



**UNITED HUNTER OIL & GAS CORP.**

**MANAGEMENT INFORMATION CIRCULAR**

**For the Annual General and Special Meeting of Shareholders**

**to be held on December 3, 2019**

*October 29, 2019*

**UNITED HUNTER OIL & GAS CORP.**

**INVITATION TO SHAREHOLDERS**

Dear Shareholder:

On behalf of the directors, management and employees, we invite you to attend United Hunter Oil & Gas Corp.'s Annual General and Special Meeting of Shareholders (the "**Meeting**") to be held at our offices, 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6 on December 3, 2019 at 1:00 p.m. (Eastern Time).

The items of business to be considered at this Meeting are described in the Notice of Annual General and Special Meeting and Management Information Circular. Your vote is important regardless of the number of common shares in the Corporation ("**Common Shares**") you own. Whether or not you are able to attend, if you are a registered holder, we urge you to complete the enclosed management form of proxy and return it using any one of the methods described on the form of proxy by no later than 1:00 p.m. (Eastern Time) on November 29, 2019. Voting by proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. If you hold your Common Shares through a broker or an intermediary, we urge you to complete the applicable voting instruction form or provide your voting instructions by other acceptable methods.

We look forward to seeing you at the Meeting.

Sincerely,

*"Timothy J. Turner"*

(Signed) Timothy J. Turner  
Chief Executive Officer and Director

**UNITED HUNTER OIL & GAS CORP.  
MANAGEMENT INFORMATION CIRCULAR**

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation by management (“**Management**”) of United Hunter Oil & Gas Corp. (the “**Corporation**”), of proxies to be used at the Annual General and Special Meeting (the “**Meeting**”) of shareholders of the Corporation (each a “**Shareholder**”) and collectively, the “**Shareholders**”) to be held at our offices, 20 Adelaide Street East, Suite 200, Toronto, Ontario M5C 2T6 on December 3, 2019 at 1:00 p.m. (Eastern Time), for the purposes set forth in the accompanying notice of Annual General and Special Meeting (the “**Notice**”). Except as otherwise indicated, information herein is given as at October 29, 2019.

In this Information Circular, all references to dollar amounts are to Canadian dollars, unless otherwise specified.

**SOLICITATION OF PROXIES**

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited by employees or agents of the Corporation, personally, in writing, by email or by telephone. The Corporation is not relying on the notice-and-access provisions of securities laws for the purposes of solicitation in relation to the Meeting. The total cost of the solicitation will be borne directly by the Corporation.

This Information Circular solicits Management Proxies (as defined below), voting for the resolutions as outlined herein.

**APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the enclosed Management form of proxy (“**Management Proxy**”) are a director and officer and an officer of the Corporation, respectively. **Registered Shareholders (a “Registered Shareholder”) have the right to appoint a person to attend and act for him, her or its and on his, her or its behalf at the Meeting other than the persons named above. Such right may be exercised by inserting in the blank space provided the name of the person to be appointed, who need not be a Shareholder, or by completing another proper form of proxy.** In either case, as a Registered Shareholder you can choose from three different ways to vote your common shares in the Corporation (“**Common Shares**”) by Management Proxy, which must be provided so it is received not later than 1:00 p.m. (Eastern Time) on November 29, 2019, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the Management Proxy is to be used: (a) by mail or deposited at the offices of Computershare, Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1, on behalf of the Corporation; (b) on the Internet at [www.investorvote.com](http://www.investorvote.com); or (c) by phone at (866) 732-8683.

In addition to revocation in any other manner permitted by law, a Management Proxy may be revoked if such revocation is received no later than 1:00 p.m. (Eastern Time) on November 29, 2019 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting, by: (a) completing and signing a proxy bearing a later date and depositing it with Computershare, on behalf of the Corporation; (b) on the Internet at [www.investorvote.com](http://www.investorvote.com); or (c) by phone at (866) 732-8683.

**EXERCISE OF DISCRETION BY PROXIES**

The persons named in the Management Proxy will vote for, withhold from voting or vote against, as the case may be, the Common Shares in respect of which he is appointed as proxy in accordance with the direction of the Shareholder appointing him. **In the event that a Shareholder does not specify in his, her or its instrument of proxy that the named Management Proxy is required to vote for, to withhold from voting or vote against, as applicable, in respect of the matters to be considered at the Meeting, the Common Shares represented by such proxy shall be voted FOR each of the matters referred to therein.**

The Management Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of printing this Information Circular, neither Management nor the directors of the Corporation (each a “**Director**”) and collectively, the “**Directors**”) are aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached Notice. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with his judgment.

### INFORMATION FOR BENEFICIAL HOLDERS OF SECURITIES

Information set forth in this section is important to persons other than Registered Shareholders. Only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a non-Registered Shareholder (a “**Beneficial Shareholder**”) are registered either:

- (a) in the name of an intermediary that the Beneficial Shareholder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRFs, RESPs and similar plans; or
- (b) in the name of a depository (such as The Canadian Depository for Securities Limited (“**CDS**”)).

In accordance with Canadian securities law, the Corporation has distributed copies of the Notice, this Information Circular and the Management Proxy (collectively, the “**Meeting Materials**”) to CDS and intermediaries for onward distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them.

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Beneficial Shareholders will receive either a Management voting instruction form or, less frequently, a Management Proxy. Often, the voting instruction form supplied to a Beneficial Shareholder by its broker is identical to that provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders should follow the procedures set out below, depending on which type of form they receive.

- (a) *Voting Instruction Form.* In most cases, a Beneficial Shareholder will receive, as part of the Meeting Materials, a Management voting instruction form. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder’s behalf), the Management voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder’s behalf), the Beneficial Shareholder must complete, sign and return the Management voting instruction form in accordance with the directions provided, together with a form of proxy giving the right to attend and vote.
- (b) *Management Proxy.* Less frequently, a Beneficial Shareholder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder’s behalf), the Beneficial Shareholder must complete the Management Proxy and deposit it with Computershare, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1, on behalf of the Corporation, so as not to arrive later than 1:00 p.m. (Eastern Time) on November 29, 2019. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder’s behalf), the Beneficial Shareholder must strike out the names of the persons named in the Management Proxy and insert the Beneficial Shareholder’s (or such other person’s) name in the blank space provided and return to Computershare as described above.

Most brokers now delegate responsibility for obtaining instructions from clients (i.e. Beneficial Shareholders) to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails voting instruction forms or proxy forms, to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form or proxy form from Broadridge, cannot use that voting instruction form or proxy form to vote Common Shares directly at the Meeting. A voting instruction form or proxy form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker or other intermediary, a Beneficial Shareholder may attend at the Meeting as proxy holder for the Registered Shareholder and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxy holder for the Registered Shareholder should enter their own names in the blank space on the Management voting instruction form or form of proxy provided to them and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting in order to have the Common Shares voted.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed as the close of business on October 29, 2019 (the “**Record Date**”). As of the Record Date, 17,480,375 Common Shares, each carrying the right to one vote per Common Share at the Meeting, were issued and outstanding. The Corporation will prepare a list of holders of Common Shares as of such Record Date. Each Shareholder named in the list will be entitled to one vote per Common Share shown opposite his, her or its name on the said list.

The Corporation’s major shareholders have the same voting rights per Common Share as all other shareholders.

Your vote is important regardless of the number of Common Shares you own. Whether or not you are able to attend, if you are a Registered Shareholder, we urge you to complete the enclosed Management Proxy and return it using any one of the methods described on the Management Proxy by no later than 1:00 p.m. on November 29, 2019. Voting by proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. If you hold your Common Shares through a broker or an intermediary, we urge you to complete the applicable Management voting instruction form or provide your voting instructions by other acceptable methods.

#### **MATTERS TO BE ACTED UPON AT THE ANNUAL GENERAL AND SPECIAL MEETING**

- a. Receive 2018 audited annual financial statements;
- b. Election of 4 directors;
- c. Appointment of auditors;
- d. Approval of the Corporation’s new stock option plan; and
- e. Approval of the continuation of the Corporation into British Columbia.

##### **a. Financial Statements**

The audited financial statements of the Corporation for the year ended December 31, 2018, will be placed before Shareholders at the Meeting. These financial statements and management’s discussion and analysis are also available for review on SEDAR.

##### **b. Election of Directors**

Management of the Corporation proposes that the persons named in the following table be nominated for election as directors of the Corporation. The nominees are, in the opinion of the Board of Directors of the Corporation (the “**Board**”), well qualified to act as Directors for the coming year. Each nominee has established his eligibility and willingness to serve as Director, if elected. Each duly elected Director will hold office until the next annual meeting of Shareholders or until a successor is duly elected, unless his office is earlier vacated in accordance with the articles of the Corporation.

To the knowledge of the Corporation, no Director is, as at the date of this Information Circular, or has been in the last ten (10) years, a director or executive officer of an issuer that, while that person was acting in that capacity: (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days; (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days; or (c) within a year of that person ceasing to act in that capacity, become 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. To the knowledge of the Corporation, in the past ten (10) years, no Director has become bankrupt, made a proposal under any legislation related to bankruptcy or insolvency, or was subject to or instituted any

proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Director, except for Mr. Turner. Mr. Turner was CEO of Mogul Energy International, Inc., (“Mogul”) which filed voluntary petitions for dissolution under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas on September 20, 2017. This was done to allow Mogul and the Court the ability to liquidate its assets to cover the accumulated debts of the company. Mogul ceased its business operations upon filing the petition under the jurisdiction of the Bankruptcy Court. A trustee was appointed and has liquidated the assets of the company and is in the process of covering the accumulated debts of the company in accordance with the applicable provisions of the Bankruptcy Code and the orders of the Bankruptcy Court.

The following chart and brief biography of each Director sets out the names and residence location of each person proposed to be nominated for election as a Director, all other positions and offices with the Corporation, the date the person was elected as a Director, their principal occupations and their occupations for the previous five years, other directorships, committee memberships in the Corporation, and the approximate number of securities of the Corporation beneficially owned by each Director or over which he exercises control or direction as at the date of this Information Circular. The information relating to each Director having been subject to a cease trade order or bankruptcy, and each Director’s biography is not known by Management. All such information was provided to the Corporation by each Director and each new nominee, respectively.

Management does not contemplate that any of the nominees will be unable to serve as a director of the Corporation, but if that should occur for any reason prior to the Meeting, the persons named in the Management Proxy reserve the right to vote FOR another nominee in their discretion.

Name and Residence	Position in the Corporation	Date First Elected	Number of Common Shares Held	Principal Occupation over the last 5 years
Timothy J. Turner <sup>(1)(2)(3)</sup> Houston, Texas, USA	Chief Executive Officer and Director	September 4, 2012	494,916	President and CEO of: Mogul Energy International, Inc.; Bocana Investments, S.A.; and Huiracocha International Service, SRL
Edward Banaszek <sup>(1)(2)(3)</sup> Houston, Texas, USA	Director	July 30, 2014	NIL	Former Operations Manager, Mogul Energy International, Inc.
Art Halleran <sup>(2)(3)</sup> Calgary, AB, Canada	Director	October 16, 2016	NIL	CEO, Trillion Energy International Inc.
Eldon Christian Shomber <sup>(1)(3)</sup> Chester Springs, Pennsylvania, USA	Director	November 27, 2013	NIL	Investment Advisor, Maritime Development Partners LLC

**Notes:**

- 1) Member of the Corporation’s audit committee (the “Audit Committee”).
- 2) Member of the Corporation’s resource and reserves committee (the “Resource and Reserves Committee”).
- 3) Member of the Corporation’s nomination and compensation committee (the “Nomination and Compensation Committee”).

As at the date of this Information Circular, the persons named in the preceding table being nominated for election as directors of the Corporation (the “**Proposed Directors**”) have not within 10 years before the date of this Information Circular been a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) has been subject to an order that was issued while the Proposed Directors were acting in the capacity as a director, chief executive officer or chief financial officer; (ii) were subject to an order that was issued after any of the Proposed Directors ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while any of the Proposed Directors were acting in that capacity, or within a year of any of the Proposed Directors ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or were 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 has, within the 10 years before the date of this Information 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 any of the Proposed Directors., except for Mr. Turner, as noted above.

***Timothy J. Turner***

Mr. Timothy J. Turner, President and CEO of United Hunter Oil & Gas Corp., of Houston, Texas, Bocana Investments, S.A., and Huiracocha International Service, SRL of Santa Cruz Bolivia, has a BBA in Petroleum Land Management from the University of Texas at Austin and has over 38 years of varied experience in the oil and gas industry where he established and maintained productive business relationships with partners; negotiated complex joint venture agreements; oversaw all business partner operations, negotiated legal agreements (involving acquisitions, eminent domain issues and the disposition of assets); and prepared long-range and short-term business plans, revenue and expenditure projections. Mr. Turner has worked for Exxon Corporation, USA, where he supervised all land-related negotiations on dozens of Exxon operated fields comprising hundreds of wells and thousands of separate property files. Subsequently, Mr. Turner went to work for Phillips Petroleum Corporation, in Houston, where his responsibilities included various Texas gulf coast exploration and production land activities resulting in several new field discoveries and substantial new reserves for the company. Prior, to his appointment with Mogul Energy, Timothy J. Turner was a Principal Partner of Tim Turner & Associates, LLC, an oil and gas exploration and production business development company. Concurrent with this position, Mr. Turner holds leadership positions in two South American private investment operations reviewing and developing mineral and petroleum related investment opportunities. Mr. Turner has been active on numerous national, state and local boards and committees since 1979. In 2003, and again in 2009, Texas Governor Rick Perry appointed Mr. Turner to serve as a Public Member on the Texas Medical Board, in which he was elected by his peers and served as Secretary/Treasurer for several years. Mr. Turner is a member of the Mediation Section of the State Bar of Texas and was a very active member of the American Association of Professional Landmen, having served on the board for several years and ultimately receiving one of the Associations highest public service awards.

***Edward Banaszek***

Mr. Banaszek, formerly the Operations Manager for Mogul Energy International, Inc. and is a geologist with 33 years of domestic and international petroleum industry experience in both service-company and oil-company positions. These include Senior Project Geologist for Baker Hughes Solutions from 1997-99, where Mr. Banaszek worked on projects in Myanmar, Uzbekistan, Georgia, Venezuela, Azerbaijan and China. During his tenure with Baker, he worked on a significant project with Chevron in the Unita Basin, where the Solutions Group drilled 11 out of 11 successful gas (Wasatch) wells while cutting the drilling and completion costs from, \$1.2 MM/well (Chevron) to \$600 M/well (BHS). Manager of Operations from 2001 - 2003 for Thermal Anomaly Production, LLC, and Operations Geologist for UzPEC, Ltd and Rosehill Energy, working in Uzbekistan from 2003 - 2008. During this time period, Mr. Banaszek returned to Uzbekistan with Rosehill and drilled the first successful horizontal well in Uzbekistan and the first successful vertical well in their "Salt Hazard Area". Those two wells, along with 14 capital workovers increased oil production from 400 bbl/day to over 1,000 bbl/day. He recently held the position of Operations Manager for 21st Fox Energy Texas, Inc., being responsible for operations development in South Texas and southern Oklahoma. He has been involved in prospect generation, oil and gas lease acquisitions, and developing oil and gas properties in South America, Asia, Middle East, West Africa, FSU/CIS, Europe and North America. Mr. Banaszek his B.S. in Geology from Bloomsburg State College, Pennsylvania.

***Art Halleran***

Dr. Halleran obtained a Ph.D. from the University of Calgary, Department of Geology & Geophysics and has over 30+ years of domestic and international experience in petroleum exploration and development. Currently, Dr. Halleran serves as CEO of Trillion Energy International Inc., a Canadian based oil and gas exploration and production company focused on expanding its portfolio of projects in Southeast Europe, Turkey and countries in the immediate vicinity. Since leaving the Corporation as CEO, in 2013, Dr. Halleran served as Vice President of Exploration & Development for United Hydrocarbon International Corp., a company with oil interests in African Rift System in Chad. Concurrently, Dr. Halleran has been reviewing and providing prospect consulting services to the Corporation on various prospective prospects in both North and South America. Dr. Halleran was part owner and Vice President Exploration for Canacol Energy Ltd., a company with interests in Colombia, Guyana and Brazil. During Dr. Halleran's tenure as VP, Canacol Energy acquired producing assets in Colombia and Brazil and participated in the discovery of one of the largest oil fields in Colombia in several years.

***Eldon Christian Shomber***

Mr. Shomber has over 21 years of business, corporate finance and investment management experience between developed and frontier markets. Recently Mr. Shomber served four years as Chief Investment Officer at Kuwait Middle East Financial Investment Co. KSCC, a leading public investment company headquartered in Kuwait City. In that capacity he was responsible for the MENA investment banking and asset management divisions with investment

oversight of more than \$3 billion across global asset classes for all firm proprietary and client mandates. From 1993 until 2008, Mr. Shomber held a number of senior positions with SEI Investments driving growth of its asset management and allocation programs to total assets under management of \$202 billion. Prior to this, he served as an Officer in the US Marine Corps participating in several international contingencies and major operations. Mr. Shomber has been recognized by several industry and world ranked societies including MENA Fund Manager Power 50 in 2012 and the World Finance Investment Management Award, Middle East 2012 and was the top ranked GCC equity fund manager in 2011. Mr. Shomber is a graduate of the University of California, Irvine and was awarded the Chartered Financial Analyst designation (CFA) in 1999.

Pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), in order for the foregoing to be elected as Directors, the Corporation must first obtain the approval of the Shareholders by a resolution passed by a majority of the Common Shares represented at the Meeting. The enclosed form of proxy permits Shareholders to vote for all nominees together or for each nominee on an individual basis.

**The persons named in the Management Proxy intend to vote FOR each of the proposed nominees in the absence of directions to the contrary from the Shareholders appointing them. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason, any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his, her or its proxy that his, her or its common shares are to be withheld from voting in the election of directors.**

#### **c. Appointment and Remuneration of Auditors**

The Corporation proposes to reappoint RSM Canada LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix the auditors’ terms of engagement and remuneration. RSM Canada LLP was first appointed as auditors of the Corporation on March 23, 2018.

The Shareholders will be requested at the Meeting to pass the following resolution, without variation:

**“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT**

RSM Canada LLP be appointed as the auditors of the Corporation for the ensuing year, at a remuneration to be fixed by the board of directors of the Corporation.”

**The Board unanimously recommends that Shareholders vote in favour of the appointment remuneration of auditors. Unless otherwise specified, the persons named in the enclosed form of proxy intend to vote FOR the appointment and remuneration of auditors.**

#### **d. Approval of the Stock Option Plan**

Shareholders previously approved the Corporation’s “rolling” stock option plan (the “**Current Plan**”) whereby ten percent (10%) of the number of issued and outstanding Common Shares from time to time were reserved for issuance upon the exercise of options granted pursuant to the stock option plan. As described below, at the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass an ordinary resolution of Shareholders authorizing the Board to replace the Current Plan with a twenty percent (20%) fixed stock option plan (the “**2019 Plan**”) which conforms with to the rules and requirements of the TSX Venture Exchange (“**TSX-V**”). The 2019 Plan will be a fixed stock option plan, whereby a maximum number of Common Shares issuable under the 2019 Plan is fixed as 20% of the issued and outstanding common shares of the Corporation as at December 3, 2019 for incentive stock option grants.

The Board believes that it is in the Corporation’s best interests to approve the 2019 Plan so that the Corporation would be able to continue to provide incentives and to attract, retain and motivate employees, officers, directors and consultants of the Corporation.

The 2019 Plan has the following features:

1. The Corporation must obtain disinterested shareholder approval if the 2019 Plan together with any previous plans, could result at any time in:
  - (a) the grant to Insiders (as defined in the 2019 Plan), within a 12-month period, a number of options exceeding 10% of the issued shares of the Corporation;

- (b) the grant to Insiders within a twelve (12) month period, of a number of options exceeding 10% of the Corporation's issued common share calculated at the date an option is granted to any Insider; or
  - (c) the issuance to any one optionee, within a 12-month period, of a number of common shares exceeding 5% of the Corporation's issued common shares calculated at the date an option is granted to any Insider.
2. The total number of common shares to be reserved for issuance over the previous one year period for any optionee shall not exceed 5% of the issued common shares of the Corporation at the time of grant and the total number of common shares that may be reserved for issuance within a 12 month period for individuals engaged in an investor relations activities shall not exceed 2% of the issued common shares of the Corporation at the time of grant. The total number of common shares to be reserved for issuance over the previous 12-month period for any one consultant, shall not exceed 2% of the issued common shares of the Corporation at the time of grant.
  3. While the Corporation's common shares are listed on the TSX-V, the purchase price per common share for any option granted under the 2019 Plan shall not be less than the market price of the Corporation's common shares less any applicable discount in accordance with the policies of the TSX-V.
  4. Options granted must expire not later than a maximum of ten years from the date of the grant.
  5. Subject to the discretion of the Board of Directors, options will vest on the date of grant.
  6. All options granted pursuant to the 2019 Plan shall be non-assignable and non-transferable.
  7. If an optionee that is an employee or a consultant ceases to be an employee or consultant by reason of termination for cause or resignation, all options held by such optionee will terminate on the effective date of the optionee ceasing to be an employee or consultant.
  8. If an optionee ceases to be a director, officer or employee by reason of resignation, removal following a change of control or takeover of any kind of the Corporation, the options held by such optionee will terminate on the earlier of (a) the expiry date of the options and (b) the date that is 12 months after the effective date of resignation or removal.
  9. If an optionee dies, the optionee's personal representative has the right to exercise in whole or in part any unexercised portion of the options held by such optionee at any time until the earlier of the expiry date of the options and the date that is 12 months after the optionee's death.
  10. If an optionee ceases to be a director, officer or employee for any reason other than as set forth in Sections 7, 8 or 9 above, the options held by such optionee will terminate on the earlier of (a) the expiry date of the options and (b) the number of months after the effective date of the optionee ceasing to be a director or officer or employee for that other reason, calculated on the basis of one month for each full year or partial year of service by the optionee to the Corporation or any subsidiary.
  11. If an optionee is a consultant or employee providing investor relations services and is neither nor a director or officer of the Corporation, the options held by such optionee will terminate on the earlier of the (a) expiry date of the options and (b) the date that is 30 days after the date on which the optionee ceases to provide services to the Corporation or any subsidiary.
  12. If an optionee ceases to be one type of eligible optionee (i.e. director, officer, employee, consultant, or a company 100% beneficially owned by one of them) but concurrently is or becomes one or more other type of eligible optionee, the options held by such optionee will not terminate but will continue in full force and effect and the optionee may exercise the options until the earlier of (a) the expiry date and (b) the date that the optionee ceases to be any type of eligible optionee.

A copy of the 2019 Plan will be available for Shareholders to review at the Meeting.

The Shareholders will be requested at the Meeting to pass the following resolution (the “**Stock Option Plan Resolution**”), without variation:

**“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT**

1. The Corporation adopt a stock option plan (the “2019 Plan”) including the reserving for issuance under the 2019 Plan up a total of 20% of the issued and outstanding Common Shares of the Corporation;
2. The Corporation is authorized to grant stock options under the 2019 Plan, in accordance with its terms;
3. The Corporation is authorized to prepare such disclosure documents and make such submissions and filings as the Corporation may be required to make with the TSX-V to obtain TSX-V acceptance of the 2019 Plan; and
4. Authority is granted to the Board of Directors of the Corporation to make such amendments to the 2019 Plan as may be required by the TSX-V to obtain TSX-V acceptance of the 2019 Plan.”

**The Board unanimously recommends that Shareholders vote in favour of the approval of the stock option plan. Unless otherwise specified, the persons named in the enclosed form of proxy intend to vote FOR the approval of the stock option plan.**

**e. Continuation into British Columbia**

Since the Corporation’s lawyers are located in British Columbia, and there is certain flexibility in provisions of the *Business Corporations Act* (BC) (“**BCBCA**”) that the Board believes would benefit the Corporation, the Board has determined that it would be more expedient and cost effective to have the Corporation continue into the Province of British Columbia (the “**Continuation**”) pursuant to section 302 of the BCBCA. The *Business Corporations Act* (Ontario) (“**OBCA**”) currently governs the corporate affairs of the Corporation and restricts jurisdictions into which the Corporation may continue. The Director (as such term is defined in the OBCA) under the OBCA will allow the Corporation to continue out of the OBCA to the BCBCA upon being provided with proof of continuation into British Columbia and being satisfied that certain rights, obligations, liabilities and responsibilities of the Corporation, as set out in Section 181(9) of the OBCA, remain unaffected as a result of the Continuation.

Upon completion of the Continuation, the BCBCA will apply to the continued company to the same extent as if the Corporation had been incorporated under the BCBCA.

Therefore, pursuant to section 181 of the OBCA, shareholders of the Corporation will be asked to consider and, if thought appropriate, approve and adopt a special resolution authorizing the Board, in its sole discretion, to continue the Corporation out of the jurisdiction of Ontario and into the jurisdiction of British Columbia under the BCBCA and to adopt articles necessary to comply with and conform to the requirements of section 12(1) and (2) the BCBCA. The Board may, in its sole discretion, decide not to act on this resolution without further approval from the shareholders of the Corporation. A special resolution requires approval by not less than two-thirds of the votes cast in respect of the special resolution. After having obtained shareholder approval, the Corporation must file with the registrar a continuation application in accordance with section 302 of the BCBCA, which continuation application contains, amongst other things, notice of articles that reflect the information that will apply to the continued company on its recognition. A copy of the consent from the Director under the OBCA to the Continuation along with the prescribed documents under the BCBCA will then be filed with the registrar and a Certificate of Continuation will be obtained.

The Continuation does not create a new legal entity, nor will it prejudice or affect the continuity of the Corporation. The Continuation will not result in any change in the business of the Corporation.

A copy of the proposed continuation application, notice of articles and articles are available for viewing up to the date of the Meeting at the Corporation’s head office 20 Adelaide Street East, Suite 200, Toronto, ON M5C 2T6, and at the Meeting.

***Differences between the OBCA and the BCBCA***

The following is a summary of the material differences between the OBCA and BCBCA. This summary is not intended to be exhaustive and shareholders may wish to consult their legal advisors regarding all of the implications of the Continuation.

***Charter Documents***

**Under the BCBCA, the charter documents consist of a “Notice of Articles”, which sets forth the name of the Corporation and the authorized share structure for the Corporation, and “Articles” which will govern the management of the Corporation (collectively, the “Charter Documents”).** The Notice of Articles is filed with the BC Registrar of

Companies and the Articles are filed in the Corporation's minute book maintained at its registered and records office in BC.

Under the OBCA, the Corporation has "Articles of Incorporation" which set forth the name of the Corporation and the amount and type of authorized capital, and "Bylaws" which govern the management of the Corporation. The Articles of Incorporation are filed with the Director and the Bylaws are filed in the Corporation's minute book.

If the shareholders approve the Continuation, the Notice of Articles and the Articles under the BCBCA, the authorized share structure of the Corporation will consist of an unlimited number of common shares. The Continuation to BC and adoption of the new Charter Documents will not result in any substantive changes to the constitution, powers or management of the Corporation except as described herein.

***Amendments to the Charter Documents and Share Capital***

Under both the OBCA and the BCBCA, certain fundamental changes to the articles of a company, such as an alteration of the restrictions, if any, on the business carried on by the Corporation, an alteration of any maximum number of shares that the Corporation is authorized to issue or the creation of any new classes of shares, must be approved by a special resolution passed by a majority of not less than 2/3rds of the votes cast by shareholders voting in person or by proxy at a general meeting of the Corporation; however, under the BCBCA, if the Articles provide, certain changes may be made by way of an ordinary resolution of the shareholders or, in certain cases, by a resolution of the directors. In the case of the Articles which will govern the Corporation following the Continuation, the Board will be authorized to change the Corporation's name (which is different from the OBCA), and will be authorized to approve certain share consolidations and splits (which is different from the OBCA).

***Sale of Corporation's Property***

Under both the OBCA and the BCBCA, any proposed sale, lease or exchange of all or substantially all of the property of the Corporation, other than in the ordinary course of business, must be approved by a special resolution passed by not less than 2/3rds of the votes cast by shareholders voting in person or by proxy (regardless of whether their shares otherwise do not carry a right to vote) at a general meeting. If the proposed sale, lease or exchange of the Corporation's property will affect a class or series of shares differently from another class or series of shares, then the special resolution approving it must be submitted to a separate vote of the holders of shares of that class or series, as the case may be.

***Rights of Dissent and Appraisal***

Both the OBCA and the BCBCA provide that shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require that corporation to purchase the shares held by such shareholder at the fair value of such shares. The dissent right may be exercised by a holder of shares of any class of the corporation if the corporation resolves to:

- (a) amend its articles to add, change or remove any restrictions on the business or businesses that the corporation may carry on;
- (b) amalgamate with another corporation (except pursuant to a vertical or horizontal short form of amalgamation, as provided for under the OBCA or the BCBCA, as the case may be);
- (c) continue out of the jurisdiction; or
- (d) sell, lease or exchange all or substantially all of its property, other than in the ordinary course of business.

***Oppression Remedies***

Under BCBCA, a shareholder of the Corporation, or any other person whom the court considers to be an appropriate person to make an application, has the right to apply to court on the grounds that:

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

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

The OBCA contains rights available to a larger class of complainants, i.e. a shareholder, former shareholder, director, former director, officer or former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy may apply to a court to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of the corporation or its affiliates effects a result, the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the corporation or its affiliates are or have been exercised in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of any security holder, creditor, director or officer.

#### ***Shareholder Derivative Actions***

Under the OBCA and the BCBCA, a shareholder, former shareholder, director, former director, officer or former officer of a corporation or its affiliates, and any person who, in the discretion of the court, is a proper person to do so, may apply for the court's leave to:

- (a) bring a derivative action in the name and on behalf of the corporation or any of its subsidiaries; or
- (b) intervene in an action to which a corporation or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the corporation or the subsidiary.

#### ***Requisition of Meetings***

Both the OBCA and the BCBCA permit the holders of not less than 5% of the issued shares that carry the right to vote at a meeting to require the directors to call and hold a general meeting of a corporation.

#### ***Form of Proxy and Information Circular***

The OBCA requires an offering (public) corporation to provide notice of a general meeting and a form of proxy for use by every shareholder entitled to vote at such meeting as well as an information circular containing prescribed information regarding the matters to be dealt with at the general meeting. There are no such provisions in the BCBCA (except with respect to providing notice of general meetings), but reporting issuers (public companies) are subject to the provisions of the National Instrument 51-102 –Continuous Disclosure Obligations, which require such companies to prepare and deliver a form of proxy and information circular containing prescribed information to shareholders in connection with general meetings.

#### ***Directors***

The OBCA requires that at least 25% of the directors of a corporation must be resident Canadians (unless the corporation has less than four directors, in which case one director must be resident Canadian). The BCBCA has no residency requirements.

The OBCA requires that at least one-third of the directors of an offering corporation (such as the Corporation), not be officers or employees of the corporation or its affiliates, which is difficult for a small entity such as the Corporation. The BCBCA does not have such requirements; although, the Corporation is subject to applicable securities laws which provide various corporate governance and audit committee requirements.

#### ***Rights of Dissenting Shareholders***

Pursuant to Section 185 of the OBCA, registered shareholders have the right to dissent to the Continuation and receive the fair market value of their respective shares from the Corporation. Shareholders who wish to exercise their right of dissent should seek their own legal advice as failure to comply strictly with the provisions of Section 185 of the OBCA may prejudice their right of dissent. In order to dissent, a written objection to the special resolution must be received by the Corporation at or before the Meeting. A vote against the Continuation resolution, an abstention or the execution of the proxy to vote against the Continuation resolution does not constitute such written objection.

The above summary is not a comprehensive statement of the procedures to be followed by dissenting shareholders who seek payment of the fair value for their common shares. Section 185 of the OBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. The full text of Section 185 of the OBCA is set out in Appendix "C" to this Information Circular.

If management determines that an unacceptable number of shareholders have dissented from the Continuation, the Continuation will not be proceeded with.

The text of the special resolution in respect of the approval of the Continuation out of the Province of Ontario and into the Province of British Columbia that management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

**“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT**

1. The Corporation is authorized to make an application to the Director under section 181 of the *Business Corporations Act* (Ontario) to continue the Corporation from the provincial jurisdiction of Ontario into the provincial jurisdiction of British Columbia.
2. The Corporation is authorized to file a Continuation Application and Notice of Articles with the Registrar of Companies for the Province of British Columbia under section 302 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) for continuation into British Columbia and to request the Registrar to issue a certificate of continuation evidencing such continuation.
3. The Corporation adopt the Notice of Articles authorizing an unlimited number of Common Shares without par value and adopt Articles substantially in the form presented at the Meeting in substitution respectively for the existing articles of incorporation and bylaws of the Corporation.
4. Despite the passing of this special resolution by shareholders, the directors of the Corporation are authorized, in their sole discretion and without further notice to or approval of the shareholders of the Corporation, to abandon or not proceed with the continuation application under the BCBCA.
5. Any one officer or director of the Corporation is authorized and directed to do, sign and execute all such things, deeds and documents necessary or desirable to carry out the foregoing including, without limitation, signing the continuation application, the Notice of Articles and the Articles.”

**The affirmative vote of 2/3 of the votes cast in person or by proxy in respect thereof is required in order to pass such special resolution.**

**The Board unanimously recommends that Shareholders vote in favour of the approval of the Continuation. Unless otherwise specified, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Continuation.**

### **EXECUTIVE COMPENSATION**

For purposes of this Information Circular, “named executive officer” of the Corporation means an individual who, at any time during the year, was (each a “**Named Executive Officer**” or “**NEO**”):

- (a) the Corporation’s chief executive officer (“**CEO**”);
- (b) the Corporation’s chief financial officer (“**CFO**”);
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$100,000 for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

During the 3 years ended December 31, 2018, the Corporation had three Named Executive Officers: Timothy J. Turner, Jeff Ratcliffe and Miles Nagamatsu.

#### **Compensation Discussion and Analysis**

In assessing the compensation of its executive officers, the Corporation does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Directors’ discussion.

The Corporation’s executive compensation program has three principal components: base salary, incentive bonus plan and stock options.

All base salaries for other employees, if any, of the Corporation are determined by senior management.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. No bonuses were paid to executive officers or employees during the most recently completed financial year.

Stock options are granted to provide an incentive to the Participants to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. The Corporation awards stock options to the Participants based upon the recommendation of the Nomination and Compensation Committee, which recommendation is based upon the Nomination and Compensation Committee's review of a proposal from the CEO. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the Stock Option Plan are the responsibility of the Directors.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

### Summary Compensation Table

The following table sets forth the compensation paid or awarded to the Named Executive Officer:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Timothy J. Turner CEO	2016	90,000	Nil	Nil	Nil	Nil	Nil	Nil	90,000
	2017	90,000	Nil	Nil	Nil	Nil	Nil	Nil	90,000
	2018	181,042	Nil	72,143	Nil	Nil	Nil	Nil	253,185
Jeff Ratcliffe <sup>(1)</sup> CFO	2016	42,000	Nil	Nil	Nil	Nil	Nil	Nil	42,000
Miles Nagamatsu <sup>(2)</sup> CFO	2017	31,973	Nil	Nil	Nil	Nil	Nil	Nil	31,973
	2018	45,600	Nil	33,647	Nil	Nil	Nil	Nil	79,247

**Note:**

- 1) Mr. Ratcliffe resigned as Chief Financial Officer on March 31, 2017.
- 2) Mr. Nagamatsu was appointed as Chief Financial Officer on April 19, 2017.
- 3) The amount shown in the column represents the fair value of options vested during the year and may not represent the amount the NEO will actually receive from the awards. The fair value of the options has been calculated using the Black-Scholes option pricing model.

### NEO Employment Contracts, Termination and Change of Control Benefits

The following describes the material terms and conditions of the employment contracts of the Named Executive Officers in effect during the financial year ended December 31, 2018.

#### *Timothy J. Turner*

On January 1, 2018, the Corporation entered into an Executive Services Agreement ("ESA") with Tim Turner & Associates LLC ("Consultant") and Timothy J. Turner pursuant to which Mr. Turner agreed to continue to act as Chief Executive Officer of the Corporation. Pursuant to the ESA, the Consultant is entitled to the following compensation:

- a) an incentive bonus of US\$20,000 to sign the ESA and continue as Chief Executive Officer of the Corporation;
- b) an annual salary of US\$120,000 ("Base Salary");
- c) an annual bonus as determined by the Board of Directors ("Annual Bonus").

The ESA can be terminated by the Corporation upon two months prior written notice and may be terminated by the Consultant at any time upon three months written notice to the Corporation. In the event of a change of control of the Corporation, the Consultant may give notice to terminate the ESA and be entitled to compensation from the Corporation equal to US\$120,000 and the most recently paid Annual Bonus. Upon termination, neither Consultant nor Timothy J. Turner shall have any claim against the Corporation except in respect of any unpaid Base Salary and Annual Bonus.

*Miles Nagamatsu*

On April 19, 2017, the Corporation entered into an engagement letter with Marlborough Management Limited pursuant to which, Mr. Nagamatsu agreed to act as Chief Financial Officer of the Corporation. Pursuant to the engagement letter, Mr. Nagamatsu is paid an annual salary of \$45,600. The engagement letter can be terminated by either party upon three months prior written notice. Upon termination neither consultant nor executive shall have any claim against the Corporation except in respect of any unpaid base salary.

The following table details the estimated payments, payables and benefits triggered by a termination without cause or as a result of a change of control for each of the NEOs, assuming the triggering event took place on December 31, 2018. This table assumes that all compensation currently owed to the NEOs as at December 31, 2018 has been paid.

Name and principal position	Salary (\$)	Performance Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total compensation (\$)
Timothy J. Turner CEO	US\$120,000	Nil	Nil	N/A	Nil	US\$120,000
Miles Nagamatsu CFO	Nil	Nil	Nil	N/A	Nil	Nil

**Incentive Plan Awards*****Outstanding Share-Based Awards and Option-Based Awards***

The following table sets forth all awards outstanding for the Named Executive Officer as of December 31, 2018:

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (MM/DD/YY)	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Timothy J. Turner	500,000	0.25	08/20/23	Nil	Nil	Nil
Miles Nagamatsu	300,000	0.25	08/20/23	Nil	Nil	Nil

**Note:**

(1) The value of unexercised in-the-money options is calculated based on the difference between the closing price of \$0.11 for the Common Shares on the TSX-V on December 31, 2018 and the exercise price of the options, multiplied by the number of unexercised options.

***Incentive Plan Awards - Value Vested or Earned During the Year***

The following table sets forth the value of all incentive plan awards vested or earned for the Named Executive Officers during the financial year ended December 31, 2018:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Timothy J. Turner	72,143	Nil	Nil
Miles Nagamatsu	33,647	Nil	Nil

**Pension Plan Benefits**

No benefits were paid, and no benefits are proposed to be paid to the Named Executive Officers under any pension or retirement plan.

No deferred compensation plans were paid, and no benefits are proposed to be paid to the Named Executive Officers under a deferred compensation plan.

### Director Compensation

During the financial period ended December 31, 2018, none of the directors of the Corporation earned or were paid any compensation (cash or otherwise) for their services as directors of the Corporation or in any other capacity, other than the Named Executive Officer as set forth above.

### Incentive Plan Awards

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

The following table sets forth all option-based awards and share-based outstanding for each of the Directors, not including the Directors who are also a Named Executive Officers, as of December 31, 2018:

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (MM/DD/YY)	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Edward Banaszek	200,000	0.25	08/20/23	Nil	Nil	Nil
Christian Shomber	200,000	0.25	08/20/23	Nil	Nil	Nil
Art Halleran	200,000	0.25	08/20/23	Nil	Nil	Nil

**Note:**

- 1) The value of unexercised in-the-money options is calculated based on the difference between the closing price of \$0.11 for the Common Shares on December 31, 2018 and the exercise price of the options, multiplied by the number of unexercised options.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2018 with respect to compensation plans under which the Common Shares are authorized for issuance, aggregated as set out below:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities listed in first column)
Equity compensation plans approved by security holders <sup>(1)</sup> (Stock Option Plan)	1,400,000	0.25	348,037
<b>Total</b>	<b>1,400,000</b>	<b>0.25</b>	<b>348,037</b>

**Note:**

- (1) As of December 31, 2018, there were no equity compensation plans not approved by the security holders of the Corporation.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Corporation's Directors or officers was indebted to the Corporation as of December 31, 2018, or at any time during 2018.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Information Circular, none of the Corporation's Directors or officers, nor any proposed nominee for election as a director of the Corporation nor any other informed person of the Corporation, nor any Associate or Affiliate of any one of them, has or has had, at any time since the beginning of the financial period ended, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Corporation.

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

Except as disclosed in this Information Circular, none of the Corporation's Directors or executive officers, proposed nominees for election as a director of the Corporation nor any Associate or Affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

### CORPORATE GOVERNANCE PRACTICES

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose information relating to its corporate governance practice. The Corporation's "Statement of Corporate Governance Practices", approved by the Directors, is attached to this Information Circular as Appendix "A".

### AUDIT COMMITTEE

#### *Audit Committee's Charter*

As a TSX-V listed Corporation, the Corporation is required to have an audit committee for the purpose of monitoring and enhancing the quality of the financial information disclosed by the Corporation. The Audit Committee charter (the "Charter") is attached as Appendix "B" hereto.

#### *Composition of Audit Committee*

As of December 31, 2018, the Audit Committee was composed of two independent Directors who meet the independence requirement set out in NI 58-101 and under National Instrument 52-110 - *Audit Committees* ("NI 52-110"). As of December 31, 2018, the Audit Committee was comprised of three directors: Timothy J. Turner, Christian Shomber and Edward Banaszek. Timothy J. Turner was not considered independent by virtue of his position as chief executive officer of the Corporation.

All current members of the Audit Committee are "financially literate" within the meaning given to such term in the Charter and NI 52-110, and have the ability to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

#### *Relevant Education and Experience*

In addition to each current member's general business experience, the education and experience of each individual who was an Audit Committee member as of December 31, 2018 that is relevant to such member's responsibilities as a member of the Audit Committee is set forth below:

#### *Audit Committee Oversight*

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Directors.

#### *Reliance on Certain Exemptions*

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimis Non-Audit Services*" or any exemption provided by Part 8 of NI 52-110.

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

The Corporation has not adopted any specific policies in relation to the engagement of non-audit services.

#### *External Auditor Service Fees*

The following table sets forth information regarding the amount billed to the Corporation by its principal independent auditors for the years ended December 31, 2018 and December 31, 2017:

	2018	2017
	\$	\$
Audit fees	11,000	8,000
Tax fees	-	-
Total	11,000	8,000

***Exemption***

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

**OTHER BUSINESS**

Management and the Directors are not aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached notice of Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with his judgment.

**ADDITIONAL INFORMATION**

Financial information regarding the Corporation is provided in the Corporation's audited annual consolidated financial statements for the financial year ended December 31, 2018 and the accompanying management's discussion and analysis. Copies of the foregoing may be obtained on written request addressed to the CFO.

Written requests for a copy of the above documents should be directed to the CFO at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6.

Additional information concerning the Corporation is available online at [www.sedar.com](http://www.sedar.com).

**GENERAL**

The Directors have approved the contents of this Information Circular and its sending to the Shareholders, the auditors of the Corporation and to appropriate governmental and regulatory agencies.

**DATED** as of the 29th day of October 2019.

By Order of the Board of Directors

*"Timothy J. Turner"*  
(Signed) Timothy J. Turner  
Chief Executive Officer and Director

## APPENDIX “A”

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

A summary of the Corporation’s corporate governance initiatives in relation to the new guidelines for effective corporate governance for venture issuers pursuant to NI 58-101 and National Policy 58-201 - *Corporate Governance Guidelines* is set out below.

#### ***Independence of Directors for the Purpose of NI 58-101***

*December 31, 2018*

The Directors have determined that as of December 31, 2018, three out of the four Directors were independent for the purpose of NI 58-101. The independent Directors were Edward Banaszek, Christian Shomber and Art Halleran.

In addition, the Directors have determined that as of December 31, 2018, one out of the four Directors were not independent for the purposes of NI 58-101. Timothy J. Turner was not, as of December 31, 2018 independent by virtue of his being the Corporation’s CEO.

#### ***Other Directorships***

In addition to serving as a Director, the following Directors are also directors of the reporting issuers or equivalent as set out beside such Directors name:

- Timothy J. Turner –Bocana Investments, SA

#### ***Orientation and Continuing Education***

Prior to joining the Board, each new Director will meet with the Chairman, the CEO and the CFO, if the CFO is not the Chairman or CEO. Each such officer shall be responsible for outlining the business and prospects of the Corporation, both positive and negative, with a view to ensuring that the new Director is properly informed to commence his or her duties as a Director. Each new Director will also be given the opportunity to meet with the auditors and counsel to the Corporation. As part of the annual board assessment process the Board determines whether any additional education and training is required for Directors.

#### ***Code of Business Ethics***

The Directors encourage and promote an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to employees, officers and directors to help them recognize and deal with ethical issues promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

#### ***Nomination of Directors and Assessments***

The Directors are responsible for identifying new candidates for nomination to the Board. The process by which the Directors identify new candidates is through recommendations from Board members based on corporate law and regulatory requirements as well as relevant education and experience related to the Corporation’s business.

#### ***CEO and Director Compensation***

The Directors are responsible for conducting an annual review of the performance of the Corporation and the CEO as measured against objectives established in the prior year by the CEO and approved by the Directors. The results of this annual review are to be communicated to the Directors who then make an evaluation of the overall performance of the Corporation and the CEO. This performance evaluation is communicated to the CEO by the Chairman. The evaluation of performance against objectives forms part of the determination of the entire compensation of senior employees.

## APPENDIX "B"

### AUDIT COMMITTEE CHARTER

UNITED HUNTER OIL & GAS CORP. (the "Corporation")

(Implemented pursuant to National Instrument 52-110 (the "Instrument"))

March 23, 2009

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#### Mandate

##### A. Role and Objective

The Audit Committee (the "Committee") is a committee of the Board of Directors (the "Board") of United Hunter Oil & Gas Corp. (the "Corporation") established for the purpose of overseeing the accounting and financial reporting process of the Corporation and external audits of the consolidated financial statements of the Corporation. In connection therewith, the Committee assists the Board in fulfilling its oversight responsibilities in relation to the Corporation's internal accounting standards and practices, financial information, accounting systems and procedures, financial reporting and statements and the nature and scope of the annual external audit. The Committee also recommends for Board approval, the Corporation's audited annual consolidated financial statements and other mandatory financial disclosure.

The Corporation's external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Corporation. The Committee shall be directly responsible for overseeing the relationship of the external auditor. The Committee shall have such access to the external auditor as it considers necessary or desirable in order to perform its duties and responsibilities. The external auditor shall report directly to the Committee.

The objectives of the Committee are to:

1. Be satisfied with the credibility and Integrity of financial reports;
2. Support the Board in meeting its oversight responsibilities in respect of the preparation and disclosure of financial reporting, including the consolidated financial statements of the Corporation;
3. Facilitate communication between the Board and the external auditor and to receive all reports of the external auditor directly from the external auditor;
4. Be satisfied with the external auditor's independence and objectivity; and
5. Strengthen the role of independent directors by facilitating in-depth discussions between members of the Committee, management and the Corporation's external auditor.

##### B. Composition

1. The Committee shall comprise at least three directors, the majority of whom shall be independent directors. Each independent Committee member shall satisfy the independence, financial literacy and experience requirements of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board.
2. Members of the Committee shall be appointed by the Board. Each member shall serve until his/her successor is appointed unless he/she shall resign or be removed by the Board or he/she shall otherwise cease to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than three directors.

3. The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership. The Committee Chair shall satisfy independence (as described above B.1), financial literacy and experience requirements.
4. The Committee shall have access to such officers and employees of the Corporation and to such information respecting the Corporation as it considers being necessary or advisable in order to perform its duties and responsibilities. The Committee shall have the authority to engage and compensate an outside adviser.

**C. Meetings**

1. The Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine. Any two members of the Committee may also request a meeting of the Committee.
2. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other.
3. The Chair shall, in consultation with management, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Committee with sufficient time for study prior to the meeting.
4. Every question at a Committee meeting shall be decided by a majority of the votes cast.
5. Each of the Chief Executive Officer and Chief Financial Officer of the Corporation shall be available to advise the Committee, shall receive notice of all meetings of the Committee may attend meetings at the invitation of the Chair of the Committee. The Chair of the Committee shall hold in camera sessions of the Committee, without management present, at every meeting.
6. A Committee member, or any other person selected by the Committee, shall be appointed at each meeting to act as secretary for the purpose of recording the minutes of each meeting.
7. The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be retained and made available for examination by the Board upon request to the Chair.
8. The Committee shall meet periodically with the external auditor (in connection with the preparation of the annual financial statements and otherwise as the Committee may determine), part or all of each such meeting to be in the absence of management.

**D. Responsibilities**

The Committee is established to assist the Board in fulfilling its oversight responsibilities with respect to the accounting and financial reporting processes of the Corporation and external audits of the Corporation's consolidated financial statements. In that regard, the Committee shall:

1. Satisfy itself on behalf of the Board with respect to the Corporation's internal control systems including identifying, monitoring and mitigating business risks as well as compliance with legal, ethical and regulatory requirements. The Committee shall also review with management, the external auditor and, if necessary, legal counsel, any litigation, claim or other contingency (including tax assessments) that could have a material effect on the financial position or operating results of the Corporation (on a consolidated basis), and the manner in which these matters may be, or have been, disclosed in the financial statements;
2. Review with management and the external auditor the annual consolidated financial statements of the Corporation, the reports of the external auditor thereon and related financial reporting, including Management's Discussion and Analysis and earnings press releases (collectively "**Annual Financial**

**Disclosure**") prior to their submission to the Board for approval. This process should include, but not be limited to:

- (a) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future year's financial statements;
- (b) reviewing significant accruals, reserves or other estimates;
- (c) reviewing accounting treatment of unusual or non-recurring transactions;
- (d) reviewing disclosure requirements for commitments and contingencies;
- (e) reviewing financial statements and all items raised by the external auditor, whether or not included in the financial statements; and
- (f) reviewing unresolved differences between the Corporation and the external auditor.

Following such review, the Committee shall recommend to the Board for approval all Annual Financial Disclosure;

1. Review with management all interim consolidated financial statements of the Corporation and related financial reporting including Management's Discussion and Analysis and earnings press releases (collectively "Quarterly Financial Disclosure") and approve all Quarterly Financial Disclosure;
2. Be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than Annual Financial Disclosure or Quarterly Financial Disclosure, and shall periodically assess the adequacy of those procedures;
3. Review with management and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other disclosure document of the Corporation;
4. Review with management and recommend to the Board for approval, the Corporation's Annual Information Form (if any);
5. With respect to the external auditor:
  - (a) receive all reports of the external auditor directly from the external auditor;
  - (b) discuss with external auditor:
    - (i) critical accounting policies;
    - (ii) alternative treatments of financial information within IFRS discussed with management (including the ramifications thereof and the treatment preferred by the external auditor); and
    - (iii) other material, written communication between management and the external auditor;
  - (c) consider and make a recommendation to the Board as to the appointment or reappointment of the external auditor, being satisfied that such auditor is a participant in good standing pursuant to applicable securities laws;
  - (d) review the terms of engagement of the external auditor, including the appropriateness and reasonableness of the auditor's fees and make a recommendation to the Board as to the compensation of the external auditor;

- (e) when there is to be a replacement of the external auditor, review with management the reasons for such replacement and the information to be included in any required notice to securities regulators and recommend to the Board for approval the replacement of the external auditor along with the content of any such notice;
  - (f) oversee the work of the external auditor in performing its audit or review services and oversee the resolution of any disagreements between management and the external auditor;
  - (g) review and discuss with the external auditor all significant relationships that the external auditor and its affiliates have with the Corporation and its affiliates in order to determine the external auditor's independence, including, without limitation:
    - (i) requesting, receiving and reviewing, on a periodic basis, written or oral information from the external auditor delineating all relationships that may reasonably be thought to bear on the independence of the external auditor with respect to the Corporation;
    - (ii) discussing with the external auditor any disclosed relationships or services that the external auditor believes may affect the objectivity and the independence of the external auditor; and
    - (iii) recommending that the Board take appropriate action in response to the external auditor's information to satisfy itself of the external auditor's independence;
  - (h) as may be required by applicable securities laws, rules and guidelines, either:
    - (i) pre-approve all non-audit services to be provided by the external auditor to the Corporation (and its subsidiaries, if any), or, in the case of *de minimis* non-audit services, approve such non-audit services prior to the completion of the audit; or
    - (ii) adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services;
  - (i) review and approve the hiring policies of the Corporation regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation;
6. (a) establish procedures for:
- (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters; and
- (b) review with external auditor its assessment of the internal controls of the Corporation, its written reports containing recommendations for improvement, and the Corporation's response and follow-up to any identified weaknesses;
7. with respect to risk management, be satisfied that the Corporation has implemented appropriate systems of internal control over financial reporting (and review senior management's assessment thereof) to ensure compliance with any applicable legal and regulatory requirements;
8. review annually with management and the external auditor and report to the Board on insurable risks and insurance coverage; and
9. engage independent counsel and other advisors as it determines necessary to carry out its duties and set and pay the compensation for any such advisors.

## APPENDIX “C”

### 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;
- (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. R.S.O. 1990, c. B.16, s. 185 (1).

#### **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). R.S.O. 1990, c. B.16, s. 185 (2).

#### **One class of shares**

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

#### **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. R.S.O. 1990, c. B.16, s. 185 (3).

#### **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. R.S.O. 1990, c. B.16, s. 185 (4).

**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. R.S.O. 1990, c. B.16, s. 185 (5).

**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. R.S.O. 1990, c. B.16, s. 185 (6).

**Idem**

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

**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. R.S.O. 1990, c. B.16, s. 185 (8).

**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. R.S.O. 1990, c. B.16, s. 185 (9).

**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. R.S.O. 1990, c. B.16, s. 185 (10).

**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. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

**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. R.S.O. 1990, c. B.16, s. 185 (12).

**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. R.S.O. 1990, c. B.16, s. 185 (13).

**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). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (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. R.S.O. 1990, c. B.16, s. 185 (15).

**Idem**

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

**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. R.S.O. 1990, c. B.16, s. 185 (17).

**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. R.S.O. 1990, c. B.16, s. 185 (18).

**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. R.S.O. 1990, c. B.16, s. 185 (19).

**Idem**

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

**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. R.S.O. 1990, c. B.16, s. 185 (21).

**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. R.S.O. 1990, c. B.16, s. 185 (22).

**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. R.S.O. 1990, c. B.16, s. 185 (23).

**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. R.S.O. 1990, c. B.16, s. 185 (24).

**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. R.S.O. 1990, c. B.16, s. 185 (25).

**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). R.S.O. 1990, c. B.16, s. 185 (26).

**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. R.S.O. 1990, c. B.16, s. 185 (27).

**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. R.S.O. 1990, c. B.16, s. 185 (28).

**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. R.S.O. 1990, c. B.16, s. 185 (29).

**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. R.S.O. 1990, c. B.16, s. 185 (30).

**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. 1994, c. 27, s. 71 (24).

**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. 1994, c. 27, s. 71 (24).

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