following graduation from the University of Ottawa Faculty Of Law in 1979, Mr. Williams served as European counsel to a Canadian multi-national corporation for two years, before gaining additional experience with several mining companies, including Republic Goldfields Ltd. and Minefinders Corporation., where he was Vice-President and Secretary-Counsel. Mr. Williams currently serves as an officer and director of several mining exploration companies, including, Sparton Resources Inc., Terreno Resources Inc. and Waseco Resources Inc., on the TSX Venture Exchange, and First Metals Inc.

Pre-Approval Policies and Procedures

The Audit Committee's charter sets out responsibilities regarding the provision of non-audit services by the Company's external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditors independence and requires Audit Committee pre-approval of permitted audit and audit-related services.

External Auditor Service Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended September 30, 2017, 2016 and 2015:

	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
	(\$)	(\$)	(\$)	(\$)
Year ended September 30, 2017	25,000	Nil	Nil	Nil
Year ended September 30, 2016	20,000	Nil	Nil	Nil
Year ended September 30, 2015	22,500	Nil	Nil	Nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the Company's transition to International Financial Reporting Standards and of the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice and advice related to relocating employees.

Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditors annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of MI 52-110, in whole or in part, granted by a securities regulator under Part 8 (Exemptions) of NI 52-110.

Corporate Governance General

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 Corporate Governance Guidelines ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose annually the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "**CSA**") have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA has implemented Form 58-101F2 under NP 58-101 which prescribes the disclosure required to be made by the Company about its corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

Board of Directors

The Board is currently composed of six (6) directors. Form 58-101F1 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a directors independent judgment. Of the proposed Nominees, Lowell Jackson is the only "inside" or management director as he is the Executive Chairman of the

Company and, accordingly, is considered not "independent". The remaining five proposed directors are considered by the Board to be "independent", within the meaning of NI 52-110.

Management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company's internal control processes and management information systems. With the assistance of its compensation committee, the Board reviews executive compensation and recommends stock option grants.

Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Name	Name of Reporting Corporation	Name of Exchange or Market (if applicable)	Position	From	To
Richard Williams	Waseco Resources Inc.	TSX Venture Exchange	President Director	December 1996	Present
	Sparton Resources Inc.	TSX Venture Exchange	Director	June 2009	Present
	Terreno Resources Inc.	TSX Venture Exchange	Director	May 2017	Present
Thomas MacInnis	Bellatrix Exploration Ltd.	Toronto Stock Exchange	Director	February 2017	Present

Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. The Board's continuing education is typically derived from information provided by the Company's legal counsel on recent developments in relevant corporate and securities law matters. Additionally, historically Board members have been nominated who are familiar with the Company and the nature of its business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors 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.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the OBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest.

Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

Nomination of Directors

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. Prior to standing for election, new nominees to the Board are reviewed by the entire Board.

Compensation

Non-executive directors of the Company do not receive any fees for service on the Board but are entitled to reimbursement of out-of-pocket expenses incurred in connection with their duties and are eligible to participate in the Company's Stock Option Plan.

Other Board Committees

In addition to the Audit Committee and the Compensation and Corporate Governance Committee, the Company also has an Environmental, Health and Safety Committee. The function of the Environmental, Health and Safety Committee is to assist the Board in its oversight of environmental, health and safety issues and has authority to investigate any activity of the Company and its subsidiaries relating to environmental, health or safety matters.

Assessments

Currently the Board takes responsibility for monitoring and assessing its effectiveness as a whole, and the performance of its committees and individual directors, including reviewing the Board's decision-making processes and the quality of information provided by management, and among other things:

- overseeing strategic planning;
- monitoring the performance of the Company's assets;
- evaluating the principal risks and opportunities associated with the Company's business and overseeing the implementation of appropriate systems to manage these risks;
- approving specific acquisitions and divestitures;
- evaluating senior management; and
- overseeing the Company's internal control and management information systems.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of the Company's equity compensation plans under which equity securities of the Company are authorized for issuance, aggregated in accordance with all equity plans previously approved by the Company's shareholders and all equity plans not approved by the Company's shareholders:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders ⁽¹⁾	3,550,000	\$0.10	9,088,390
Equity compensation plans not approved by securityholders	NIL	\$NIL	NIL
Total	3,550,000	\$0.10	9,088,390

Note:

- (1) See "Stock Option Plan Information" for a description of the Plan. The maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan will not exceed 10% of the issued Common Shares at the time of grant.

INDEBTEDNESS OF OFFICERS AND DIRECTORS

As of the date hereof, there is no indebtedness of any executive officers, directors (or any associate of such director or executive officer), employees, or former executive officers, directors or employees, to the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No "informed person" (as such term is defined under applicable securities laws), proposed nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed nominee has or had a material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company other than as disclosed elsewhere in this Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or officer of the Company or any proposed nominee for election as a director of the Company or any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

ADDITIONAL INFORMATION AND AVAILABILITY OF DOCUMENTS

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Financial information is provided in the Company's financial statements for its most recently completed financial year. Copies of the following documents are available without charge to shareholders upon request to the Executive Chairman of the Company at Suite 400, 522 – 11th Avenue SW, Calgary, Alberta T2R 008; Telephone: (403) 660-3702; email: lowellj@shaw.ca:

1. the financial statements for the year ended September 30, 2017, together with the accompanying report of the auditor; and
2. this Circular.

APPROVAL AND CERTIFICATE

The contents and the sending of this Circular have been approved by the Board. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED this 24th day of September, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Lowell Jackson*"
Lowell Jackson, Executive Chairman

SCHEDULE "A"

STOCK OPTION PLAN

1. PURPOSE OF PLAN

- 1.1 The purpose of the Plan is to attract, retain and motivate persons as directors, officers, key employees and consultants of the Corporation and its Subsidiaries and to advance the interests of the Corporation by providing such persons with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

2. DEFINED TERMS WHERE USED HEREIN, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS, RESPECTIVELY:

- 2.1 "**Board**" means the board of directors of the Corporation or, if established and duly authorized to act, the Executive Committee or another Committee appointed for such purpose by the board of directors of the Corporation;
- 2.2 "**Business Day**" means any day, other than a Saturday or a Sunday, on which the Exchange is open for trading;
- 2.3 "**Consultant**" means an individual (including an individual whose services are contracted through a personal holding corporation) with whom the Corporation or any Subsidiary has a contract for substantial services;
- 2.4 "**Corporation**" means CLAIM POST RESOURCES INC. and includes any successor corporation thereto and any subsidiary thereof;
- 2.5 "**Eligible Person**" means any director, officer, employee (part-time or full-time), service provider or Consultant of the Corporation or any Subsidiary;
- 2.6 "**Exchange**" means the TSX Venture Exchange and, where the context permits, any other exchange on which the Shares are or may be listed from time to time;
- 2.7 "**Insider**" means:
- (a) an Insider as defined under Section 1 (1) of the Securities Act (Ontario), other than a person who falls within that definition solely by virtue of being a director or senior officer of a Subsidiary; and
 - (b) an associate as defined under Section 1 (1) of the Securities Act (Ontario) of any person who is an insider by virtue of (a) above;
- 2.8 "**Market Price**" at any date in respect of the Shares shall be the greatest closing price of such Shares on any Exchange on the last Business Day preceding the date on which the Option is approved by the Board (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange in Canada on which the Shares are listed and posted for trading as may be selected for such purpose by the Board). In the event that such Shares did not trade on such Business Day, the Market Price shall be the average of the bid and ask prices in respect of such Shares at the close of trading on such date. In the event that such Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion;
- 2.9 "**Option**" means an option to purchase Shares granted under the Plan;
- 2.10 "**Option Price**" means the price per Share at which Shares may be purchased under the Option, as the same may be adjusted from time to time in accordance with Article 8;

- 2.11 **"Optionee"** means an Eligible Person to whom an Option has been granted;
- 2.12 **"Person"** means an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the *Business Corporations Act* (Ontario);
- 2.13 **"Plan"** means the CLAIM POST RESOURCES INC. Stock Option Plan, as the same may be amended or varied from time to time;
- 2.14 **"Share Compensation Arrangement"** means any stock option or stock option plan;
- 2.15 **"Shares"** means the common shares of the Corporation or, in the event of an adjustment contemplated by Article 8, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment; and
- 2.16 **"Subsidiary"** means any corporation which is a subsidiary as such term is defined in the *Business Corporations Act* (Ontario) (as such provision is from time to time amended, varied or re-enacted) of the Corporation.

3. **ADMINISTRATION OF THE PLAN**

- 3.1 The Plan shall be administered in accordance with the rules and policies of the Exchange in respect of employee stock option plans by the Board. The Board shall receive recommendations of management and shall determine and designate from time to time those directors, officers, employees and Consultants of the Corporation or its Subsidiaries to whom an Option should be granted and the number of Shares, which will be optioned from time to time to any Eligible Person and the terms and conditions of the grant.
- 3.2 The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:
- (a) to establish policies and to adopt, prescribe, amend or vary rules and regulations for carrying out the purposes, provisions and administration of the Plan and make all other determinations necessary or advisable for its administration;
 - (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Option granted pursuant to the Plan and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
 - (c) to determine which Eligible Persons are granted Options and to grant Options;
 - (d) to determine the number of Shares covered by each Option;
 - (e) to determine the Option Price;
 - (f) to determine the time or times when Options will be granted and exercisable;
 - (g) to determine if the Shares which are subject to an Option will be subject to any restrictions upon the exercise of such Option; and
 - (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

4. **SHARES SUBJECT TO THE PLAN**

- 4.1 Options may be granted in respect of authorized and unissued Shares provided that, the maximum aggregate number of Shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all Options, subject to adjustment of such number pursuant to the provisions of Section 8 hereof, shall not exceed 10% of the then issued and outstanding Shares of the Corporation. Shares in respect of which Options are not exercised shall be available for subsequent Options under the Plan. No fractional Shares may be purchased or issued under the Plan.

5. **ELIGIBILITY, GRANT, TERMS OF OPTIONS**

- 5.1 Options may be granted to Eligible Persons. The Corporation covenants that all employees, service providers, Consultants or individuals employed by companies providing management services to the Corporation shall be bona fide employees, service providers, Consultants or employees of such Consultants or service providers of the Corporation or its subsidiaries.
- 5.2 Options may be granted by the Corporation pursuant to the recommendations of the Board from time to time provided and to the extent that such decisions are approved by the Board.
- 5.3 Subject to the provisions of this Plan, the number of Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option shall be determined by the Board. At no time shall the period during which an Option shall be exercisable exceed 5 years.
- 5.4 In the event that no specific determination is made by the Board with respect to any of the following matters, the period during which an Option shall be exercisable shall be 5 years from the date the Option is granted to the Optionee and the Options shall vest on the date of the grant save and except that Options granted to persons or Consultants employed in Investor Relations Activities (as defined in the policies of the Exchange) shall vest in stages over 12 months with no more than one quarter of the Options vesting in any three month period.
- 5.5 The Option Price of Shares which are the subject of any Option shall in no circumstances be lower than the Market Price of the Shares at the date of the grant of the Option less any applicable discounts permitted by the Exchange.
- 5.6 The maximum number of Shares which may be reserved for issuance to Insiders under the Plan or under any other Share Compensation Arrangement in any 12 month period shall be 10% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.7 The maximum number of Shares which may be issued to any one Optionee and such Optionee's associates under the Plan and any other Share Compensation Arrangement in any 12 month period shall be 5% of the Shares outstanding at the date of the issuance (on a non-diluted basis).
- 5.8 The maximum number of shares which may be reserved for issuance to persons employed in Investor Relations Activities under the Plan or under any other Share Compensation Arrangement in any 12 month period shall not exceed 2% of the Shares outstanding at the date of grant (on a non-diluted basis).
- 5.9 The maximum number of shares which may be reserved for issuance to any one person employed as a Consultant under the Plan or any other Share Compensation Arrangement in any 12 month period shall not exceed 2% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.10 Any entitlement to acquire Shares granted pursuant to the Plan or any other Share Compensation Arrangement prior to the Optionee becoming an Insider shall be excluded for the purposes of the limits set out in 5.6 and 5.7 above.

- 5.11 An Option is personal to the Optionee and is non-assignable and non-transferable.
- 5.12 Disinterested shareholder approval shall be required for any reduction in the exercise price of the Options if the optionholder is an Insider of the Corporation at the time of a proposed amendment to the exercise price.

6. EXERCISE OF OPTIONS

- 6.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Price of the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable period of time following the receipt of such notice and payment.
- 6.2 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to:
 - (a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as counsel to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
 - (b) the listing of such Shares on the Exchange; and
 - (c) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel reasonably determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange.

7. TERMINATION OF EMPLOYMENT; DEATH

- 7.1 Subject to Section 7.2 and any express resolution passed by the Board with respect to an Option, an Option, and all rights to purchase pursuant thereto, shall expire and terminate 30 days after the Optionee ceasing to be a director, officer or a part-time or full-time employee or service provider of the Corporation or of any Subsidiary. The entitlement of a Consultant to Options including the termination thereof shall be in accordance with the terms of the consulting agreement entered into between the Corporation or the Subsidiary and the Consultant.
- 7.2 If, before the expiry of an Option in accordance with the terms thereof, the employment of the Optionee with the Corporation or with any Subsidiary shall terminate, in either case by reason of the death of the Optionee, such Option may, subject to the terms thereof and any other terms of the Plan, be exercised by the legal representative(s) of the estate of the Optionee at any time during the first six months following the death of the Optionee (but prior to the expiry of the Option in accordance with the terms thereof) but only to the extent that the Optionee was entitled to exercise such Option at the date of the termination of his employment.
- 7.3 Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director where the Optionee continues to be employed by the Corporation or continues to be a director of the Subsidiary or an officer of the Corporation or any Subsidiary.

8. CHANGE IN CONTROL AND CERTAIN ADJUSTMENTS

8.1 Notwithstanding any other provision of this Plan in the event of:

- (a) the acquisition by any Person who was not, immediately prior to the effective time of the acquisition, a registered or a beneficial shareholder in the Corporation, of Shares or rights or options to acquire Shares of the Corporation or securities which are convertible into Shares of the Corporation or any combination thereof such that after the completion of such acquisition such Person would be entitled to exercise 30% or more of the votes entitled to be cast at a meeting of the shareholders; or
- (b) the sale by the Corporation of all or substantially all of the property or assets of the Corporation;

then notwithstanding that at the effective time of such transaction the Optionee may not be entitled to all the Shares granted by the Option, the Optionee shall be entitled to exercise the Options to the full amount of the Shares remaining at that time within 90 days of the close of any such transaction.

- 8.2 Appropriate adjustments with respect to Options granted or to be granted, in the number of Shares optioned and in the Option Price, shall be made by the Board to give effect to adjustments in the number of Shares of the Corporation resulting from subdivisions, consolidations or reclassifications of the Shares of the Corporation, the payment of stock dividends or cash dividends by the Corporation (other than dividends in the ordinary course), the distribution of securities, property or assets by way of dividend or otherwise (other than dividends in the ordinary course), or other relevant changes in the capital stock of the Corporation or the amalgamation or merger of the Corporation with or into any other entity, subsequent to the approval of the Plan by the Board. The appropriate adjustment in any particular circumstance shall be conclusively determined by the Board in its sole discretion, subject to approval by the shareholders of the Corporation and to acceptance by the Exchange respectively, if applicable.

9. AMENDMENT OR DISCONTINUANCE

- 9.1 The Board may amend or discontinue the Plan at any time upon receipt of requisite regulatory approval including without limitation, the approval of the Exchange, provided, however, that no such amendment may increase the maximum number of Shares that may be optioned under the Plan, change the manner of determining the minimum Option Price or, without the consent of the Optionee, alter or impair any of the terms of any Option previously granted to an Optionee under the Plan. Any amendments to the terms of an Option shall also require regulatory approval, including without limitation, the approval of the Exchange.

10. MISCELLANEOUS PROVISIONS

- 10.1 The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Option Price of the Shares in respect of which the Option is being exercised) and the issuance of Shares by the Corporation.
- 10.2 Nothing in the Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any Subsidiary to terminate his employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment of any Optionee beyond the time which he would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.
- 10.3 To the extent required by law or regulatory policy or necessary to allow Shares issued on exercise of an Option to be free of resale restrictions, the Corporation shall report the grant, exercise or termination of the Option to the Exchange and the appropriate securities regulatory authorities.

11. **SHAREHOLDER AND REGULATORY APPROVAL**

The Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation in accordance with the *Business Corporations Act* (Ontario) and to acceptance by the Exchange. Any Options granted prior to such approval and acceptances shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless such approval and acceptance is given.

SCHEDULE "B"

CLAIM POST RESOURCES INC.

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Name

There shall be a committee of the board of directors (the "**Board**") of CLAIM POST RESOURCES INC. (the "**Company**") known as the Audit Committee (the "**Committee**").

Purpose

The Committee has been established to assist the Board in fulfilling its oversight responsibilities and fiduciary obligations. The primary functions and areas of responsibility of the Committee are to:

- review, report and provide recommendations to the Board on the annual and interim financial statements and related Management's Discussion and Analysis ("**MD&A**");
- identify and monitor the management of the principal risks that could impact the financial reporting of the Company;
- make recommendations to the Board regarding the appointment, terms of engagement and compensation of the external auditor;
- monitor the integrity of the Company's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
- oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditors report or performing other audit, review or attest services for the Company;
- resolve disagreements between management and the external auditor regarding financial reporting;
- receive the report of the external auditors, who must report directly to the Committee; and
- provide an avenue of communication among the Company's external auditors, management, and the Board.

Composition and Qualifications

All Committee members shall meet all applicable requirements prescribed under the *Business Corporations Act* (Ontario), as well as any requirements or guidelines prescribed from time to time under applicable securities legislation, including National Instrument 52-110 ("**NI 52-110**") as amended, restated or superseded. The Committee shall be comprised of not less than three directors as determined from time to time by the Board. Subject to certain exceptions enumerated in NI 52-110, each member shall be an independent director who is free from any direct or indirect relationship that would, in the view of the Board, reasonably interfere with the exercise of the members' independent judgment. While it is not necessary for members to have a comprehensive knowledge of generally accepted accounting principles and standards, all members of the Committee shall be "financially literate" (as such term is defined under NI 52-110) so as to be able 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 issues raised by the Company's financial statements. A director who is not financially literate may be appointed to the Committee by the Board provided that such director becomes financially literate within a reasonable period following his or her appointment, and provided that the Board has determined that such appointment will not materially adversely affect the ability of the Committee to act independently.

Committee members shall be appointed by the Board. The Board shall designate the Chair of the Committee. If a Chair is not designated or present at any meeting, the members of the Committee may designate a Chair by majority vote. The Chair shall have responsibility for ensuring that the Committee fulfills its mandate and duties effectively.

Each member of the Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy at any time.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate, and at least once in each fiscal quarter. A notification for each of the meetings shall be disseminated to Committee members two days prior to each meeting. A majority of the members of the Committee shall constitute a quorum for meetings.

An agenda shall be prepared by the Chair of the Committee as far in advance of each meeting as reasonably practicable. Minutes of all meetings of the Committee shall be prepared as soon as possible following the meeting and submitted for approval at or prior to the next following meeting.

The Committee should meet privately at least once per year with management of the Company, the Company's external auditors, and as a committee to discuss any matters that the Committee or any of these groups believe should be discussed.

Specific Responsibilities and Duties

Specific responsibilities and duties of the Committee shall include, without limitation, the following:

General Review Procedures

1. Review and reassess the adequacy of this Charter at least annually and submit any proposed amendments to the Board for approval.
2. Review the Company's annual audited financial statements, related MD&A, and other documents prior to filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.
3. Annually, in consultation with management and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the external auditors and the internal auditing department together with management's responses.
4. Review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and provide the Committee's views to the Board of Directors.
5. Review with financial management and the external auditors the Company's quarterly financial results, related MD&A and other documents prior to the filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Discuss any significant changes to the Company's accounting principles. The Chair of the Committee may represent the entire Committee for purposes of this review.

External Auditors

6. The external auditors are ultimately accountable to the Committee, as representatives of the shareholders. The external auditors must report directly to the Committee, who shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the external auditors

or approve any discharge of auditors when circumstances warrant. The Committee shall approve the compensation of the external auditors.

7. The Committee must approve all non-audit and non-tax services to be provided to the Company or its subsidiary entities.
8. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence.
9. Review the external auditors' audit plan and discuss and approve the audit scope, staffing, locations, reliance upon management, and general audit approach.
10. Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss any matters that are required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.
11. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.

Legal Compliance

12. On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

Other Miscellaneous Responsibilities

13. Annually assess the effectiveness of the Committee against its mandate and report the results of the assessment to the Board.
14. Prepare and disclose a summary of the mandate to shareholders.
15. Perform any other activities consistent with this mandate, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Authority

The Committee shall have the authority to:

1. delegate approval-granting authority to pre-approve non-audit services by the external auditor to one or more of its members;
2. engage independent counsel and other advisors as it determines necessary to carry out its duties;
3. set and pay the compensation for any advisors employed by the Committee; and
4. communicate directly with the external auditors.

Reporting

The Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

Resources

The Committee shall have full and unrestricted access to all of the Company's books, records, facilities and personnel as well as the Company's external auditors and shall have the authority, in its sole discretion, to conduct any investigation appropriate to fulfilling its responsibilities. The Committee shall further have the authority to retain, at the Company's expense, such special legal, accounting or other consultants or experts as it deems necessary in the performance of its duties and to request any officer or employee of the Company or the Company's external counsel or auditors to attend a meeting of the Committee.

Limitation on the Oversight Role of the Committee

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

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

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

SCHEDULE "C"

CLAIM POST RESOURCES INC.

Comparison of Shareholder Rights under the *Business Corporations Act (Ontario)* and the *Canada Business Corporations Act*

The provisions of the CBCA dealing with shareholder rights and protections are generally comparable to those contained in the OBCA. The shareholders will not lose any significant rights or protection as a result of the Continuance. The following is a summary comparison of the provisions of the CBCA and the OBCA which pertain to the rights of shareholders. This summary is not intended to be exhaustive and shareholders should consult their legal advisors regarding all of the implications of the Continuance. Notwithstanding the alteration of shareholders' rights and obligations under the CBCA, the Company will still be bound by the rules and policies of the TSX Venture Exchange as well as the applicable securities legislation.

Charter Documents

There are no significant differences between the CBCA and the OBCA with respect to the charter documents for companies governed by those statutes.

Sale of the Company's Undertaking

There are no significant differences between the CBCA and the OBCA with respect to the sale of a Company's undertaking. Both the CBCA and the OBCA require approval of the holders of two-thirds of the shares of a corporation represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the property of a corporation. Each share of the corporation carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of a corporation 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 Corporation

Under both the CBCA and the OBCA substantive changes to the charter documents of a corporation require a resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration and, where the certain specified rights of the holders of a class of shares are affected differently by the alteration than the rights of the holders of other classes of shares, a resolution passed by not less than two-thirds of the votes cast by the holders of all of the shares of a corporation, whether or not they carry the right to vote, and a special resolution of each class, or series, as the case may be, even if such class or series is not otherwise entitled to vote. A resolution to amalgamate a CBCA corporation or an OBCA corporation 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 such class or series of shares are affected differently.

Rights of Dissent and Appraisal

Both the CBCA and the OBCA provide that shareholders, including beneficial holders, who dissent from certain actions being taken by a company, may exercise a right of dissent and require a corporation to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where a corporation proposes to:

- (a) alter the articles to alter restrictions on the powers of the corporation or on the business of its permitted to carry on;
- (b) adopt an amalgamation agreement;
- (c) approve an amalgamation;

- (d) approve an arrangement, the terms of which arrangement permit dissent;
- (e) authorize or ratify the sale, lease or other disposition of all or substantially all of the corporation's undertaking; and
- (f) authorize the continuation of the corporation into a new jurisdiction. Oppression Remedies

Under both the CBCA and the OBCA a shareholder, beneficial shareholder, former shareholder or beneficial shareholder, director, former director, officer, former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, and in the case of an offering corporation the Ontario Securities Commission, may apply to a court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of a corporation or its affiliates effects a result, the business or affairs of a corporation or 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

A broad right to bring a derivative action is contained in each of the CBCA and the OBCA and this right extends to officers, former shareholders, directors or officers of a corporation 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, both statutes permit derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries.

Requisitions of Meetings

Both the CBCA and the OBCA permit 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 corporation 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.

Form of Proxy and Information Circular

Each of the CBCA and the OBCA contain provisions which require the mandatory solicitation of proxies and delivery of a management proxy circular.

Place of Meetings

The OBCA provides that meetings of shareholders may be held either inside or outside Ontario as the directors may determine or, in the absence of such a determination, at the place where the registered office of the corporation is located. The CBCA provides that meetings of shareholders may be held either inside or outside Canada as the directors determine.

Directors

Both the CBCA and the OBCA require that at least 25% of the directors be resident Canadians. Each statute provides that a public company must have at least 3 directors.

SCHEDULE "D"

CLAIM POST RESOURCES INC.

Section 185 of the *Business Corporations Act* (Ontario)

Rights of dissenting shareholders

185.(1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
 - (d.1) be continued under the Co-operative Corporations Act under section 181.1;
 - (d.2) be continued under the Not-for-Profit Corporations Act, 2010 under section 181.2; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184(3), a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170(1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170(1)(a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170(5) or (6).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168(3), terminate an amalgamation agreement under subsection 176(5) or an application for continuance under subsection 181(5), or abandon a sale, lease or exchange under subsection 184(8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
- (b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22)(a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22)(a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

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

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.

SCHEDULE "E"

CLAIM POST RESOURCES INC.

**GENERAL BY-LAW
BY-LAW NO. 1**

A BY-LAW RELATING GENERALLY TO THE CONDUCT OF THE AFFAIRS OF
CANADIAN PREMIUM SAND INC.

(hereinafter called the "Corporation")

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

DIVISION ONE
INTERPRETATION

1.01 In the by-laws of the Corporation, unless the context otherwise specifies or requires:

- a. "Act" means the *Canada Business Corporations Act*, as from time to time amended and every statute that may be substituted therefore and, in the case of such substitution, any references in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute or statutes;
- b. "appoint" includes "elect" and vice versa;
- c. "board" means the board of directors of the Corporation;
- d. "by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- e. "meeting of shareholders" includes an annual or other general meeting of shareholders and a special meeting of shareholders;
- f. "Regulations" means the regulations under the Act as published or from time to time amended and every regulation that may be substituted therefore and, in the case of such substitution, any references in the by-laws of the Corporation to provisions of the Regulations shall be read as references to the substituted provisions therefore in the new regulations;
- g. "signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by virtue of section 3.01 of this by-law or by a resolution passed pursuant thereto; and
- h. "special meeting of shareholders" means a meeting of any particular class or classes of shareholders and a meeting of all shareholders entitled to vote at any annual meeting of shareholders at which special business is to be transacted.

Save as aforesaid, all terms which are contained in the by-laws of the Corporation and which are defined in the Act or the Regulations shall, unless the context otherwise specifies or requires, have the meanings given to such terms in the Act or the Regulations. Words importing the singular number include the plural and vice versa; the masculine shall include the feminine; and the word "person" shall include an individual, partnership, association, body corporate, body politic, trustee, executor, administrator and legal representative.

Headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

DIVISION TWO
BANKING AND SECURITIES

2.01 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefore, shall be transacted with such banks, trust companies or other bodies corporate or organizations or any other persons as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of power as the board may from time to time prescribe or authorize.

2.02 Voting Rights in Other Bodies Corporate

The signing officers of the Corporation may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the person signing or arranging for them. In addition, the board may direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

DIVISION THREE
EXECUTION OF INSTRUMENTS

3.01 Authorized Signing Officers

Unless otherwise authorized by the directors, deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any two of the president, chairman of the board, managing director, any vice-president, any director, secretary, treasurer, any assistant secretary or any assistant treasurer or any other office created by by-law or by the board. In addition, the board may from time to time direct the manner in which the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same, but no instrument is invalid merely because the corporate seal is not affixed thereto.

3.02 Cheques, Drafts and Notes

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or person or persons, whether or not officers of the Corporation, and in such manner as the board may from time to time designate by resolution.

DIVISION FOUR
DIRECTORS

4.01 Number and Residency of Directors

The board shall consist of such number of directors as is fixed by the articles, or where the articles specify a variable number, shall consist of such number of directors as is not less than the minimum nor more

than the maximum number of directors provided in the articles and as shall be fixed from time to time by resolution of the shareholders. No less than twenty-five percent (25%) of the directors of the Corporation must be resident Canadians.

4.02 Election and Term

Subject to the articles or a unanimous shareholder agreement, the election of directors shall take place at each annual meeting of shareholders and all of the directors then in office, unless elected for a longer period of time (not to exceed the close of the third (3rd) annual meeting of shareholders following election), shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall, subject to the articles or a unanimous shareholder agreement, be the number of directors then in office, or the number of directors whose terms of office expire at the meeting, as the case may be, except that, if cumulative voting is not required by the articles and the articles otherwise permit, the shareholders may resolve to elect some other number of directors. Where the shareholders adopt an amendment to the articles to increase the number or minimum number of directors, the shareholders may, at the meeting at which they adopt the amendment, elect the additional number of directors authorized by the amendment. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected. If the articles provide for cumulative voting, each director elected by shareholders (but not directors elected or appointed by creditors or employees) ceases to hold office at the annual meeting and each shareholder entitled to vote at an election of directors has the right to cast a number of votes equal to the number of votes attached to the shares held by him multiplied by the number of directors he is entitled to vote for, and he may cast all such votes in favour of one candidate or distribute them among the candidates in any manner. If he has voted for more than one candidate without specifying the distribution among such candidate, he shall be deemed to have divided his votes equally among the candidates for whom he voted.

4.03 Removal of Directors

Subject to the Act and the articles, the shareholders may by ordinary resolution passed at a special meeting remove any director from office, except a director elected by employees or creditors pursuant to the articles or a unanimous shareholder agreement, and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board. However, if the articles provide for cumulative voting, no director shall be removed pursuant to this section where the votes cast against the resolution for his removal would, if cumulatively voted at an election of the full board, be sufficient to elect one or more directors.

4.04 Consent

A person who is elected or appointed a director is not a director unless:

- a. he was present at the meeting when he was elected or appointed and did not refuse to act as a director, or
- b. if he was not present at the meeting when he was elected or appointed:
 - i. he consented in writing to act as a director before his election or appointment or within ten (10) days after it, or
 - ii. he has acted as a director pursuant to the election or appointment.

4.05 Vacation of Office

A director of the Corporation ceases to hold office when:

- a. he dies or resigns;
- b. he is removed in accordance with section 109 of the Act; or
- c. he becomes disqualified under subsection 105(1) of the Act.

4.06 Committee of Directors

The directors may appoint from among their number a managing director, who must be a resident Canadian, or a committee of directors, however designated, and subject to section 115 of the Act may delegate to the managing director or such committee any of the powers of the directors. A committee may be comprised of one director.

4.07 Transaction of Business of Committee

Subject to the provisions of this by-law with respect to participation by telephone, the powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all of the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada and may be called by any one member of the committee giving notice in accordance with the by-laws governing the calling of directors' meetings.

4.08 Procedure

Unless otherwise determined herein or by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

4.09 Remuneration and Expenses

Subject to any unanimous shareholder agreement, the directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

4.10 Vacancies

Subject to the Act, a quorum of the board may fill a vacancy among the directors, except a vacancy resulting from an increase in the number or minimum number of directors or from a failure to elect the number or minimum number of directors required by the articles. If there is not a quorum of directors, or if there has been a failure to elect the number or minimum number of directors required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

4.11 Action by the Board

Subject to any unanimous shareholder agreement, the board shall manage or supervise the management of the business and affairs of the Corporation. Notwithstanding a vacancy among the directors, a quorum of directors may exercise all the powers of the directors. If the Corporation has only one director, that director may constitute a meeting.

DIVISION FIVE
MEETING OF DIRECTORS

5.01 Place of Meeting

Meetings of the board may be held at any place within or outside Canada.

5.02 Notice of Meeting

Unless the directors have made regulations otherwise, meetings of the board may be summoned on twenty-four (24) hours' notice, verbally or in writing, and whether by means of telephone or telegraph, or any other means of communication. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except any proposal to:

- a. submit to the shareholders any question or matter requiring approval of the shareholders;
- b. fill a vacancy among the directors or in the office of auditor;
- c. issue securities, except in the manner and on the terms authorized by the directors;
- d. declare dividends;
- e. purchase, redeem or otherwise acquire shares issued by the Corporation, except in the manner and on the terms authorized by the directors;
- f. pay a commission for the sale of shares;
- g. approve a management proxy circular;
- h. approve a take-over bid circular or directors' circulars;
- i. approve any financial statements to be placed before the shareholders at an annual meeting; or
- j. adopt, amend or repeal by-laws.

Provided, however, that a director may in any manner waive notice of a meeting and attendance of a director at a meeting of directors shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

For the first meeting of the board of directors to be held immediately following an election of directors or for a meeting of the board at which a director is to be appointed to fill a vacancy in the board, no notice of such meeting shall be necessary to the newly elected or appointed director or directors in order to legally constitute the meeting, provided that a quorum of the directors is present.

5.03 Adjourned Meeting

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

5.04 Calling of the Meetings

Meetings of the board shall be held from time to time at such time and at such place as the board, the chairman of the board, the managing director, the president or any two directors may determine. Should more than one of the above-named call a meeting at or for substantially the same time, there shall be held only one meeting and such meeting shall occur at the time and place determined by, in order of priority, the board, the chairman, or the president.

5.05 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, and forthwith to each director subsequently elected or appointed, but no other notice shall be required for any such regular meeting except where the Act or this by-law requires the purpose thereof or the business to be transacted thereat to be specified.

5.06 Chairman

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: chairman of the board, managing director or president. If no such officer is present, the directors present shall choose one of their number to be chairman.

5.07 Quorum

Subject to section 5.08, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the directors holding office or such greater number of directors as the board may from time to time determine.

5.08 Canadian Representation at Meetings

Directors shall not transact business at a meeting of directors unless no less than twenty-five percent (25%) of the directors present are resident Canadians. Notwithstanding the foregoing, directors may transact business at a meeting of directors when less than twenty-five percent (25%) of the directors present are resident Canadians if:

- a. a resident Canadian director who is unable to be present approves in writing, or by telephonic, electronic or other communication facility, the business transacted at the meeting; and
- b. the required number of resident Canadian directors would have been present at the meeting had that director who gives his approval under paragraph (a) been present at the meeting.

5.09 Voting

Questions arising at any meeting of the board shall be decided by a majority of votes, the chairman of the meeting shall be entitled to vote and the chairman shall not have a second or casting vote in the event of an equality of votes.

5.10 Meeting by Telephone

A director, if all the directors of the Corporation consent, may participate in a meeting of the board or a committee of the board by means of such telephone or other communication facilities which permits all persons participating in the meeting to hear each other and a director participating in such meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of directors held while a director holds office.

5.11 Resolution in Lieu of Meeting

Notwithstanding any of the foregoing provisions of this by-law, a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the directors or a committee of directors is as valid as if it had been passed at a meeting of the directors or committee of directors. A copy of every such resolution shall be kept with the minutes of the proceedings of the directors or committee of directors. Any such resolution in writing is effective for all purposes at such time as the resolution states regardless of when the resolution is signed.

5.12 Amendments to the Act

It is hereby affirmed that the intention of sections 4.01, 4.06, 5.08 and 7.03 as they relate to Canadian representation is to comply with the minimum requirements of the Act and in the event that such minimum requirements shall be amended, deleted or replaced such that no, or lesser, requirements with respect to Canadian representation are then in force, such sections shall be correspondingly amended, deleted or replaced.

DIVISION SIX
PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 Conflict of Interest

A director or officer shall not be disqualified by his office, or be required to vacate his office, by reason only that he

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

a material contract or material transaction, whether made or proposed, with the Corporation. Such a director or officer shall, however, disclose to the Corporation the nature and extent of his interest in the contract or transaction at the time and in the manner provided by the Act. Subject to the provisions of the Act, a director shall not by reason only of his office be accountable to the Corporation or to its shareholders for any profit or gain realized from such a contract or transaction, and such contract or transaction shall not be void or voidable by reason only of the director's interest therein, provided that the

required declaration and disclosure of interest is properly made, the contract or transaction is approved by the directors or shareholders, if necessary, and the contract or transaction was fair and reasonable to the Corporation at the time it was approved and, if required by the Act, the director refrains from voting as a director on the contract or transaction.

6.02 Limitation of Liability

Every director and officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, the Act and the Regulations, no director or officer for the time being of the Corporation shall be liable for the acts, neglects or defaults of any other director or officer or employee or for joining in any act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the Regulations thereunder or from liability for any breach thereof. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board of directors.

No act or proceeding of any director or officer or the board shall be deemed invalid or ineffective by reason of the subsequent ascertainment of any irregularity in regard to such act or proceeding or the election, appointment or qualification of such director or officer or board.

6.03 Indemnity

Subject to section 124 of the Act, the Corporation may indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal, administrative, investigative or other proceeding to which he is made a party by reason of that association with the Corporation or other entity, if:

- a. he acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which he acted as director or officer or in a similar capacity at the Corporation's request; and
- b. in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

The Corporation may also indemnify such persons in such other circumstances as the Act permits or requires. Nothing herein contained shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this section 6.03.

6.04 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in section 6.03 against any liability incurred by him:

- a. in his capacity as a director or officer of the Corporation, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the Corporation; or
- b. in his capacity as a director or officer of the another body corporate where he acts or acted in that capacity at the Corporation's request, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the body corporate.

DIVISION SEVEN
OFFICERS

7.01 Election or Appointment

Subject to any unanimous shareholder agreement, the board may, from time to time, appoint a chairman of the board, a president, one or more vice-presidents, a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Except for a managing director and a chairman of the board who must be directors, an officer may, but need not be, a director and one person may hold more than one office.

7.02 Chairman of the Board

The chairman of the board shall, when present, preside at all meetings of the board, committees of directors and at all meetings of shareholders.

If no managing director is appointed, the board may assign to the chairman of the board any of the powers and duties that, by any provision of this by-law, are assigned to the managing director; and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chairman of the board, his duties shall be performed and his powers exercised by the managing director, if any, or by the president.

7.03 Managing Director

The managing director, if any, shall be a resident Canadian and shall have, subject to the authority of the board, general supervision of the business and affairs of the Corporation; and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify.

7.04 President

The president shall, subject to the authority of the board and the managing director, if any, have such powers and duties as the board may specify. During the absence or disability of the managing director, or if no managing director has been appointed, the president shall also have the powers and duties of that

office; provided, however, that unless he is a director he shall not preside as chairman at any meeting of the board or of a committee of directors.

7.05 Vice-President

During the absence or disability of the president, his duties shall be performed and his powers exercised by the vice-president or, if there is more than one, by the vice-president designated from time to time by the board or the president; provided, however, that a vice-president who is not a director shall not preside as chairman at any meeting of the board or of a committee of directors. A vice-president shall have such other powers and duties as the board or the president may prescribe.

7.06 Secretary

The secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board or the chief executive officer may specify.

7.07 Treasurer

The treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions and he shall have such other powers and duties as the board or chief executive officer, if any, or the president may specify.

7.08 General Manager or Manager

If elected or appointed, the general manager shall have, subject to the authority of the board, the managing director, if any, the chief executive officer, if any, and the president, full power to manage and direct the business and affairs of the Corporation (except such matters and duties as by law must be transacted or performed by the board and/or by the shareholders) and to employ and discharge agents and employees of the Corporation and may delegate to him or them any lesser authority. A general manager or manager shall conform to all lawful orders given to him by the board and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation. Any agent or employee appointed by a general manager or manager shall be subject to discharge by the board.

7.09 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board, the managing director, if any, or the chief executive officer, if any, or the president may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer, if any, or the president otherwise directs.

7.10 Variation of Powers and Duties

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

7.11 Vacancies

If the office of any officer of the Corporation shall be or become vacant by reason of death, resignation, disqualification or otherwise, the directors by resolution shall, in the case of the president or the secretary, and may, in the case of any other office, appoint a person to fill such vacancy.

7.12 Remuneration and Removal

The remuneration of all officers appointed by the board of directors shall be determined from time to time by resolution of the board of directors. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be determined. All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the board of directors at any time, with or without cause.

7.13 Agents and Attorneys

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

7.14 Conflict of Interest

An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with section 6.01.

7.15 Fidelity Bonds

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such forms and with such surety as the board may from time to time determine.

DIVISION EIGHT
SHAREHOLDERS' MEETINGS

8.01 Annual Meetings

Subject to the Act, the annual meeting of shareholders shall be held at such time and on such day in each year and, subject to section 8.03, at such place or places as the board, the chairman of the board, the managing director or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors if required by the Act or the articles, and for the transaction of such other business as may properly be brought before the meeting.

8.02 Special Meetings

The board shall have the power to call a special meeting of shareholders at any time.

8.03 Place of Meetings

Meetings of shareholders shall be held at any place within Canada as the directors so determine or, if all the shareholders entitled to vote at the meeting so agree or if the articles so provide, outside Canada.

8.04 Participation in Meeting by Electronic Means

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

8.05 Meeting Held by Electronic Means

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

8.06 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than sixty (60) days and not less than twenty-one (21) days, as a record date for the determination of shareholders entitled to notice of the meeting. If no record date is fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be the close of business on the date immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

8.07 Notice of Meeting

Notice of the time and place of each meeting of shareholders shall be sent not less than twenty-one (21) days and not more than sixty (60) days before the meeting to each shareholder entitled to vote at the meeting, each director and the auditor of the Corporation. A notice of meeting need not be sent to shareholders who are not registered on the records of the Corporation or its transfer agent on the record date as determined according to section 8.06 hereof. Notice of a meeting of shareholders at which special business is to be transacted shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

8.08 Right to Vote

Subject to the provisions of the Act as to authorized representatives of any other body corporate, at any meeting of shareholders in respect of which the Corporation has prepared the list referred to in section 8.09 hereof, every person who is named in such list shall be entitled to vote the shares shown thereon opposite his name except to the extent that such person has transferred any of his shares after the record date set pursuant to section 8.06 hereof, or, if no record date is fixed, after the date on which the list referred to in section 8.09 is prepared, and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he owns such shares, demands not later than ten (10) days before the meeting that his name be included to vote the transferred shares at the meeting. In the absence of a list prepared as aforesaid in respect of a meeting of shareholders, every person shall be entitled to vote at the meeting who at the close of business on the record date, or if no

record date is set, at the close of business on the date preceding the date notice is sent, is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

8.09 List of Shareholders Entitled to Notice

For every meeting of shareholders the Corporation shall prepare an alphabetical list of its shareholders entitled to receive notice of the meeting, showing the number of shares held by each shareholder. If a record date for the meeting is fixed pursuant to section 8.06 hereof, the shareholders listed shall be those registered at the close of business on the record date. If no record date is fixed, the shareholders listed shall be those listed at the close of business on the day immediately preceding the day on which notice of a meeting is given, or where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where its central securities register is maintained and at the meeting of shareholders for which the list was prepared.

8.10 Meetings Without Notice

A meeting of shareholders may be held without notice at any time and place permitted by the Act:

- a. if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and
- b. if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held.

At such meetings any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to a meeting being held at such place.

8.11 Waiver of Notice

A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of a meeting of shareholders and attendance of any such person at a meeting of shareholders shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8.12 Chairman, Secretary and Scrutineers

The chairman of the board or, in his absence, the president, if such an officer has been elected or appointed and is present, or otherwise a vice-president who is a shareholder of the Corporation shall be chairman of any meeting of shareholders. If no such officer is present within fifteen (15) minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

8.13 Persons Entitled to be Present

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

8.14 Quorum

A quorum at any meeting of shareholders (unless a greater number of persons are required to be present or a greater number of shares are required to be represented by the Act or by the articles or by any other by-law) shall be persons present not being less than two (2) in number and holding or representing not less than five (5%) per cent of the shares entitled to be voted at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of the meeting of shareholders, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

8.15 Proxyholders and Representatives

Votes at meetings of the shareholders may be given either personally or by proxy; or, in the case of a shareholder who is a body corporate or association, by an individual authorized by a resolution of the board or governing body of the body corporate or association to represent it at a meeting of shareholders of the Corporation, upon producing a certified copy of such resolution or otherwise establishing his authority to vote to the satisfaction of the secretary or the chairman.

A proxy shall be executed by the shareholder or his attorney authorized in writing and is valid only at the meeting in respect of which it is given or any adjournment thereof. A person appointed by proxy need not be a shareholder.

8.16 Time for Deposit of Proxies

The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than forty-eight (48) hours exclusive of Saturdays and holidays, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

8.17 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or duly represented at a meeting of shareholder may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

8.18 Votes to Govern

Except as otherwise required by the Act, all questions proposed for the consideration of shareholders at a meeting of shareholders shall be determined by a majority of the votes cast and in the event of an equality

of votes at any meeting of shareholders, either upon a show of hands or upon a ballot, the chairman shall not have a second or casting vote.

8.19 Show of Hands

Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of shareholders upon the said question.

8.20 Ballots

On any question proposed for consideration at a meeting of shareholders, a shareholder, proxyholder or other person entitled to vote may demand and the chairman may require that a ballot be taken either before or upon the declaration of the result of any vote by show of hands. If a ballot is demanded on the election of a chairman or on the question of an adjournment it shall be taken forthwith without an adjournment. A ballot demanded or required on any other question shall be taken in such manner as the chairman shall direct. A demand or requirement for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares that he is entitled to vote at the meeting upon the question, to the number of votes as provided for by the articles or, in the absence of such provision in the articles, to one vote for each share he is entitled to vote. The result of the ballot so taken shall be the decision of the shareholders upon the question.

8.21 Adjournment

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

8.22 Resolution in Lieu of a Meeting

Except where not permitted in the Act, a resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders; and a resolution in writing dealing with all matters required to be dealt with at a meeting of shareholders and signed by all the shareholders entitled to vote at such meeting, satisfies all the requirements of the Act relating to meetings of shareholders. A copy of every such resolution in writing shall be kept with minutes of the meetings of shareholders. Any such resolution in writing is effective for all purposes at such time as the resolution states regardless of when the resolution is signed.

8.23 Only One Shareholder

Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented constitutes a meeting.

DIVISION NINE
SHARES

9.01 Non-Recognition of Trusts

Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

9.02 Certificates

The shareholder is entitled at his option to a share certificate that complies with the Act or a non-transferable written acknowledgement of his right to obtain a share certificate from the Corporation in respect of the securities of the Corporation held by him. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as described by the Act and as the Board shall from time to time approve. A share certificate shall be signed manually by at least one director or officer of the Corporation or by or on behalf of a registrar, transfer agent or branch transfer agent of the Corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on the share certificate may be printed or otherwise mechanically reproduced on it.

9.03 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or his discretion direct the issuance of a new share certificate or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.04 Joint Holders

The Corporation is not required to issue more than one share certificate in respect of shares held jointly by several persons, and delivery of a certificate to one of several joint holders is sufficient delivery to all. Any one of such holders may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such certificate.

DIVISION TEN
TRANSFER OF SECURITIES

10.01 Registration of Transfer

If a share in registered form is presented for registration of transfer, the Corporation shall register the transfer if:

- a. the share is endorsed by an appropriate person, as defined in section 65 of the Act;

- b. reasonable assurance is given that the endorsement is genuine and effective;
- c. the Corporation has no duty to enquire into adverse claims or has discharged any such duty;
- d. any applicable law relating to the collection of taxes has been complied with;
- e. the transfer is rightful or is to a bona fide purchaser; and
- f. the transfer fee, if any, has been paid.

10.02 Transfer Agents and Registrar

The board may from time to time by resolution appoint or remove one or more agents to maintain a central securities' register or registers and a branch securities' register or registers. Agents so appointed may be designated as transfer agent or registrar according to their functions, and a person may be appointed and designated with functions as both registrar and transfer or branch transfer agent. Registration of the issuance or transfer of a security in the central securities' register or in a branch securities' register is complete and valid registration for all purposes.

10.03 Securities' Registers

A central securities' register of the Corporation shall be kept at its registered office or at any other place in Canada designated by the directors to record the shares and other securities issued by the Corporation in registered form, showing with respect to each class or series of shares and other securities:

- a. the names, alphabetically arranged, and the latest known address of each person who is or has been a holder;
- b. the number of shares or other securities held by each holder; and
- c. the date and particulars of the issuance and transfer of each share or other security.

A branch securities' register or registers may be kept either in or outside Alberta at such place or places as the board may determine. A branch securities' register shall only contain particulars of securities issued or transferred at that branch. Particulars of each issue or transfer of a security registered in a branch securities' register shall also be kept in the corresponding central securities' register.

10.04 Deceased Shareholders

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities' register in respect thereof or to make any dividend or other payments in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

DIVISION ELEVEN DIVIDENDS AND RIGHTS

11.01 Dividends

Subject to the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully-paid shares of the Corporation.

11.02 Dividend Cheques

A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and shall be mailed by prepaid ordinary mail to such registered holder at his address recorded in the Corporation's securities' register or registers unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

11.03 Non-Receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

11.04 Unclaimed Dividends

Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

11.05 Record Date for Dividends and Rights

The board may fix in advance a date, preceding by not more than fifty (50) days the date for the payment of any dividend, as a record date for the determination of the persons entitled to receive payment of such dividend, provided that, unless waived as provided for in the Act, notice of any such record date is given, not less than seven (7) days before such record date, by newspaper advertisement in the manner provided in the Act and by written notice to each stock exchange in Canada, if any, on which the Corporation's shares are listed for trading. Where no record date is fixed in advance as aforesaid, the record date for the determination of the persons entitled to receive payment of any dividend shall be at the close of business on the day on which the resolution relating to such dividend is passed by the board.

DIVISION TWELVE
INFORMATION AVAILABLE TO SHAREHOLDERS

12.01 Confidential Information

Except as provided by the Act, no shareholders shall be entitled to obtain information respecting any details or conduct of the Corporation's business which in the opinion of the directors would not be expedient to the interests of the Corporation to communicate to the public.

12.02 Conditions of Access to Information

The directors may from time to time, subject to rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Corporation or any of them shall be open to the inspection of shareholders and no shareholders shall have any right to inspect any document or book or register or account record of the Corporation except as conferred by statute or authorized by the board of directors or by a resolution of the shareholders.

12.03 Registered Office and Records Office

The registered office of the Corporation shall be located within the province in Canada specified in the Corporation's articles. The records office shall be located within Canada.

DIVISION THIRTEEN
NOTICES

13.01 Method of Giving Notices

A requirement under the Act, the Regulations, the articles or the by-laws of the Corporation that a notice, document or other information be created or provided, including a notice, document or other information required to be created or provided in writing, is satisfied by the creation or provision of an electronic document if the Act and Regulations, if any, have been complied with. A notice or document required by the Act, the Regulations, the articles or the by-laws to be sent to a shareholder or director of the Corporation may be sent by prepaid mail addressed to, or may be delivered personally to:

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

A notice or document sent by prepaid mail in accordance with the foregoing to a shareholder or director of the Corporation is deemed to be received at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the shareholder or director did not receive the notice or document at the time or at all.

13.02 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, any notice may be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

13.03 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholders from whom he derives his title to such share prior to his name and address being entered on the securities' register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

13.04 Non-Receipt of Notices

If a notice or document is sent to a shareholder in accordance with section 13.01 and the notice or document is returned on three (3) consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notice or documents to the shareholder until he informs the Corporation in writing of his new address; provided always, that in the event of the return of a notice of a shareholders' meeting mailed to a shareholder in accordance with section 13.01 of this by-law the notice shall be deemed to be received by the shareholder on the date deposited in the mail notwithstanding its return.

13.05 Omissions and Errors

Subject to the Act, the accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

13.06 Signature on Notices

Unless otherwise specifically provided, the signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

A requirement under the Act or Regulations for a signature or for a document to be executed by a director or officer of the Corporation is satisfied if, in relation to an electronic document, the requirements of the Act or Regulations are met and if the signature results from the application by the director or officer of a technology or a process that permits the following to be proven:

- a. the signature resulting from the use by the director or officer of the technology or process is unique to the director or officer;
- b. the technology or process is used by the director or officer to incorporate, attach or associate the director's or officer's signature to the electronic document; and
- c. the technology or process can be used to identify the director or officer using the technology or process.

13.07 Waiver of Notice

If a notice or document is required by the Act or the Regulations, the articles, the by-laws or otherwise to be sent, the sending of the notice or document may be waived or the time for the notice or document may be waived or abridged at any time with the consent in writing of the person entitled to receive it.

DIVISION FOURTEEN
MISCELLANEOUS

14.01 Directors to Require Surrender of Share Certificates

The directors in office when a Certificate of Continuance is issued under the Act are hereby authorized to require the shareholders of the Corporation to surrender their share certificate, or such of their share certificates as the directors may determine, for the purpose of cancelling the share certificates and replacing them with new share certificates that comply with section 49 of the Act, in particular, replacing existing share certificate with share certificates that are not negotiable securities under the Act. The directors in office shall act by resolution under this section 14.01 and shall in their discretion decide the manner in which they shall require the surrender of existing share certificates and the time within which the shareholders must comply with the requirement and the form or forms of the share certificates to be issued in place of the existing share certificates. The directors may take such proceedings as they deem necessary to compel any shareholder to comply with a requirement to surrender his share certificate or certificates pursuant to this section. Notwithstanding any other provision of this by-law, but subject to the Act, the director may refuse to register the transfer of shares represented by a share certificate that has not been surrendered pursuant to a requirement under this section.

14.02 Severability

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

MADE by the board the ____ day of _____, A.D. 2018.

Executive Chairman

CONFIRMED by the Shareholders in accordance with the *Canada Business Corporations Act*, the ____ day of _____, A.D. 2018.

Executive Chairman

Secretary