

BLACK BIRCH CAPITAL ACQUISITION III CORP.

10 Pauline Avenue
Brooklin, Ontario, Canada L1M2H5

**2016
ANNUAL
GENERAL
AND SPECIAL
MEETING**

Notice of Annual and Special General Meeting of
Shareholders
Management Information Circular
Form of Proxy and Notes Thereto
Financial Statement Request Form

Place:

Gowling WLG (Canada) LLP
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto ON, Canada M5X 1G5

Time:

9:00 a.m. (Toronto time)

Date:

Tuesday, April 18, 2017

BLACK BIRCH CAPITAL ACQUISITION III CORP.

CORPORATE DATA

Head Office

10 Pauline Avenue
Brooklin, Ontario, Canada L1M2H5

Directors and Officers

Paul Haber - Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director

Kin-Man Lee - Director

Anthony Pizarro - Director

Registrar and Transfer Agent

TSX Trust Company
200 University Avenue, Suite 300
Toronto, Ontario, Canada M5H 4H1

Legal Counsel

Gowling WLG (Canada) LLP
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto ON Canada M5X 1G5

Auditor

UHY McGovern Hurley LLP
251 Consumers Road, Suite 800
Toronto, Ontario, Canada M2J 4R3

Listing

NEX Board of the TSX Venture Exchange, Symbol “**BBC.H**”

BLACK BIRCH CAPITAL ACQUISITION III CORP.

10 Pauline Avenue
Brooklin, Ontario, Canada L1M2H5

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Take notice that the annual general and special meeting (the “**Meeting**”) of shareholders of Black Birch Capital Acquisition III Corp. (the “**Corporation**”) will be held at Suite 1600, 1 First Canadian Place, 100 King Street West, Toronto ON , Canada M5X 1G5, on Tuesday, April 18, 2017 at 9:00 am (Toronto time) for the following purposes:

1. To receive the Corporation’s audited financial statements for the year ended December 31, 2015 and the auditor’s report thereon;
2. To appoint auditors for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
3. To re-elect the directors of the Corporation for the ensuing year;
4. To consider and, if thought appropriate, to pass an ordinary resolution approving the Corporation’s current 10% rolling stock option plan as described in the accompanying Management Information Circular (the “**Information Circular**”);
5. To consider and, if thought appropriate, to pass a special resolution authorizing the Corporation’s board of directors to implement a share consolidation on the basis of one (1) new share for each three (3) common shares currently issued or authorized or such other ratio as the Corporation’s board of directors may determine;
6. To consider and, if thought appropriate, to pass a special resolution authorizing the continuance of the Corporation under the *Business Corporations Act* (British Columbia) and the adoption of new Articles, as more particularly described in the accompanying Information Circular; and
7. To transact any other business that may properly come before the meeting and any adjournment thereof.

The Information Circular contains details of matters to be considered at the Meeting and accompanies and is deemed to form part of this Notice.

The Corporation has elected to use the notice-and-access (“**Notice-and-Access**”) provisions under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 *Continuous Disclosure Obligations* to distribute Meeting materials to shareholders. Notice-and-Access is a new set of rules that allow issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies to shareholders. Shareholders have the right to request hard copies of any proxy-related materials posted online by the Corporation under Notice-and-Access.

Meeting materials, including the Information Circular, are available under the Corporation’s profile at www.sedar.com and also at <http://noticeinsite.tsxtrust.com/BlackBirchCapitalAGSM2017>. The Corporation will provide to any shareholder, free of charge, upon request to the Corporation’s transfer agent, TSX Trust Company (“**TSX Trust**”) toll-free at 1-866-600-5869, a paper copy of the Information Circular and any financial statements or management discussion and analysis of the Corporation filed with the applicable securities regulatory authorities during the past year. In order to allow reasonable

time for you to receive and review a paper copy of the Information Circular or other document prior to the proxy deadline, you should make your request for a paper copy to TSX Trust by April 6, 2017.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder's shares will be voted at the Meeting is requested to complete, date and sign the form of proxy for the Meeting, or voting information form ("**VIF**"), and deliver the form of proxy, or VIF, in accordance with its instructions.

DATED at Toronto, Ontario, this 27th day of February, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Paul Haber

Paul Haber
Chief Executive Officer,
Chief Financial Officer, Corporate Secretary
and Director

BLACK BIRCH CAPITAL ACQUISITION III CORP.

MANAGEMENT INFORMATION CIRCULAR

as of February 27, 2017 (unless otherwise noted)

MANAGEMENT SOLICITATION OF PROXIES

This Information Circular (the “Information Circular”) is furnished to you in connection with the solicitation of proxies by management of Black Birch Capital Acquisition III Corp. (“we”, “us” or the “Corporation”) for use at the annual general and special meeting of shareholders of the Corporation to be held on Tuesday, April 18, 2017 (the “Meeting”), and at any adjournment of the Meeting. The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation at nominal cost. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the Notice-and-Access Notification (as defined below) to Beneficial Shareholders of Common Shares held as of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Notice-and-Access

The Corporation has elected to use the “notice-and-access” provisions (“**Notice-and-Access**”) that came into effect on February 11, 2013 under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators, for distribution of this Circular and other meeting materials, including the form of proxy (the “**Proxy**”), the voter information form (the “**VIF**”) and the Notice of Meeting (collectively, the “**Meeting Materials**”), to registered shareholders of the Corporation and Non-Registered Holders (as defined herein), other than those shareholders with existing instructions on their accounts to receive printed materials or those shareholders that request printed meeting materials.

Notice-and-Access allows issuers to post electronic versions of Meeting Materials online, via SEDAR and one other website, rather than mailing paper copies of such meeting materials to shareholders. The Corporation has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

The Corporation has posted the Meeting Materials, and its audited financial statements and management discussion and analysis for the year ended December 31, 2015, under its profile at www.sedar.com and also at <http://noticeinsite.tsxtrust.com/BlackBirchCapitalAGSM2017>.

Although the Meeting Materials will be posted electronically online, registered shareholders and Non-Registered Holders (subject to the provisions set out below under the heading “Beneficial Shareholders”) will receive a “notice package” (the “**Notice-and-Access Notification**”) by prepaid mail, which includes the information prescribed by NI 54-101, and a Proxy, in the case of registered shareholders, or VIF, in the case of Non-Registered Holders, enabling them to vote at the Meeting. Shareholders should follow the instructions for completion and delivery contained in the Proxy or VIF, and are reminded to review the Circular before voting.

Shareholders will not receive a paper copy of the Meeting Materials unless they contact the Corporation’s transfer agent, TSX Trust Company (“**TSX Trust**”) toll-free at 1-866-600-5869. Provided the request is made prior to the Meeting, TSX Trust will mail the requested materials within three

business days. Requests for paper copies of the Meeting Materials should be made by April 6, 2017 in order to receive the Meeting Materials in time to vote before the Meeting.

Shareholders with questions about Notice-and-Access may contact TSX Trust toll-free at 1-866-600-5869, or the Corporation at 1 (416) 318-6501 or by email at phaber@blackbirchcap.com.

APPOINTMENT OF PROXY HOLDER

The persons named as proxy holders in the enclosed form of proxy are the Corporation's directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the Corporation.

VOTING BY PROXY

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgment.

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in favour of all matters.**

RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Corporation's registrar and transfer agent, TSX Trust Company by fax to 416-595-9593 or by hand or mail to 200 University Avenue, Suite 300, Toronto, Ontario, Canada M5H 4H1, or vote online at www.voteproxyonline.com by entering the 12 digit control number on your form of proxy not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

ADVICE TO NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are “non-registered” shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a “**Nominee**”). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as “NOBOs”. Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as “OBOs”.

In accordance with the requirements of NI 54-101, the Corporation has elected to send the Notice-and-Access Notification directly to NOBOs and to the Nominees for onward distribution to OBOs. The Corporation intends to pay for intermediaries to forward the Notice-and-Access Notification to OBOs, and an OBO will receive the Notice-and-Access Notification.

The Notice-and-Access Notification is being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent the Notice-and-Access Notification directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Notice-and-Access Notification to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Notice-and-Access Notification to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Notice-and-Access Notifications sent to beneficial owners who have not waived the right to receive Meeting Materials are accompanied by a VIF to be used instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the registered shareholder how to vote on behalf of the Non-Registered Holder. VIF's, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

REVOCATION OF PROXY

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or

- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Corporation's registrar and transfer agent or to the Corporation's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

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

None of the directors or executive officers of the Corporation, nor any person who has held such a position since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the approval of the Corporation's stock option plan. Directors and executive officers of the Corporation may participate in the Corporation's stock option plan, and accordingly have an interest in its approval. See "Particulars of Matters to be Acted On".

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of common shares (the "**Common Shares**") and an unlimited number of Preference shares, issuable in series, of which 6,512,220 Common Shares and no Preference shares were issued and outstanding as of the date hereof.

Persons who are registered shareholders at the close of business on Monday, February 27, 2017 will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share. In order to approve a motion proposed at the Meeting, a majority of at least 50% plus one vote of the votes cast will be required to pass an ordinary resolution, and a majority of at least two-thirds of the votes cast will be required to pass a special resolution.

To the knowledge of the directors and senior officers of the Corporation, as at February 27, 2017, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, except as follows:

| Name of Shareholder | Number of Common Shares | Percentage of Issued and Outstanding |
|----------------------|-------------------------|--------------------------------------|
| 1916767 Ontario Inc. | 1,400,000 | 21.50% |

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Pursuant to Policy 2.4 of the TSX Venture Exchange (“**TSXV**”) and until the Corporation completes a Qualifying Transaction, no compensation of any kind may be provided to the Corporation’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of options pursuant to the incentive stock option plan of the Corporation (the “**Black Birch Option Plan**”). Given these restrictions, the Corporation does not have a compensation committee and has not engaged any compensation consultant or advisor.

The Corporation chooses to issue options to maintain a competitive position in the CPC marketplace and because it is the only permissible form of compensation that may be awarded to its directors and officers while it is a CPC.

The objective and purpose of any options awards is to encourage the Corporation’s officers and directors to find a Qualifying Transaction that is in the best interest of the shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Common Shares during the term of the options, the directors and officers will receive no benefit, or very little benefit, from any options.

With respect to the grant of options, the Chief Executive Officer recommends to the Corporation’s board of directors (the “**Board**”) the individual equity incentive awards for each executive officer and director. The Board then considers these recommendations when making final decisions on compensation for those executive officers. The Board does not use formulas for each grant, but is restricted by the policies of the TSXV and the Black Birch Option Plan in how many options it may grant. Options under the Black Birch Option Plan are awarded to executive officers by the Board based upon the level of responsibility and contribution of the individuals towards the Corporation’s goals and objectives. Previous grants of options to a particular individual will be taken into account when considering future grants of options to that particular individual.

To date, the Board has not considered the implications of the risks associated with the Corporation’s compensation policies and practices. The Corporation does not have a policy restricting its executives or officers from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities.

Following the completion of the Transaction, it is anticipated that the Corporation will pay compensation to its directors and officers in accordance with industry standards for companies of comparable size and stage of development.

Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Corporation currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its named executive officers or directors of the Corporation.

Named Executive Officers

The following is a summary of the compensation paid by the Corporation to its Named Executive Officer (“**NEO**”) for the three most recently completed financial years on or before December 31, 2015. NEOs include the Corporation’s Chief Executive Officer, the Corporation’s Chief Financial Officer and

the other three most highly compensated executive officers, provided that disclosure is not required for those executive officers, other than the Chief Executive Officer and Chief Financial Officer, whose total compensation did not exceed \$150,000 for the Corporation's most recently completed financial year.

The Corporation had one Named Executive Officer in 2015, being Paul Haber, Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation.

Summary Compensation Table

The following table and the notes thereto set forth information concerning annual total compensation for the NEO for the fiscal years ended December 31, 2015, 2014 and 2013.

| Name and principal position | Year Ended December 31 | Salary | Share based Awards | Option based Awards ⁽¹⁾ | Non-equity Incentive Plan Compensation | | | | |
|--|------------------------|--------|--------------------|------------------------------------|--|---------------------------|---------------|------------------------|--------------------|
| | | | | | Annual Incentive Plans | Long Term Incentive Plans | Pension Value | All Other Compensation | Total Compensation |
| Paul Haber, CEO, CFO, Corporate Secretary and Director | 2015 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2014 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2013 | Nil | Nil | \$10,496 | Nil | Nil | Nil | Nil | \$10,496 |

Note:

(1) The fair value of options granted was estimated at the date of grant using the Black-Scholes option pricing model using assumptions based on expected life, risk free rate, expected dividend yield and expected volatility.

Outstanding Share Based Award and Option-Based Awards

Long-term incentives in the form of options are intended to align the interests of Corporation's directors and officers with those of its shareholders and to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value. The Black Birch Option Plan is administered by the Board. In establishing the number of options to be granted to a NEO, reference is made to the number of stock options granted to officers of other similar publicly traded companies. The Board also considers the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new options. The level of effort, time, responsibility, ability, experience and level of commitment of the executive officer is also considered in determining the level of incentive stock option compensation.

The following table shows all awards granted to the Named Executive Officer which were outstanding on December 31, 2015.

| Option-based Awards | | | | | Share-based Awards | | |
|---------------------|---|-----------------------|------------------------|--|--|---|---|
| Name | Number of securities underlying unexercised options (pre-consolidation) | Option Exercise Price | Option Expiration Date | Value of unexercised in-the-money options ⁽¹⁾ | Number of shares or units of shares that have not vested | Market or payout value of share-based awards that have not vested | Market or payout value of vested share-based awards not paid out or distributed |
| Paul Haber | 139,943 | 0.10 | July 10, 2018 | N/A | Nil | Nil | Nil |

Note:

(1) Based on the most recent closing price of the Common Shares on the TSXV on or before December 31, 2015 of \$0.005.

Incentive Plan Awards – Value Vested or Earned During Fiscal Year

All options held by the NEO vested immediately on the date of grant, July 10, 2013.

Termination and Change of Control Benefits

The Corporation has no employment contracts with its NEO and therefore has no plans or arrangements in respect of any compensation received or that may be received by the NEO in the fiscal year ended December 31, 2015, or the current fiscal year in respect of compensating such NEO in the event of termination (i.e. as a result of resignation, retirement or change in control) or in the event of change of responsibilities following a change in control.

Director Compensation

The compensation arrangements for directors of the Corporation are similar to those with respect to the Corporation's NEO in that the directors are also granted options as compensation. The Corporation believes granting of options aligns the directors' incentives with shareholder interests because these awards have value only if the stock price increases over time.

Outstanding Share-Based Awards and Option-Based Awards

The following table shows all awards granted to non-employee directors which were outstanding on December 31, 2015.

| Name | Option-based Awards | | | | Share-based Awards | | |
|-------------|---|-----------------------|------------------------|--|--|---|---|
| | Number of securities underlying unexercised options | Option Exercise Price | Option Expiration Date | Value of unexercised in-the-money options ⁽¹⁾ | Number of shares or units of shares that have not vested | Market or payout value of share-based awards that have not vested | Market or payout value of vested share-based awards not paid out or distributed |
| Kin-Man Lee | 77,746 | \$0.10 | July 10, 2018 | N/A | Nil | Nil | Nil |

| Name | Option-based Awards | | | | Share-based Awards | | |
|-----------------|---|-----------------------|------------------------|--|--|---|---|
| | Number of securities underlying unexercised options | Option Exercise Price | Option Expiration Date | Value of unexercised in-the-money options ⁽¹⁾ | Number of shares or units of shares that have not vested | Market or payout value of share-based awards that have not vested | Market or payout value of vested share-based awards not paid out or distributed |
| Anthony Pizarro | 62,197 | \$0.10 | July 10, 2018 | N/A | Nil | Nil | Nil |

Note:

(1) Based on the most recent closing price of the Common Shares on the TSXV on or before December 31, 2015 of \$0.005.

Incentive Plan Awards – Value Vested or Earned During Fiscal Year

All options held by the Corporation’s non-employee directors vested immediately on the date of grant, July 10, 2013.

Directors’ and Officers’ Insurance

The Corporation maintains insurance for the benefit of the Corporation and its directors and officers as a group, in respect of the performance by them of duties of their office.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Black Birch Option Plan is the Corporation’s current incentive stock option plan under which stock options are granted. Grants of stock options have been approved by the Corporation’s directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the TSXV limit the granting of stock options to employees, officers, directors and consultants of the Corporation and provide limits on the length of term, number and exercise price of such options.

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2015:

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a)) (c) |
|---|---|---|--|
| Equity compensation plans approved by securityholders | 279,886 | \$0.10 | 371,336 |
| Equity compensation plans not approved by securityholders | Nil | N/A | Nil |
| Total | 279,886 | \$0.10 | 371,336 |

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Corporation or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation, no proposed nominee for election as a director of the Corporation, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of our subsidiaries.

An “informed person” means:

- (a) a director or executive officer of the Corporation;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Corporation if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Corporate Governance

The Board has reviewed the Corporation’s current corporate governance practices with reference to the applicable provisions of National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and has compiled the following:

| CORPORATE GOVERNANCE GUIDELINE | CORPORATE GOVERNANCE PRACTICE |
|---|---|
| <p>1. Board of Directors</p> <p>Disclose how the board of directors (the board) facilitates its exercise of independent supervision over management.</p> <p>(a) Disclose the identity of directors who are independent</p> <p>(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.</p> | <p>The Corporation has a Board and an audit committee comprised of a majority of members who are independent.</p> <p>The following current directors are independent:</p> <p>Kin-Man Lee</p> <p>Anthony Pizarro</p> <p>Paul Haber is not independent by virtue of his role as Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation prior to the Transaction.</p> |
| <p>2. Directorships</p> <p>If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p> | <p>The following directors of the Corporation and proposed directors of the Corporation are presently directors of other reporting issuers:</p> <p>Paul Haber - Chinapintza Mining Corp.</p> |

| CORPORATE GOVERNANCE GUIDELINE | CORPORATE GOVERNANCE PRACTICE |
|--|--|
| <p>3. Orientation and Continuing Education</p> <p>Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.</p> | <p>The Board works cohesively to gauge and monitor the affairs of the Corporation and ensure the promotion of ethical business conduct and values. The Board will institute such further steps as may become necessary to maintain such values and conduct as the Corporation develops.</p> |
| <p>4. Ethical Business Conduct</p> <p>Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.</p> | <p>The Corporation's developmental stage allows the Board to effectively monitor the ethical conduct of the Corporation's business and ensure that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and the TSXV.</p> |
| <p>5. Nomination of Directors</p> <p>Disclose what steps, if any, are taken to identify new candidates for board nomination, including:</p> <p>(a) who identifies new candidates, and</p> <p>(b) the process of identifying new candidates.</p> | <p>The Board currently performs the duties and functions of a nominating committee. New candidates are identified in connection with a proposed Qualifying Transaction. Given the Corporation's present stage of development, its current Board has been determined to be appropriate.</p> |
| <p>6. Compensation</p> <p>Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:</p> <p>(a) who determines the compensation; and</p> <p>(b) the process of determining compensation.</p> | <p>Following the completion of the Transaction, the Board will review and determine appropriate compensation for the directors and officers of the Corporation. Given the Corporation's stage of development, its current compensation methods have been determined to be appropriate. See "Executive Compensation" above.</p> |
| <p>7. Other Board Committees</p> <p>If the board has standing committees other than the audit, compensation and nominating committees, describe their function.</p> | <p>Given the Corporation's size and stage of development it only has an Audit Committee.</p> |
| <p>8. Assessments</p> <p>Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees and its individual directors are performing effectively.</p> | <p>The Board has not adopted formal procedures for assessing its own effectiveness, or that of the audit committee or the individual directors. However, the current corporate governance practices are appropriate and effective given the Corporation's current stage of development.</p> <p>The current method of corporate governance allows the Corporation to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.</p> |

Audit Committee

The Corporation is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers or employees of the Corporation or of an affiliate of the Corporation as required by TSXV policy. The Corporation's current audit committee consists of Kin-Man Lee and Anthony Pizarro, as independent directors, and Paul Haber who is not independent by virtue of his role as Chief Executive Officer, Chief Financial Officer and Corporate Secretary. Following the completion of the Transaction, the audit committee of the Corporation will be reconstituted by the Board.

Audit Committee Charter

The Board has adopted a charter for its audit committee, the text of which is set forth in Schedule "A" attached hereto. The Audit Committee Charter will remain in effect following the completion of the Transaction.

Independence

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires that all members of the audit committee be “independent” unless otherwise exempt. The Corporation is relying on an exemption from such independence requirements available for “venture issuers” (as such term is defined in NI 52-110) under section 6.1 of NI 52-110. Following completion of the Transaction, it is expected that the Corporation will remain a “venture issuer”.

Financial Literacy

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

All members of the audit committee are financially literate as such term is defined in NI 52-110.

Relevant Education and Experience

See “*Election of Directors*” below for the biographies of the current members of the audit committee.

Audit Committee Oversight

Since the commencement of the Corporation’s most recently completed financial year, the audit committee of the Corporation has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

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

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

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

Audit Fees

The following table sets forth the fees paid by the Corporation to its auditors, UHY McGovern Hurley LLP, for services billed during the years ended December 31, 2015 and 2014:

| | For the year ended December 31, 2015 | For the year ended December 31, 2014 |
|--------------------|---|---|
| Audit fees | \$5,500 | \$24,500 ⁽¹⁾ |
| Audit-related fees | Nil | Nil |
| Tax fees | \$800 | \$1,600 |

| | For the year ended December 31, 2015 | For the year ended December 31, 2014 |
|----------------|---|---|
| All other fees | Nil | Nil |
| Total | \$6,300 | \$26,100 |

Note:

(1) Audit fees are the aggregate fees billed by the external auditors for audit services. The fees shown for 2014 are for the work related to the fiscal year ending December 31, 2015 as well as work done in respect of a qualifying transaction which did not proceed.

MANAGEMENT CONTRACTS

The management functions of the Corporation are not to any substantial degree performed by any person other than the executive officers and directors of the Corporation.

PARTICULARS OF MATTER TO BE ACTED ON

Appointment of Auditor

The Corporation's Audit Committee recommends the appointment of UHY McGovern Hurley LLP, of Toronto, Ontario, as auditors for the Corporation to hold office until the Corporation's next annual general meeting. The Audit Committee proposes that the Board be authorized to fix the remuneration to be paid to the auditor. At the Meeting, the shareholders will be asked to approve the appointment of the auditors and authorize the Board to set their remuneration.

Unless otherwise instructed, the proxies given in this solicitation will be voted FOR the appointment of UHY McGovern Hurley LLP, of Toronto, Ontario, as auditors for the Corporation to hold office until the next annual general meeting or completion of the Transaction, at a remuneration to be fixed by the directors. UHY McGovern Hurley LLP were first appointed as auditors for the Corporation in October 2012.

Election of Directors

Directors of the Corporation are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. At the Meeting, the shareholders will be asked to initially re-elect the three current directors and approve, in the event of completion of the Transaction, an increase in size of the board of directors of the Corporation from three to five. In the event that the Transaction is not completed, the increase in the size of the Board will not be made.

Unless you provide other instructions, the enclosed proxy will be voted FOR the first three nominees listed below and the increase in the size of the Board in the event of completion of the Transaction. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

| Name, Province or State and Country of Residence and Present Office Held | Principal Occupation | Periods Served as Director | Number of Common Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised ⁽¹⁾ |
|---|--|----------------------------|--|
| Paul Haber ⁽²⁾ Ontario, Canada Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director | Managing Director of Haber and Co. Ltd. | September 2012 | 570,000 |
| Kin-Man Lee ⁽²⁾ Ontario, Canada Director | Chief Financial Officer of St. Joseph Communications | October 2012 | 250,000 |
| Anthony Pizarro ⁽²⁾ Ontario, Canada Director | Independent Businessman | October 2012 | 240,000 |

Notes:

(1) The information as to Common Shares beneficially owned or controlled has been furnished by the respective nominees.

(2) Denotes a current member of the Audit Committee.

Paul Haber

Mr. Haber is the Managing Director of Haber and Co. Ltd. which provides corporate finance and capital market advisory services to small and medium sized businesses. From June 2013 to June 2015, Mr. Haber served as the chief financial officer and corporate secretary of Cline Mining Corporation. Until December 2012, Mr. Haber had previously served as CFO of New Sage Energy Corp. (then TSXV:NSG and subsequently suspended from trading), CFO of Oremex Silver Inc. (TSXV:OAG) and CFO of Oremex Gold Inc. (TSXV:OAU). He previously served as interim CFO at Migao Corporation (TSX:MGO) and Silverbirch Inc. (TSXV:SVB). Currently, Mr. Haber was former a director of TriMetals Mining Inc (TSX:TMI) and is a current director of Chinapintza Mining Corp. (formerly Black Birch Capital Acquisition II Corp.) (TSXV: CPA). From 2004 through March 2007, Mr. Haber was Vice President, Chief Financial Officer and Corporate Secretary of QuStream Corporation. Mr. Haber was a director of a CPC named Penfold Capital Acquisition Corporation, a CPC called China One Corporation and a CPC named Black Birch Capital Acquisition I Corp. Each of these CPCs successfully completed a Qualifying Transaction. Mr. Haber holds an honours BA from the University of Toronto and is both a Chartered Accountant and Certified Public Accountant.

Kin-Man Lee

Mr. Lee is currently the Chief Financial Officer of St. Joseph Communications, a printing and content production company. Prior to joining St. Joseph Communications, Mr. Lee was a management consultant engaged in several projects in the media and human capital management industries.

From February 2011 to July 2011, Mr. Lee served a contract position as chief financial officer for Judge International, an international human capital management company with headquarters in Pennsylvania, U.S. From August 1989 to January 2011, Mr. Lee held various executive and management positions with Sun Media Corporation, a wholly-owned subsidiary of Quebecor Media

Inc. During his tenure at Sun Media Corporation, Mr. Lee held various positions including chief financial officer of Sun Media, publisher and chief executive officer of the Toronto Sun, and executive vice president of Sun Media Corporation.

Mr. Lee is a Chartered Professional Accountant (CPA, CA) in good standing with the Canadian Institute of Chartered Accountants (CICA) and the Institute of Chartered Accountants of Ontario (ICAO) since 1988, as well as a graduate from the University of Waterloo in 1987 with an Honours B.Math Co-op degree.

Anthony Pizarro

Mr. Pizarro is a director of a number of companies including TireStamp Inc., a technology company in the transportation sector, Ottawa Community Housing Corporation, and Sandy Hill Community Health Centre Inc. (SHCHC), a non-profit where he serves as Treasurer and Secretary. He has a B.A. in Economics and Master of Public Administration degrees, and is a member of the Institute of Corporate Directors (ICD).

Cease Trade Orders or Bankruptcies

Other than as disclosed below, to the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, CEO or CFO of any company (including the Corporation) that,
 - (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
 - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company;
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before 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 the proposed director; or

- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Paul Haber was a director of CY Oriental Holdings Ltd. (“**CY Oriental**”) from June 2009 to November 2010 while it was subject to certain cease trade orders resulting from events that preceded Mr. Haber’s election as a director. On July 3, 2008, CY Oriental was issued a cease trade order by the British Columbia Securities Commission for failure to file interim financial statements and management discussion and analysis for the three-month period ended March 31, 2008 and for its failure to file financial statements and management discussion and analysis for the year ended December 31, 2007. The securities commissions of Ontario and Alberta issued related cease trade orders on July 18, 2008 and October 3, 2008, respectively. These cease trade orders remain in effect.

In addition, Paul Haber joined Cline Mining Corporation (“**Cline**”) in June 2013. Mr. Haber joined as part of a new management team brought in at a time of significant downturn for the mining industry to help recapitalize and generate shareholder value for Cline shareholders. In May 2015 the secured debt holders of Cline placed the Cline into receivership under the *Companies’ Creditors Arrangement Act* (Canada).

Stock Option Plan

In accordance with the requirements of the TSXV, shareholders will be asked to approve the Black Birch Option Plan, pursuant to which the directors of the Corporation are authorized to grant options for up to 10% of the issued and outstanding common shares from time to time.

The following information is intended to be a brief description of the provisions of the Black Birch Option Plan and is qualified in its entirety by the full text of the Black Birch Option Plan which is attached as Schedule “B” to this Information Circular.

The board of directors of the Corporation may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and technical consultants of the Corporation non-transferable options to purchase common shares for a period as determined by the Board, such period not to exceed ten years from the date of the grant. In addition, the aggregate number of common shares reserved for issuance to any one optionee (other than a technical consultant) in any 12 month period shall not exceed 5% of the issued and outstanding common shares at the date of grant, and the aggregate number of common shares reserved for issuance pursuant to options granted to any one technical consultant in any 12 month period may not exceed 2% of the issued and outstanding common shares at the date of the grant.

If an optionee ceases to be a director, officer, employee or technical consultant of the Corporation for any reason other than death, the optionee may exercise options no later than 90 days following cessation of the optionee’s position or arrangement with the Corporation, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Notwithstanding the foregoing, options granted prior to the Qualifying Transaction (as defined in the policies of the TSXV) to any optionee that does not continue as director, officer, or technical consultant of the Corporation (as defined in the policies of the TSXV), shall expire on the date that is the later of

(i) 12 months after the Completion of the Qualifying Transaction (as defined in the policies of the TSXV) and (ii) 90 days following the date the optionee ceases to be a director, officer or technical consultant of the Corporation.

Any common shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin (as defined in the policies of the TSXV) is issued.

Approval of the Black Birch Option Plan

In order to be effective, and to receive annual TSXV approval, the Black Birch Option Plan must receive the approval of a simple majority of votes cast at the Meeting. If shareholder approval of the Black Birch Option Plan is obtained, any options granted or amendments made to options previously granted pursuant to the Black Birch Option Plan will not require further Shareholder approval although notice of options granted under the Black Birch Option Plan must be given to the TSXV. Accordingly, the Corporation requests that the Shareholders pass the following resolution:

“RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Black Birch Option Plan is hereby ratified, confirmed and approved;
2. the Corporation is authorized to grant stock options pursuant and subject to the terms and conditions of the Black Birch Option Plan entitling all of the option holders in aggregate to purchase up to such number of common shares of the Corporation as is equal to ten percent (10%) of the number of common shares of the Corporation issued and outstanding on the applicable grant date; and
3. any one officer or director of the Corporation is authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Corporation or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution.”

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE RATIFICATION OF THE BLACK BIRCH OPTION PLAN.

Unless instructed otherwise, the persons designated in the enclosed form of proxy intend to vote FOR the foregoing resolution ratifying the Black Birch Option Plan.

To be effective, the foregoing resolution must be approved by at a majority of the votes cast thereon at the Meeting.

Share Consolidation

At the Meeting, shareholders will be asked to consider and, if thought appropriate, to pass a special resolution authorizing the Board to effect a share consolidation on a basis of one (1) new common share for each three (3) common shares then issued or authorized, or such other ratio as the Board may determine pursuant to the terms of the Transaction (the “**Consolidation**”) and to amend the Corporation’s articles accordingly.

If approved and implemented, the Consolidation will occur immediately before the Transaction for all of the Corporation's common shares and the consolidation ratio will be the same for all of such shares then outstanding. If, as a result of the Consolidation, a shareholder would otherwise be entitled to a fraction of a common share that is less than 1/2 of a share, the fractional common share issuable to such shareholder will be cancelled without payment of any consideration and each fractional common share that is at least 1/2 of a common share will be changed to one whole common share. The principal effects of the Consolidation will be that:

- the number of common shares of the Corporation issued and outstanding will be reduced from 6,512,220 common shares (as of February 27, 2017) to 2,170,740 common shares (based on a 3:1 consolidation ratio) or such other number based on the consolidation ratio determined by the Board pursuant to the Transaction;
- the exercise price and/or the number of common shares of the Corporation issuable under any of the Corporation's outstanding stock options and any other similar securities, will be proportionately adjusted upon the Consolidation based on the consolidation ratio; and
- the number of common shares reserved for issuance under the Black Birch Option Plan will be reduced proportionately based on the consolidation ratio.

In addition, the Consolidation may result in some shareholders owning "odd lots" of less than 500 common shares of the Corporation on a post-consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "board lots" of even multiples of 500 shares.

If approval of the shareholders and the TSXV is obtained, the Consolidation will take place in connection shortly thereafter. However, notwithstanding the approval by the shareholders, the Board may, in its discretion and without further shareholder action, revoke the Consolidation Resolution (as defined below) and not implement the Consolidation.

Therefore, at the Meeting, shareholders will be asked to approve a special resolution in the following form (the "Consolidation Resolution"):

"RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The Corporation is hereby authorized to amend its Articles of Incorporation to provide that:
 - (a) the authorized capital of the Corporation be amended by consolidating all of the issued and outstanding common shares of the Corporation on the basis of one (1) new common share for each three (3) common shares then issued or authorized, or such other ratio as the Board may determine; provided that if, as a result of the consolidation, a shareholder would otherwise be entitled to a fraction of a common share that is less than 1/2 of a share, the fractional common share issuable to such shareholder will be cancelled and each fractional common share that is at least 1/2 of a common share will be changed to one whole common share; and
 - (b) the effective date of such consolidation shall be the date shown in the certificate of amendment issued under the *Canada Business Corporations Act* (the "**CBCA**") or such other date indicated in the articles of amendment;

2. Any officer or director of the Corporation is hereby authorized and directed for an on behalf of the Corporation to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this special resolution including, without limitation, to determine the timing for delivery and effect the delivery of articles of amendment in the prescribed form to the Director appointed under the CBCA, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and
3. Notwithstanding that this special resolution has been passed by the shareholders of the Corporation, the board of directors of the Corporation be and is hereby authorized and empowered, without further approval of the shareholders of the Corporation, to determine the consolidation ratio or revoke this resolution at any time before the certificate of amendment to be issued by the Director upon receipt of such articles of amendment becomes effective.”

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE CONSOLIDATION RESOLUTION.

Unless instructed otherwise, the persons designated in the enclosed form of proxy intend to vote FOR the Consolidation Resolution. In the event that the Transaction is not completed, the Consolidation will not be made.

To be effective, the Consolidation Resolution must be approved by at least two-thirds of the votes cast thereon at the Meeting.

Continuation into British Columbia and Adoption of New Charter Documents

General

The Corporation is currently governed by the *Canada Business Corporations Act* (the “**CBCA**”). The board of directors proposes to continue (the “**Continuance**”) the Corporation from the laws of Canada under the CBCA, to the laws of British Columbia under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”). Management of the Corporation has determined and believes that it is in the best interest and will be more efficient and cost effective for the Corporation to be governed by the laws of British Columbia.

Continuance Process

In order to continue as a company under the BCBCA the following principal steps must be taken:

- pursuant to the provisions of the CBCA, the Corporation must obtain the approval of the shareholders by special resolution, being a resolution passed by a majority of not less than two-thirds of the votes cast in person or by proxy at the Meeting;
- if the Continuance is approved by shareholders at the Meeting, the Corporation must make application to the Registrar under the BCBCA to continue under the BCBCA and it must also make application to the Director under the CBCA for a Certificate of Discontinuance under the CBCA.

The foregoing does not purport to be a comprehensive statement of the steps needed to continue the Corporation to British Columbia, rather, it is a broad outline of the steps involved.

Upon the Continuance to British Columbia becoming effective, the Corporation will be deemed to have been incorporated under and will be subject to the BCBCA, and will cease to be a corporation existing under the CBCA.

The Continuance, if approved, will effect a change in the legal domicile of the Corporation as of the effective date and time thereof and will affect certain of the rights of shareholders as they currently exist under the CBCA and the current Articles of Incorporation and general by-law No. 1 (the “**By-laws**”) of the Corporation. Management to the Corporation is of the view that the BCBCA will provide to shareholders substantively the same rights as are available to shareholders under the CBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions and that shareholders will not be adversely affected by the Continuance. **However, shareholders should consult their legal advisors regarding implications of the Continuance which may be of particular importance to them. Also see “Differences between the BCBCA and the CBCA”.**

Notice of Articles and new form of Articles

The Continuance will involve the issuance of a Notice of Articles and will require the adoption by the Corporation of Articles (“**Articles**”) pursuant to the BCBCA, copies of which are attached to this Information Circular as Schedule “C”, and will be presented at the Meeting. Upon the Continuance of the Corporation to British Columbia becoming effective, the Notice of Articles and the Articles will replace the existing Articles of Incorporation and the By-laws.

Under the BCBCA, a company is permitted in its articles to set out the type of approval required for certain corporate changes. Under the BCBCA, a company’s articles will stipulate the requisite resolution, which may include a directors’ resolutions, to, among other things, make alterations to the company’s authorized share structure, the subdivision or consolidation of its shares and to alter the notice of articles in order to change its name. By contract, under the CBCA, fundamental changes that would require an amendment to the articles, such as subdivisions and consolidations, and name changes, are required to be approved by way of a special resolution of shareholders.

As a result, as permitted under the BCBCA, management and the Board are proposing that the Corporation’s Articles provide for the following matters to require approval by way of a directors’ resolution only, and not require a shareholders’ resolution (recognizing that regulatory authorities may require shareholder approval in certain cases in any event):

- (a) a subdivision of all or any of the unissued, or fully paid issued, shares;
- (b) a consolidation of all or any of the unissued, or fully paid issued, shares; and
- (c) a change of name of the company.

Other alterations will continue to require shareholder approval, albeit by way of an ordinary resolution requiring a majority of at least 50% plus one vote of the votes cast on the resolution, rather than a special resolution. Any such change would continue to be subject to the applicable securities laws and the rules and policies of applicable stock exchanges (which may require shareholder approval in certain cases).

Continuance Resolution

Accordingly, the shareholders are being asked to pass a special resolution (the “**Continuance Resolution**”), the text of which is set out below, subject to regulatory approval, authorizing the Continuance and the adoption of the form of Articles under the provisions of the BCBCA.

Upon the Continuance under the BCBCA becoming effective, the Corporation will become a Corporation to which the BCBCA applies as if it had been incorporated under the BCBCA, and the CBCA will cease to apply to the Corporation. Upon the Continuance becoming effective, shareholders will continue to hold one (1) Common Share of the Corporation for each one Common Share of the Corporation currently held. The principal attributes of the Common Shares of the Corporation after Continuance will be identical to the corresponding shares of the Corporation prior to the Continuance other than differences in shareholders’ rights under the CBCA and the BCBCA, a summary of which is provided below.

The directors and officers of the Corporation immediately following the Continuance will be identical to the directors and officers of the Corporation immediately prior to the Continuance. As of the effective date of the Continuance, the election, duties, resignations and removal of the Corporation’s directors and officers shall be governed by the BCBCA, and the proposed Articles, as approved by the shareholders and adopted by the directors of the Corporation.

In the event that shareholder approval to the Continuance Resolution is not given, the Corporation will continue to be governed by the provisions of the CBCA.

Procedure

Under the CBCA, in order to effect the Continuance of the Corporation from the laws of Canada to the laws of British Columbia, the Corporation must obtain the approval of its shareholders by way of special resolution under the CBCA, being a resolution passed by not less than two-thirds of the votes cast in person or by proxy at the Meeting. The Corporation must also make a written application to the Director under the CBCA for consent to continue into another jurisdiction.

If the Continuance Resolution is passed, after the Meeting the Corporation intends to file the aforesaid application and other prescribed documents under the BCBCA with the Registrar under the BCBCA to obtain a Certificate of Continuance. Pursuant to the CBCA, the Corporation will cease to be governed by the CBCA on and after the date on which the Director under the CBCA issues a Certificate of Discontinuance, which would be issued on the date the Corporation continued under the laws of British Columbia.

Notwithstanding the Continuance of the Corporation from the laws of Canada to the laws of British Columbia, the BCBCA provides that any existing cause of action, claim or liability to prosecution is unaffected; and a legal proceeding being prosecuted or pending by or against the Corporation before the Continuance may be prosecuted by or its prosecution may be continued, as the case may be, by or against the Corporation.

Holders of Common Shares have the right to dissent to the Continuance under Section 190 of the CBCA. However, if the Corporation anticipates any substantial cost to it as a result of the exercise of dissent rights, it may decide not to proceed with the Continuance.

Differences between the BCBCA and the CBCA

Corporate Governance Differences

In general terms, the CBCA provides to shareholders substantively the same rights as are available to shareholders under the BCBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions. There are, however, important differences concerning the qualifications of directors, location of shareholder meetings and certain shareholder remedies.

The following is a summary comparison of certain provisions and the highlights of the BCBCA and the CBCA which pertain to rights of shareholders. This summary is not intended to be exhaustive and Shareholders should consult their legal advisers regarding all of the implications of the Continuance.

Charter Documents

Currently, the Corporation's authorized capital consists of an unlimited number of Common Shares and an unlimited number of Preference shares, issuable in series, of which 6,512,220 Common Shares and no Preference shares were issued and outstanding as of the date hereof. If the Corporation's shareholders approve the Continuance, the Corporation's authorized share structure will consist of an unlimited number of common shares.

Under the CBCA, the charter documents consist of a corporation's Articles of Incorporation, which set forth, among other things, the name of the corporation and the amount and type of authorized capital, and by-laws, which govern the management of the corporation. The charter documents might also be in the form of articles of amalgamation or continuance.

Under the BCBCA, the charter documents consist of Notice of Articles, which sets forth, among other things, the name of the corporation and the corporation's authorized share structure, and Articles, which govern the management of the company.

Amendments to Charter Documents

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

Under the CBCA, certain fundamental changes require a special resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration at a special meeting of shareholders and, in certain instances, where the rights of the holders of a class or series of shares are affected differently by the alteration than those of the holders of other classes or

series of shares, a special resolution passed by not less than two-thirds of the votes cast by the holders of shares of each class or series so affected, whether or not they are otherwise entitled to vote. Authorization to amalgamate a CBCA corporation requires that a special resolution in respect of the amalgamation be passed by the holders of each class or series of shares entitled to vote thereon. The holders of a class or series of shares of an amalgamating corporation, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the Articles of Incorporation, would entitle such holders to vote separately as a class or series under section 176 of the CBCA.

Sale of Undertaking

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

The CBCA requires approval of the holders of shares of each class or series of a corporation represented at a duly called meeting by not less than two-thirds of the votes cast upon a special resolution for a sale, lease or exchange of all or substantially all of the property (as opposed to the “undertaking”) of the Corporation other than in the ordinary course of business of the Corporation, and the holders of shares of a class or series are entitled to vote separately only if the sale, lease or exchange would affect such class or series in a manner different from the shares of another class or series entitled to vote. While the shareholder approval thresholds will be the same under the BCBCA as under the CBCA, there are differences in the nature of the sale which requires such approval (i.e. a sale of all or substantially all of the “property” under the CBCA and of all or substantially all of the “undertaking” under the BCBCA).

Rights of Dissent and Appraisal

Under the CBCA, shareholders who dissent to certain actions being taken by the Corporation may exercise a right of dissent and require the Corporation to purchase the shares held by such shareholder at the fair value of such shares.

The dissent right may be exercised by a holder of shares of any class of the Corporation in certain circumstances, including when the Corporation proposes to:

- (a) amend its articles to add, change or remove any provision restricting or constraining the issue or transfer of shares of that class;
- (b) amend its articles to add, change or remove any restrictions on the business or businesses that the Corporation may carry on;
- (c) enter into certain statutory amalgamations;
- (d) continue out of the jurisdiction;
- (e) sell, lease or exchange all or substantially all of its property, other than in the ordinary course of business;

- (f) carry out a going-private transaction or squeeze-out transaction; or
- (g) amend its articles to alter the rights or privileges attaching to shares of any class where such alteration triggers a class vote.

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

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

See "Shareholders' Rights of Dissent in Respect of the Continuance Resolution" and Schedule "D" to the Information Circular.

Oppression Remedies

Under the BCBCA, a shareholder of a company has the right to apply to a court on the ground that:

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

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

The CBCA contains rights that are substantially broader in that they are available to a larger class of complainants. Under the CBCA, a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and former officer

of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where, in respect of a corporation or any of its affiliates, (i) any act or omission of the corporation or its affiliates effects a result, (ii) the business or affairs of the corporation or its affiliates are, have been carried on or conducted in a manner, or (iii) the powers of the directors of the corporation or any of its affiliates are, 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 BCBCA, a shareholder or director of a company may, with leave of the court, bring an action in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such a right, duty or obligation. A broader right to bring a derivative action is contained in the CBCA, and this right extends to a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and a former officer of a corporation or any of its affiliates, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the CBCA permits derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries. No leave may be granted under the CBCA unless the court is satisfied that:

- (a) the complainant has given at least fourteen days' notice to the directors of the corporation or its subsidiary of the complainant's intention to apply to the court if the directors of the corporation or its subsidiary do not bring, diligently prosecute, defend or discontinue the action;
- (a) the complainant is acting in good faith; and
- (a) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

Place of Meetings

Subject to certain exceptions, the CBCA provides that meetings of shareholders shall be held at the place within Canada provided in the by-laws.

Under the BCBCA, general meetings of shareholders are to be held in British Columbia or may be held, at a location outside of British Columbia if:

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

Directors

The BCBCA provides that the company, as a reporting corporation, must have a minimum of three directors and does not impose any residency requirements on the directors.

The CBCA also requires that the Corporation, as a distributing corporation whose shares are held by more than one person, have a minimum of three directors but it also requires that at least one-quarter of the directors be resident Canadians.

Requisition of Meetings

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

Shareholders' Rights of Dissent in Respect of the Continuance Resolution

Section 190 of the CBCA provides registered shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes, including the Continuance ("**Dissent Rights**"). Any registered shareholder who dissents from the Continuance Resolution in compliance with section 190 of the CBCA (each, a "**Dissenting Shareholder**"), will be entitled to be paid the fair value of the Corporation shares held by such Dissenting Shareholder determined as of the close of business on the day before the day the Continuance Resolution is adopted.

Section 190 of the CBCA provides that a shareholder may only make a claim under that section with respect to all of the shares of a class held by the shareholder on behalf of any one beneficial owner and registered in the shareholder's name. One consequence of this provision is that only a registered shareholder may exercise the Dissent Rights in respect of Common Shares that are registered in that shareholder's name.

In many cases, shares beneficially owned by a non-registered holder are registered either: (a) in the name of an Intermediary, or (b) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant. Accordingly, a non-registered holder will not be entitled to exercise its Dissent Rights directly (unless the shares are re-registered in the nonregistered holder's name). A non-registered holder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the non-registered holder deals in respect of its shares and either: (i) instruct the Intermediary to exercise the Dissent Rights on the non-registered holder's behalf (which, if the Common Shares are registered in the name of CDS or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Common Shares in the name of the non-registered holder, in which case the non-registered holder would be able to exercise the Dissent Rights directly.

A registered shareholder who wishes to dissent must provide a dissent notice to the Corporation at its registered office at 10 Pauline Avenue, Brooklin ON L1M 2H5 Canada, to be received not later than 9:00 a.m. (Toronto time) on April 13, 2017 or on the day which is two business days immediately preceding any adjourned or postponed Meeting. Failure to strictly comply with these dissent procedures may result in the loss or unavailability of the Dissent Rights.

The filing of a dissent notice does not deprive a registered shareholder of the right to vote at the Meeting. However, the CBCA provides, in effect, that a registered shareholder who has submitted a

dissent notice and who votes for the Continuance Resolution will no longer be considered a Dissenting Shareholder with respect to that class of shares voted for the Continuance Resolution, being the Common Shares. The CBCA does not provide, and the Corporation will not assume, that a proxy submitted instructing the proxyholder to vote against the Continuance Resolution or an abstention constitutes a dissent notice, but a registered shareholder need not vote its Common Shares against the Continuance Resolution in order to dissent.

Similarly, the revocation of a proxy conferring authority on the proxyholder to vote for the Continuance Resolution does not constitute a dissent notice. However, any proxy granted by a registered shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Continuance Resolution, should be validly revoked in order to prevent the proxyholder from voting such Common Shares in favour of the Continuance Resolution and thereby causing the registered shareholder to forfeit its Dissent Rights.

The Corporation is required, within ten (10) days after shareholders adopt the Continuance Resolution, to notify each Dissenting Shareholder that the Continuance Resolution has been adopted. Such notice is not required to be sent to any shareholder who voted for the Continuance Resolution or who has withdrawn its dissent notice.

A Dissenting Shareholder who has not withdrawn its dissent notice prior to the Meeting must then, within twenty (20) days after receipt of notice that the Continuance Resolution has been adopted, or if the dissenting holder does not receive such notice, within twenty (20) days after learning that the Continuance Resolution has been adopted, send to the Corporation a written notice (a “**Demand for Payment**”) containing its name and address, the number of Common Shares in respect of which he or she dissents (the “**Dissenting Common Shares**”), and a demand for payment of the fair value of such Common Shares. Within thirty (30) days after sending the Demand for Payment, the Dissenting Shareholder must send to the Corporation or its transfer agent certificates representing Common Shares in respect of which he or she dissents. TSX Trust will endorse on share certificates received from a dissenting holder a notice that the holder is a dissenting holder and will forthwith return the share certificates to the dissenting holder. A Dissenting Shareholder who fails to make a Demand for Payment in the time required or to send certificates representing Dissenting Common Shares has no right to make a claim under section 190 of the CBCA.

Under section 190 of the CBCA, a Dissenting Shareholder ceases to have any rights as a shareholder in respect of its Dissenting Common Shares other than the right to be paid the fair value of the Dissenting Common Shares unless (i) the dissenting holder withdraws its Dissent Notice before the Corporation makes an offer to pay (“**Offer to Pay**”), (ii) the Corporation fails to make an Offer to Pay in accordance with subsection 190(12) of the CBCA and the Dissenting Shareholder withdraws the Demand for Payment, or (iii) the directors of the Corporation revoke the Continuance Resolution, in which case the Dissenting Shareholder’s rights as a shareholder will be reinstated.

The Corporation is required, not later than seven (7) days after the later of the day that the Continuance becomes effective and the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment an Offer to Pay for its Dissenting Common Shares in an amount considered by the Board of Directors to be the fair value of the Common Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay must be on the same terms. The Corporation must pay for the Dissenting Common Shares of a Dissenting shareholder within ten (10) days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if the Corporation does not receive an acceptance within thirty (30) days after the Offer to Pay has been made.

If the Corporation fails to make an Offer to Pay for a Dissenting Shareholder's Common Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, the Corporation may, within fifty (50) days after the day that the Continuance becomes effective or within such further period as a court may allow, apply to a court to fix a fair value for the Common Shares of Dissenting Shareholders. If the Corporation fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of twenty (20) days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

If the Corporation or a Dissenting Shareholder makes an application to court, the Corporation will be required to notify each affected Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel.

Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissenting Common Shares of all dissenting holders. The final order of a court will be rendered against the Corporation in favour of each dissenting holder for the amount of the fair value of its Dissenting Common Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the day that the Continuance becomes effective until the date of payment.

The foregoing is only a summary of the Dissenting Shareholder provisions of the CBCA which are technical and complex. A complete copy of section 190 of the CBCA is attached as Schedule "D" to this Information Circular. It is recommended that any registered shareholder wishing to avail itself of its Dissent Rights under those provisions seek legal advice, as failure to comply strictly with the provisions of the CBCA may prejudice its Dissent Rights.

The Continuance Resolution

Based on the foregoing discussion, the Corporation's management believes that it is in the best interest of the Corporation and the Corporation's shareholders to transfer its governing jurisdiction to British Columbia under the BCBCA.

Therefore, at the Meeting shareholders will be asked to approve, as a special resolution, the Continuance Resolution in the following form:

"RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. the Corporation be authorized to undertake and complete the Continuance (as more particularly described in the Information Circular relating to the Meeting) from the laws of Canada pursuant to Section 188 of the *Canada Business Corporations Act*, to the laws of the Province of British Columbia pursuant to Section 302 of the *Business Corporations Act* (British Columbia), and any one director or officer of the Corporation be authorized to determine the form of documents required in respect thereof, including any supplements or amendments thereto;
2. the Corporation be authorized to apply to the Director appointed under the *Canada Business Corporations Act* for authorization to permit the Corporation to apply to the Registrar of Companies appointed under the *Business Corporations Act* (British

Columbia) for a Certificate of Continuation continuing the Corporation as if it had been incorporated under the laws of British Columbia;

3. the Corporation be authorized to apply to the Registrar of Companies appointed under the *Business Corporations Act* (British Columbia) to continue as a corporation in British Columbia pursuant to the *Business Corporations Act* (British Columbia) under the name "Black Birch Capital Acquisition III Corp.";
4. effective on the date of such continuation as a company under the *Business Corporations Act* (British Columbia) on the issuance of the Certificate of Continuation, the Corporation adopt the notice of articles (the "**Notice of Articles**") and articles (the "**Articles**") substantially in the form presented at the Meeting to replace the existing Articles of Incorporation and by-laws of the Corporation, and such Notice of Articles and Articles be, and they are hereby authorized and approved;
5. Gowling WLG (Canada) LLP be appointed as the Corporation's agent to electronically file the Continuation Application with the Registrar of Companies appointed under the *Business Corporations Act* (British Columbia);
6. Notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation are hereby authorized, at their discretion, to determine, at any time, not to proceed with the Continuance, without further approval of the shareholders of the Corporation; and
7. any one or more of the directors and officers of the Corporation be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Corporation or otherwise, all such documents and other writings, including as may be required to give effect to the true intent of this resolution."

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE CONTINUANCE RESOLUTION.

Unless instructed otherwise, the persons designated in the enclosed form of proxy intend to vote FOR the Continuance Resolution.

To be effective, the Continuance Resolution must be approved by at least two-thirds of the votes cast thereon at the Meeting.

REGISTRAR AND TRANSFER AGENT

TSX Trust Company at 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1, is the registrar and transfer agent for the Corporation's common shares.

ADDITIONAL INFORMATION

Additional information about the Corporation is located on SEDAR at www.sedar.com. Financial information is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis for its financial year ended December 31, 2015. Shareholders may contact the Corporation to request copies of the financial statements and Management's Discussion and Analysis by writing to the CEO, CFO, Corporate Secretary and Director, Mr. Paul Haber at the following address:

Black Birch Capital Acquisition III Corp.
10 Pauline Avenue, Brooklin, Ontario, Canada L1M 2H5

OTHER MATERIAL FACTS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

The contents of this Circular and the delivery thereof to the Corporation's shareholders and to the applicable regulatory authorities has been approved by the directors.

APPROVAL OF DIRECTORS

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

DATED at Toronto, Ontario, on the 27th day of February, 2017.

BY ORDER OF THE BOARD

BLACK BIRCH CAPITAL ACQUISITION III CORP.

(signed) *Paul Haber*

Paul Haber
Chief Executive Officer,
Chief Financial Officer, Corporate Secretary
and Director

SCHEDULE “A”**AUDIT COMMITTEE CHARTER
OF THE BOARD OF DIRECTORS OF
BLACK BIRCH CAPITAL ACQUISITION III CORP.****I. Mandate**

The primary function of the audit committee (the “**Audit Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by Black Birch Capital Acquisition III Corp. (the “**Corporation**”) to its shareholders and, if applicable, to regulatory authorities, the Corporation’s systems of internal controls regarding finance and accounting, and the Corporation’s auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures and practices at all levels. The Audit Committee’s primary duties and responsibilities are to:

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

II. Composition

The Audit Committee shall be comprised of a minimum of three directors, the majority of whom are not officers, employees or control persons of the Corporation, as determined by the Board of Directors. The Audit Committee members shall meet the requirements of the TSX Venture Exchange and of National Instrument 52-110 – Audit Committees.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Corporation’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

The members of the Audit Committee shall be elected by the Board of Directors. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

III. Meetings

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

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

IV. Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

1. Review and update this Charter as necessary.
2. Review the Corporation's financial statements, MD&A and any annual or interim earnings and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, or to the shareholders, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

3. Require the external auditors to report directly to the Audit Committee.
4. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Corporation.
5. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
6. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
7. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
8. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
9. Review with management and the external auditors the terms of the external auditors' engagement letter.
10. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
11. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
12. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

13. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Corporation and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

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

Financial Reporting Process

14. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
15. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
16. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
17. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
18. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
19. Review any significant disagreement among management and the external auditors regarding financial reporting.
20. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
21. Review the certification process, if applicable.

22. 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.

Other

23. Review any related-party transactions.

V. Authority

The Audit Committee may:

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

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

SCHEDULE "B"

BLACK BIRCH CAPITAL ACQUISITION III CORP.

STOCK OPTION PLAN

1. THE PLAN

Black Birch Capital Acquisition III Corp. (the "**Corporation**") has established a stock option plan (the "**Plan**") for bona fide Directors, Employees and Consultants of the Corporation (collectively, the "**Admissible Persons**"), to purchase authorized but unissued common shares of the Corporation (the "**Common Shares**") on the terms and conditions hereinafter set out.

The board of directors of the Corporation (the "**Board of Directors**") may appoint a committee to administer the Plan (the "**Committee**"). In the event such a Committee is not appointed by the Board of Directors, then the Board of Directors shall, for the purposes herein, be deemed to constitute the Committee.

2. PURPOSE

The purpose of the Plan is to encourage the participation of the Admissible Persons in the Corporation's growth and development by providing them, through the grant of options exercisable for Common Shares (the "**Options**"), with the opportunity to acquire or increase a financial interest in the Corporation.

3. DEFINITIONS

All capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the TSX Venture Exchange ("**TSXV**") Corporate Finance Manual Policy 1.1 – *Interpretation*, Policy 2.4 – *Capital Pool Companies* ("**TSX Policy 2.4**") and Policy 4.4 – *Incentive Stock Options*.

4. GRANT OF OPTIONS

The Committee may, from time to time, in its discretion, grant to any Admissible Person (the "**Optionee**"), the irrevocable (subject to the terms hereof) option to acquire Common Shares (the "**Optioned Shares**") upon and subject to such terms, conditions and limitations as are herein contained and as the Committee may from time to time determine with respect to each Option. The Options may be granted to a holding corporation that is wholly-owned and controlled by the Optionee. Notwithstanding the foregoing, the exercise of any Option granted hereunder is subject to the vesting provisions contained in Section 9 hereof. The Committee may impose performance thresholds, which thresholds will need to be met prior to vesting of any Options granted.

Subject to the Plan, the Committee may impose limitations, restrictions and conditions, in addition to those set out in the Plan, that are applicable to the exercise of an Option including, without limitation, the nature and duration of any restrictions applicable to a sale or other disposition of Optioned Shares acquired upon exercise of an Option and the nature of events, if any, that may cause any Optionee's rights in respect of Optioned Shares acquired upon exercise of an Option to be forfeited and the duration of the period of such forfeiture.

The granting of any Option to an Optionee does not confer upon the Optionee any right to continue in the employment of the Corporation or as a member of the Board, as the case may be, nor

does it interfere in any way with the rights of the Optionee or of the Corporation's rights to terminate the Optionee's employment at any time or of any shareholder's right to nominate or elect one or more Directors of the Corporation.

For options granted to Employees, Consultants or Management Company Employees, the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

5. AUTHORIZED SHARES PURSUANT TO THE PLAN

Subject to adjustment as provided in Section 13 hereof, the aggregate number of Optioned Shares to be delivered upon the exercise of all Options granted under the Plan shall not exceed 10% of the outstanding listed Common Shares at the time of grant. If any Option granted hereunder is cancelled, expires or terminates for any reason without having been exercised in full, the unpurchased Optioned Shares subject thereto shall again be available for the purposes of the Plan.

The allotment of the Common Shares and the Corporation's obligation to issue Common Shares pursuant to the Plan are subject to the following conditions:

- (a) Subject to subsections 5(b) and 5(c) hereof, no Optionee may be granted Options to acquire more than 5% of the issued and outstanding Common Shares of the Corporation (calculated as at the time of the grant of such Options) in any 12-month period unless the Corporation has obtained disinterested shareholder approval in connection therewith;
- (b) No Consultant Optionee may be granted Options to acquire more than 2% of the issued and outstanding Common Shares of the Corporation (calculated as at the time of the grant of such Options) in any 12-month period; and
- (c) The aggregate number of Options granted to Employee Optionees conducting investor relations activities shall not exceed 2% of the issued and outstanding Common Shares of the Corporation (calculated as at the time of the grant of such Options) in any 12-month period.

6. OPTION PRICE

The purchase price of the Common Shares, upon exercise of each Option granted under the Plan, (the "**Option Price**") shall be a price fixed for such Option by the Committee upon grant of each such Option provided that such Option Price shall not be lower than the Discounted Market Price at the time of grant. In the event that the Corporation proposes to reduce the Option Price of Options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtain in respect of the Option Price reduction.

The allotment of the Common Shares and the Corporation's obligation to issue Common Shares pursuant to the Plan are subject to the Corporation having obtained the required authorizations from the regulatory authorities pertaining to the allotment of the Options or to the issuance and distribution of the Optioned Shares and the listing of the Optioned Shares on the TSXV. The Corporation undertakes to use its best efforts to obtain all the required approvals to give effect to the Plan.

7. METHOD OF EXERCISE OF OPTION

Each Option or part thereof may be exercised by the Optionee, or his or her heirs or legal personal representatives, by giving notice in writing in the form annexed hereto as Schedule "A" hereto addressed to the Corporation at its head office in Brooklin, Ontario, and delivered or mailed by registered mail to the Chief Financial Officer of the Corporation. Such notice shall specify the number of Optioned Shares with respect to which the Option is being exercised and shall be accompanied by payment in full, by certified cheque or other form of payment acceptable to the Corporation, of the aggregate Option Price for such number of Optioned Shares so specified therein.

Upon any such exercise of an Option as aforesaid, the Corporation shall forthwith deliver or, as applicable, cause the transfer agent and registrar of the Corporation to deliver to the Optionee, or to his legal personal representatives or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Common Shares as the Optionee or his or her heirs or legal personal representatives shall have then paid for. Notwithstanding the foregoing, no Option shall be exercisable unless the Corporation shall be satisfied that the issuance of Optioned Shares, upon exercise thereof, will be in compliance with the applicable laws of Canada or any province therein and the rules of the TSXV. Upon receipt of payment in full, the number of Optioned Shares in respect of which the Option is exercised will be duly issued as fully paid and non-assessable.

Any Common Shares acquired on exercise of Options prior to the Completion of the Qualifying Transaction (as defined in TSX Policy 2.4) must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin (as defined in TSX Policy 2.4) is issued.

No fractional Common Shares shall be issued upon the exercise of Options. If an Optionee otherwise becomes entitled to a fractional Common Share upon exercise of an Option, such Optionee shall only have the right to purchase the next lowest whole number of Common Shares and no payment or adjustment shall be made with respect to the fractional interest so disregarded.

The exercise of each Option granted under this Plan is subject to the condition that if at anytime the Corporation determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Corporation. In such circumstances, the Corporation may require that an Optionee pay to the Corporation, in addition to and in the same manner as the Option Price for the Optioned Shares, such amount that the Corporation is obliged to remit to the relevant taxing authority in respect of the exercise of the Option. Any such additional payment is due no later than the date as of which any amount with respect to the Option exercised first becomes includable in the gross income of the Optionee for tax purposes.

8. TERM

Each Option, unless sooner terminated in accordance with the terms, conditions and limitations thereof, or unless sooner exercised, shall expire at 5:00 p.m. (Toronto time) on the date ("**Expiry Date**") determined by the Board of Directors or by the Committee when the Option is granted or, failing such determination and in any event, not later than that date which is 10 years after the grant of the Option.

Subject to the rules, policies or regulations of the TSXV, in the event that the expiry of an Option occurs during a blackout period imposed by management, by the Board of Directors or by the Committee in accordance with the Corporation's insider trading policy, if any, the expiry date of such

Option shall be deemed to be amended to that date which is seven business days following the end of such blackout period.

9. VESTING

Subject to the rules, policies or regulations of the TSXV, the Board may, in its sole discretion, determine the time during which each Option shall vest and the method of vesting, or that no vesting restriction shall exist.

10. CEASING TO BE AN ADMISSIBLE PERSON, COMPLETION OF QUALIFYING TRANSACTION AND DEATH OF ADMISSIBLE PERSON

Subject to this Section 10 or the terms of the applicable stock option agreement, in the event that an Optionee ceases to be an Admissible Person for any reason other than death, including the resignation, retirement or termination of employment of the Optionee, each Option held by the Optionee (or their wholly-owned holding company) may be exercised to the extent that each Option was entitled to be exercised at the date of such cessation, at any time up to and including the earlier of: (a) the close of business on the expiration date of the Option; and (b) a date that is ninety days (or such other period as may be determined by the Committee, provided that such period is not more than one year) following the effective date of such resignation, retirement or termination, after which date each Option shall forthwith expire and terminate and be of no further force or effect whatsoever.

The date the Optionee ceases to be an Admissible Person, in the case of termination of employment with the Corporation, shall be the last day upon which the employee provides services to the Corporation at its premises and not the last day of any notice period or upon which the Corporation pays wages or salaries in lieu of notice of termination, statutory, contractual or otherwise.

In the event that an Optionee remains an Admissible Person until the "Completion of the Qualifying Transaction" (as that term is defined in TSX Policy 2.4) but does not continue as a director, officer, technical consultant or employee of the "**Resulting Issuer**" (as that term is defined in TSX Policy 2.4), each Option that had been granted to the Optionee while the Corporation was a "**Capital Pool Company**" (as that term is defined in TSX Policy 2.4), shall have a maximum term of 12 months after the Completion of the Qualifying Transaction.

In the event that an Optionee remains an Admissible Person until the "**Completion of the Qualifying Transaction**" and continues as a director, officer, technical consultant or employee of the Resulting Issuer, each Option that had been granted to the Optionee while the Corporation was a Capital Pool Company, shall have a maximum term of the later of (a) 12 months after the Completion of the Qualifying Transaction, and (b) 90 days after the Optionee ceases to be a director, officer, technical consultant or employee of the Resulting Issuer.

In the event of the death of an Admissible Person on or prior to the Expiry Date, such Options held by the Admissible Person (including Options held by a holding corporation that is wholly-owned and controlled by the Admissible Person) may be exercised as to such of the Common Shares in respect of which such Options have not previously been exercised (and as the Optionee would have been entitled to purchase), by the legal personal representatives of the Admissible Person at any time up to and including (but not after) a date one year from the date of death of the Admissible Person, after which date each Option shall forthwith expire and terminate and be of no further force or effect whatsoever.

For greater certainty, Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a Director of the Corporation provided that the Optionee continues to be an Admissible Person.

11. ISSUE OF COMMON SHARES

No Optionee shall have any of the rights of a shareholder with respect to any Optioned Shares until the Optioned Shares have been paid for in full and issued to him or her.

12. TRANSFERABILITY AND ASSIGNMENT

Subject to the provisions of this Section 12, Options are personal to the Optionee. No Optionee may deal with any Option or any interest in it or Transfer any Option now or hereafter held by the Optionee except in accordance with the Plan. A purported Transfer of any Option in violation of the Plan will not be valid and the Corporation will not issue any Optioned Shares upon the attempted exercise of an improperly Transferred Option. No Option shall be Transferable or assignable other than by will or the laws of succession and distribution.

For the purposes of this Section 12, "**Transfer**" means any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which, directly or indirectly, possession, legal title or beneficial ownership passes from an Optionee to another person, or to the Optionee in a different capacity, whether or not voluntary or by operation of law and whether or not for value, and any agreement to effect any of the foregoing; and the words "**Transferred**", "**Transferring**", "**Transferrable**" and similar words have corresponding meanings; and

13. ALTERATION OF NUMBER OF SHARES SUBJECT TO THE PLAN

The number of Common Shares subject to the Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation of Common Shares of the Corporation, and in any such event a corresponding adjustment shall be made changing the number of shares deliverable upon the exercise of any Option theretofore granted without change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Optioned Share. In case the Corporation is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Options outstanding under the Plan and to prevent their dilution or enlargement.

14. TERMINATION

Notwithstanding any vesting schedule determined in accordance with Section 9 hereto or any other provision of this Plan, in the event that the Corporation or its shareholders receive and accept an offer to acquire all of the shares or substantially all of the assets of the Corporation, whether effected through an acquisition for cash or securities, and whether structured as a purchase, amalgamation, merger, arrangement, reorganization or other business combination (in each case, a "**Sale Transaction**"), the Committee may, in its sole discretion, deal with the Options issued under the Plan in the manner it deems fair and reasonable in light of the circumstances of the Sale Transaction provided all Optionees to whom Options have been granted under the Plan and remain outstanding are treated similarly. In this regard, in the event of a proposed Sale Transaction, the Committee may, in its sole discretion, by written notice (the "**Notice**") to any Optionee, accelerate the vesting of some or all the Options such that such Options become immediately fully vested. In such circumstances, the Committee may by written notice compel the Optionee to exercise his or her Options within 30 days of

the date of such written notice to exercise, failing which the Optionee's right to purchase Optioned Shares under such Options lapses. In addition, and without limiting the generality of the foregoing, in connection with a Sale Transaction, the Committee may, without any action or consent required on the part of any such Optionee, (i) deem any or all Options (vested or unvested) under the Plan to have been exercised and the Optioned Shares to have been tendered to the Sale Transaction, (ii) apply a portion of the Optionee's proceeds from the closing of the Sale Transaction to the Option Price payable by that Optionee for the exercise of his or her Options, (iii) cancel the Options and pay to an Optionee the amount that the Optionee would have received, after deducting the Option Price of the Options, had the Options been exercised, (iv) exchange Options, or any portion of them, for options to purchase shares in the capital of the acquiror or any corporation which results from an amalgamation, merger or similar transaction involving the Corporation made in connection with the Sale Transaction, or (v) take such other actions, and combinations of the foregoing actions, as it deems fair and reasonable under the circumstances.

If the proposed Sale Transaction is not completed within 180 days after the date of Notice, any affected Optionee, within a period of 10 days following the 180-day period, may elect to cancel an exercise pursuant to the Notice. In respect of any Optionee who makes this election, the Corporation will return to the Optionee all rights under such Optionee's Options as if no exercise had been effected, subject to the appropriate adjustment of accounts to the position that would have existed had there been no exercise of Options.

The Committee may at any time terminate the Plan with respect to Common Shares not being, at that time, Optioned Shares, and the Committee may at any time amend any provision of the Plan subject to obtaining the necessary approval of the TSXV and any other applicable regulatory authorities, provided that any such amendment shall not adversely affect or impair any Option previously granted to an Optionee under the Plan, without its consent.

15. ADMINISTRATION

Within the limitations set forth in the Plan, the Committee is authorized to provide for the grant, vesting, exercise and method of exercise of Options, on such terms (which may vary as between Options) as it shall determine. All decisions and interpretations made by the Committee shall be binding and conclusive on the Corporation and all Admissible Persons who participate in the Plan. With respect to the Plan and to its administration, time shall be of the essence.

With the consent of the affected Optionee, the Committee may amend or modify any outstanding Option in any manner to the extent that the Committee would have had the initial authority to grant the Option as so modified or amended, including without limitation, to change the date or the price at which an Option becomes exercisable, subject to any required prior approval of any applicable regulatory authority.

16. WITHHOLDINGS

For certainty and notwithstanding any other provision of the Plan, if the Corporation is required under the *Income Tax Act* (Canada) or any other applicable law to remit to any governmental authority an amount on account of tax on the value of any taxable benefit associated with the exercise or disposition of Options by an Optionee, then the Optionee shall, concurrently with the exercise or disposition:

- (a) pay to the Corporation, in addition to the exercise price for the Options, if applicable, sufficient cash as is determined by the Corporation to be the amount necessary to fund the required tax remittance;
- (b) authorize the Corporation, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Corporation determines such portion of the Optioned Shares being issued upon exercise of the Options as is required to realize cash proceeds in the amount necessary to fund the required tax remittance; or
- (c) make other arrangements acceptable to the Corporation to fund the required tax remittance.

17. GENERAL

This Plan is to be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

This Plan is effective as of October 11, 2012.

SCHEDULE "C"
NOTICE OF ARTICLES AND ARTICLES

NOTICE OF ARTICLES**A. NAME OF COMPANY**

Set out the name of the company as set out in Item A of the Continuation Application.

BLACK BIRCH CAPITAL ACQUISITION III CORP.

B. TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C. DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

| LAST NAME | FIRST NAME | MIDDLE NAME | DELIVERY ADDRESS INCLUDING PROVINCE/STATE, COUNTRY AND POSTAL/ ZIP CODE | MAILING ADDRESS INCLUDING PROVINCE/STATE, COUNTRY AND POSTAL/ ZIP CODE |
|-----------|------------|-------------|---|--|
|-----------|------------|-------------|---|--|

Haber, Paul

Lee, Kin Man

Pizarro, Anthony

D. REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE

Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5

MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE

Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5

E. RECORDS OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE

Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5

MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE

Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5

F. AUTHORIZED SHARE STRUCTURE

| Identifying name of class or series of shares | Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number | Kind of shares of this class or series of shares | | Are there special rights or restrictions attached to the shares of this class or series of shares? |
|---|--|--|------------------|--|
| | MAXIMUM NUMBER OF SHARES AUTHORIZED OR NO MAXIMUM NUMBER | PAR VALUE OR WITHOUT PAR VALUE | TYPE OF CURRENCY | YES/NO |
| COMMON | No maximum number | without par value | n/a | No |

BLACK BIRCH CAPITAL ACQUISITION III CORP.
(the "Company")

The Company has as its articles the following articles.

| Full name and signature of a director | Date of signing |
|---|-----------------|
| <hr style="width: 35%; margin-left: 0;"/> | |

Incorporation number: _____

BLACK BIRCH CAPITAL ACQUISITION III CORP.
(the "Company")

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1. Interpretation

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) “**appropriate person**” has the meaning assigned in the *Securities Transfer Act*;
- (2) “**board of directors**”, “**directors**” and “**board**” mean the directors or sole director of the Company for the time being;
- (3) “**Business Corporations Act**” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) “**Interpretation Act**” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (5) “**legal personal representative**” means the personal or other legal representative of a shareholder;
- (6) “**protected purchaser**” has the meaning assigned in the *Securities Transfer Act*;
- (7) “**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;
- (8) “**seal**” means the seal of the Company, if any;
- (9) “**securities legislation**” means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes; “**Canadian securities legislation**” means the securities legislation in any province or territory of Canada and includes the *Securities Act* (British Columbia); and “**U.S. securities legislation**” means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the Securities Act of 1933 and the Securities Exchange Act of 1934; and
- (10) “**Securities Transfer Act**” means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

2. Shares and Share Certificates

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgment is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

- (1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (2) provides the Company with an indemnity bond sufficient in the Company's judgment to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights on the indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. Issue of Shares

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and
- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

4. Share Registers

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

5. Share Transfers

5.1 Registering Transfers

Subject to the *Business Corporations Act*, a transfer of a share of the Company must not be registered unless the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

- (1) in the case of a share certificate that has been issued by the Company in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (2) in the case of a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate that has been issued by the Company in respect of the share to be transferred, a written instrument of transfer that directs that the transfer of the shares be registered, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (3) in the case of a share that is an uncertificated share, a written instrument of transfer that directs that the transfer of the share be registered, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
- (4) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser.

5.2 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors or the transfer agent for the class or series of shares to be transferred.

5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.6 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. Transmission of Shares

6.1 Legal Personal Representative Recognized on Death

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if appropriate evidence of appointment or incumbency within the meaning of s. 87 of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

7. Purchase of Shares

7.1 Company Authorized to Purchase Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase When Insolvent

The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

8. Borrowing Powers

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

9. Alterations

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may:

- (1) by ordinary resolution:
 - (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
 - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
 - (c) if the Company is authorized to issue shares of a class of shares with par value:
 - (i) decrease the par value of those shares; or
 - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
 - (d) alter the identifying name of any of its shares; or

- (e) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.
- (2) by resolution of the directors, subdivide or consolidate all or any of its unissued, or fully paid issued, shares.

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued;
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (3) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value.

and alter its Notice of Articles accordingly.

9.3 Change of Name

The Company may by a resolution of the directors authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

10. Meetings of Shareholders

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Location of Meetings of Shareholders

Subject to the *Business Corporations Act*, a meeting of shareholders may be held in or outside of British Columbia as determined by a resolution of the directors.

10.5 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.6 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.8 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.9 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

11. Proceedings at Meetings of Shareholders

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds (2/3) of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights and restrictions attached to the shares of any class or series of shares, and Article 11.4, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

In addition to those person who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any;
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any; or
- (3) a vice-president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In the case of an equality of votes, the chair of a meeting of shareholders, on a show of hands and on a poll, has a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

12. Votes of Shareholders

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must:
 - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business

days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

- (b) be provided, at the meeting or any adjourned meeting, to the chair of the meeting or adjourned meeting or to a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
- (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (4) the Company is a public company, or is a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of these Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Proxy Provisions Do Not Apply to All Companies

If and for so long as the Company is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply, Articles 12.8 to 12.15 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company or any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

12.8 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint

one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.9 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (2) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder): _____

Signed [month, day, year]

[Signature of shareholder]

[Name of shareholder - printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is:

- (1) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) provided, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been taken.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Chair May Determine Validity of Proxy

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Article 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at such meeting and any such determination made in good faith shall be final, conclusive and binding upon such meeting.

12.16 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. Directors

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
 - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
 - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a), subject to Article 14.1:

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, subject to Article 14.8, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. Election and Removal of Directors

14.1 Election at Annual General Meeting

- (1) At each annual general meeting of the Company all the directors whose term of office expire at such annual general meeting shall cease to hold office immediately before the election of directors at such annual general meeting and the shareholders entitled to vote thereat shall elect to the board of directors, directors as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation as set out below. A retiring director shall be eligible for re-election;
- (2) Each director may be elected for a term of office of one or more years of office as may be specified by ordinary resolution at the time he is elected. In the absence of any such ordinary resolution, a director's term of office shall be one year of office. No director shall be elected for a term of office exceeding five years of office. The shareholders may, by resolution of not less than 3/4 of the votes cast on the resolution vary the term of office of any director; and
- (3) A director elected or appointed to fill a vacancy shall be elected or appointed for a term expiring immediately before the election of directors at the annual general meeting of the Company when the term of the director whose position he is filling would expire.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) the date on which his or her successor is elected or appointed; and
- (4) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed one-third

of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by a resolution of not less than 3/4 of the votes cast on such resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

14.12 Nomination of Directors

- (1) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - (a) by or at the direction of the board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a "proposal" made in accordance with Division 7 of Part 5 of the *Business Corporations Act* (British Columbia) (the "Act"), or a requisition of the shareholders made in accordance with section 167 of the Act; or
 - (c) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Article 14.12 and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares

carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 14.12.

- (2) In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the Corporate Secretary of the Company at the head office of the Company.
- (3) To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

- (4) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the present principal occupation, business or employment of the person within the preceding 5 years, as well as the name and principal business of any company in which such employment is carried on; (C) the citizenship of such person; (D) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (E) confirmation that the person meets the qualifications of directors set out in the Act; and (F) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - (b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company and

any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- (5) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12; provided, however, that nothing in this Article 14.12 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (6) For purposes of this Article 14.12:
 - (a) **"Applicable Securities Laws"** means the applicable securities legislation of each province and territory of Canada in which the Company is a reporting issuer, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada; and
 - (b) **"public announcement"** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (7) Notwithstanding any other provision of this Article 14.12, notice given to the Corporate Secretary of the Company pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Corporate Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the head office of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
- (8) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 14.12.

15. Alternate Directors

15.1 Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company. Every alternate director shall have a direct and personal duty to the Company arising from his alternate directorship, independent of the duties of the director who appointed him.

15.2 Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor and shall be deemed not to have any conflict arising out of any interest, property or office held by the appointor. An alternate director shall be deemed to be a director for all purposes of these Articles, with full power to act as a director, subject to any limitations in the instrument appointing him, and an alternate director shall be entitled to all of the indemnities and similar protections afforded directors by the *Business Corporations Act* and under these Articles. A director shall have no liability arising out of any act or omission by his alternate director to which the appointor was not a party, nor shall an alternate director have liability for any such act or omission by the appointor. Without limiting the foregoing, no duty to account to the

Company shall be imposed upon an alternate director merely because he voted in respect of a contract or transaction in which the appointor was interested or which the appointor failed to disclose, nor shall any such duty be imposed upon an appointor merely because he voted in respect of a contract or transaction in which his alternate director was interested or which such alternate director failed to disclose.

15.6 Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

16. Powers and Duties of Directors

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

16.3 Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

17. Interests of Directors and Officers

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

18. Proceedings of Directors

18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
 - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, or as provided in Article 18.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed;
- (2) the director or alternate director, as the case may be, has waived notice of the meeting; or
- (3) the director or alternate director, as the case may be, is not, at the time, in the province of British Columbia.

18.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

18.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who are entitled to vote on the resolution consent to it in writing.

A consent in writing under this Article may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. Executive and Other Committees

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and

- (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. Officers

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

21. Indemnification

21.1 Definitions

In this Article 21:

- (1) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an “eligible party”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) “expenses” has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Directors and Former Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such

person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Indemnification of Other Persons

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

21.4 Non-Compliance with *Business Corporations Act*

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

22. Dividends

22.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12 Payment of Dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus or any part of the retained earnings or surplus so capitalized or any part thereof.

23. Documents, Records and Reports

23.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

24. Notices

24.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;

- (5) physical delivery to the intended recipient; or
- (6) as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation.

24.2 Deemed Receipt of Mailing

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (3) emailed to a person to the email address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was emailed on the day it was emailed.

24.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was addressed as required by Article 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24.6 Undelivered Notices

If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

25. Seal

25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

26. Prohibitions

26.1 Definitions

In this Part 26:

- (1) "security" has the meaning assigned in the *Securities Act* (British Columbia);

- (2) “transfer restricted security” means:
- (a) a share of the Company;
 - (b) a security of the Company convertible into shares of the Company;
 - (c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the “private issuer” exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the “private issuer” exemption.

26.2 Application

Article 26.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of these Articles or to which the Statutory Reporting Company Provisions apply.

26.3 Consent Required for Transfer of Shares or Transfer Restricted Securities

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

SCHEDULE "D"

CANADA BUSINESS CORPORATIONS ACT

Section 190

190.(1) Right to dissent - Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going- private transaction or a squeeze- out transaction.

(2) **Further right** - A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

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

(3) **Payment for shares** - In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) **No partial dissent** - A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) **Objection** - 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 and of their right to dissent.

(6) **Notice of resolution** - 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 (5) 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 their objection.

(7) **Demand for payment** - A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) 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.

(8) **Share certificate** - A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) **Forfeiture** - A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) **Endorsing certificate** - A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) **Suspension of rights** - On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a) the dissenting shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) **Offer to pay** - 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 (7), send to each dissenting shareholder who has sent such notice

- (a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) **Same terms** - Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) **Payment** - Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) 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.

(15) **Corporation may apply to court** - Where a corporation fails to make an offer under subsection (12), 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 a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) **Shareholder application to court** - If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) **Venue** - An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

(18) **No security for costs** - A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) **Parties** - On an application to a court under subsection (15) or (16),

- (a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
- (b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) **Powers of court** - On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) **Appraisers** - A 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.

(22) **Final order** - The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of his shares as fixed by the court.

(23) **Interest** - A 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.

(24) **Notice that subsection (26) applies** - If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) **Effect where subsection (26) applies** - If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

- (a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; 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.

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