

NANALYSIS SCIENTIFIC CORP.

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MONDAY, SEPTEMBER 22, 2025

NOTICE OF MEETING AND MANAGEMENT PROXY AND INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF NANALYSIS SCIENTIFIC CORP. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF NANALYSIS SCIENTIFIC CORP. TO BE HELD ON MONDAY, SEPTEMBER 22, 2025.

TO BE HELD AT:

Bay 1, 4600 5th Street NE, Calgary, AB T2E 7C3

At 9:00 AM Mountain Daylight Time (“MDT”)

Dated: August 15, 2025

NANALYSIS SCIENTIFIC CORP.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of holders of common shares (“**Common Shares**”) of Nanalysis Scientific Corp. (the “**Corporation**”) will be held at Unit 1, 4600 5th Street NE, Calgary, AB T2E 7C3 on Monday, September 22, 2025, at **9:00 AM MDT** for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2024, and the report of the auditor thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at five (5);
3. to elect the Board of Directors of the Corporation for the ensuing year;
4. to appoint the auditor of the Corporation for the ensuing year and to authorize the Board of Directors to set the auditor’s remuneration;
5. to consider and, if thought advisable, pass a special resolution, the full text of which is set forth in Schedule “A” to the Circular, to authorize and approve proposed amendments to the articles of the Corporation (the “**ANP Amendment Resolution**”), the full text of which, blacklined to show changes from the current articles of the Corporation, is included as Schedule “B” to the Management Information Circular, to add advance notice provisions;
6. to consider, and if thought fit, approve the ordinary resolution, as more particularly set forth in the accompanying Management Information Circular prepared for the purpose of the Meeting, relating to the approval of the amended restricted share unit plan of the Corporation;
7. to consider, and if thought fit, approve the ordinary resolution, as more particularly set forth in the accompanying Management Information Circular prepared for the purpose of the Meeting, relating to the re-approval of the stock option plan of the Corporation;
8. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 15th day of August, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

signed “Sean Krakiwsky”

Sean Krakiwsky

President, Chief Executive Officer and Director

ALL SHAREHOLDERS AND PROXYHOLDERS ARE ENCOURAGED TO VIEW THE MEETING IN REAL TIME VIA PREFERRED VIDEO CONFERENCE - <https://us02web.zoom.us/j/81992721826>, OR DIAL IN VIA PHONE (INTERNATIONAL DIAL-IN PHONE NUMBERS FOUND AT <https://zoom.us/u/aLrbYjbbW>), CONFERENCE ID: 819 9272 1826. WE ASK THAT ALL ATTENDEES REMAIN MUTED UNTIL THE Q&A SESSION AND TO FOLLOW INSTRUCTIONS PROVIDED ON THE CALL TO AVOID INTERRUPTION.

Shareholders will not be able to vote through the teleconference line or video link. Following the formal part of the Meeting, Sean Krakiwsky, President and Chief Executive Officer of the Corporation will provide a corporate presentation.

WE STRONGLY ENCOURAGE ALL SHAREHOLDERS TO VOTE BY PROXY OR BY VOTING INSTRUCTION FORM RATHER THAN ATTENDING THE MEETING IN PERSON.

Proxies to be used at the Meeting must be deposited with the Company, c/o the Company's transfer agent, Odyssey Trust Company, Trader's Bank Building, Suite 1100, 67 Yonge St. Toronto, ON M5E 1J8 or by fax at (800) 517-4553 no later than 9:00 AM (Mountain Time) on September 18, 2025, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment(s) thereof is held.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

NOTICE AND ACCESS

The Corporation has decided to use the Notice and Access rules adopted by the Canadian Securities Administrators to reduce the volume of paper with respect to materials distributed for the purpose of the Meeting. Instead of receiving the Circular, shareholders will receive a Notice of Meeting with instructions on how to access the remaining Meeting materials online together with the form of proxy. The Circular and other relevant materials are available on the Odyssey Trust Company's website (<https://odysseytrust.com/client/nanalysis/>) and under the Corporation's profile on www.sedarplus.com.

Shareholders can contact our transfer agent, Odyssey Trust Company, 1-587-885-0960 (outside North America or 1-888-290-1175 within North America) or via their website at <https://odysseytrust.com/notice-and-access/> for more information regarding Notice and Access or with questions regarding how to vote their shares.

NANALYSIS SCIENTIFIC CORP.
MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT, OR ITS AGENTS, ADVISORS OR REPRESENTATIVES, OF NANALYSIS SCIENTIFIC CORP. (THE “CORPORATION”) OF proxies from the holders of common shares (the “**Common Shares**”) for the annual general and special meeting of the shareholders of the Corporation (the “**Meeting**”) to be held on Monday, September 22, 2025 at **9:00 AM MDT**, at Unit 1, 4600 5th Street NE, Calgary, AB T2E 7C3, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (“**Notice of Meeting**”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 (“**NI 54-101**”), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

ALL SHAREHOLDERS AND PROXYHOLDERS ARE ENCOURAGED TO VIEW THE MEETING IN REAL TIME VIA PREFERRED VIDEO CONFERENCE - <https://us02web.zoom.us/j/81992721826>, OR DIAL IN VIA PHONE (INTERNATIONAL DIAL-IN PHONE NUMBERS FOUND AT <https://zoom.us/u/aLrbYjbbW>), CONFERENCE ID: 819 9272 1826. WE ASK THAT ALL ATTENDEES REMAIN MUTED UNTIL THE Q&A SESSION AND TO FOLLOW INSTRUCTIONS PROVIDED ON THE CALL TO AVOID INTERRUPTION.

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WE STRONGLY ENCOURAGE ALL SHAREHOLDERS TO VOTE BY PROXY OR BY VOTING INSTRUCTION FORM RATHER THAN ATTENDING THE MEETING IN PERSON.

NOTICE AND ACCESS

The Corporation has elected to use the notice-and-access provisions (“**Notice-and-Access Provisions**”) provided for under NI 54-101 for the Meeting in respect of mailings to beneficial holders of Common Shares (i.e., a shareholder who holds their Common Shares in the name of a broker or an agent) and in respect of mailings to registered holders of Common Shares (i.e., a shareholder whose name appears on our records as a holder of Common Shares). The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation will not use procedures known as ‘stratification’ in relation to the use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using Notice-and-Access Provisions provides a paper copy of the relevant information circular to some, but not all, shareholders with the notice package in relation to the relevant meeting. In relation to the Meeting, all shareholders will receive notice containing information prescribed by the Notice-and-Access Provisions and a form of proxy or voting instruction form, as applicable.

The Corporation will be delivering proxy-related materials to non-objecting beneficial owners of Common Shares directly with the assistance of Broadridge Financial Solutions, Inc. (“**Broadridge**”). The Corporation does not intend to pay for intermediaries to deliver proxy-related materials to objecting beneficial owners of Common Shares and therefore objecting beneficial owners will not receive the Management Information Circular, a form of proxy and the financial information in respect of our most recently completed financial year (the “**Meeting Materials**”) unless their intermediary assumes the costs of delivery.

The Meeting Materials will be available electronically at <https://odysseytrust.com/client/nanalysis/> as of August 22, 2025, and will remain on the website for one (1) full year thereafter. The Meeting Materials will also be available on the SEDAR+ website at www.sedarplus.ca.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from Odyssey Trust Company by calling toll-free at 1-587-885-0960 (outside North America or 1-888-290-1175 within North America) or via their website at <https://odysseytrust.com/notice-and-access/>. Meeting Materials will be sent to such shareholders and to shareholders requesting paper copies of the Meeting Materials by any other means at no cost to them, within three (3) business days of the Corporation receiving their request, if such requests are made before the date of the Meeting, including any adjournment thereof, and within 10 calendar days of the Corporation receiving their request, if such requests are made on or after the date of the Meeting and within one (1) calendar year of the Meeting Materials being filed online.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his or her shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Odyssey Trust Company, Trader's Bank Building, Suite 1100, 67 Yonge St. Toronto, ON M5E 1J8 or by fax at (800) 517-4553 no later than 9:00 AM (Mountain Time) on September 18, 2025, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment(s) thereof is held. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with Odyssey Trust Company, Trader's Bank Building, Suite 1100, 67 Yonge St. Toronto, ON M5E 1J8 or by fax at (800) 517-4553 at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chair of such Meeting on the day of the Meeting, or at any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his or her shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an

account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

These security holder materials are 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 these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING OF PROXIES

Each shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification**

as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

The Articles of the Corporation provide that a quorum of shareholders is present at a meeting of shareholders of the Corporation if at least two persons holding or representing in person or by proxy not less than two and a half (2.5%) percent of the outstanding shares of the Corporation entitled to vote at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares without par value, an unlimited number of Class A Voting Preferred shares without par value and an unlimited number of Class B Non-Voting Preferred shares without par value. As at the effective date of this Management Information Circular (the "**Effective Date**"), which is August 8, 2025, 114,823,375 Common Shares are issued and outstanding as fully paid and non-assessable and no Class A Voting Preferred shares or Class B Non-Voting Preferred shares are issued and outstanding. The Common Shares are the only shares entitled to be voted at the Meeting and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on August 8, 2025 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his or her Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his or her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his or her Common Shares at the Meeting.

To the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The compensation program of the Corporation is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's corporate objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the executive officers to the overall success and strategic growth of the Corporation. The compensation program is designed to reward management performance by aligning a component of the compensation with the Corporation's business performance and share value. The philosophy of the Corporation is to pay the executives of the Corporation a total compensation amount that is competitive with other similar sized companies, although no specific benchmarks have been used, and is consistent with the experience and responsibility level of such executives. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Corporation on both an annual and long term basis.

The compensation program provides long term incentives to its executive officers and directors through grants of stock options under the Corporation's stock option plan or RSUs under the Corporation's Restricted Share Unit Plan (RSUs, as such term is defined in the Restricted Share Unit Plan (as defined below)). Increasing the value of the Corporation's Common Shares increases the value of the stock options and RSUs. This incentive closely links the interests of the Named Executive Officers ("**NEOs**") and directors to shareholders of the Corporation.

The Board of Directors is satisfied that there were not any identified risks arising from the Corporation's compensation plans or policies that would have had any negative or material impact on the Corporation. The Corporation does not have any policy in place to permit an executive officer or director to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Effective September 1, 2019, the Corporation entered into an employment agreement (the "**Krakiwsky Employment Agreement**") with Sean Krakiwsky, which provided that Mr. Krakiwsky would act in the capacity of Chief Executive Officer of the Corporation. Under the terms of the Krakiwsky Employment Agreement, in the event of termination by the Corporation without cause, Mr. Krakiwsky is entitled to a payment in the amount of twelve (12) months of base salary. The Krakiwsky Employment Agreement may also be terminated by the Corporation for cause or in the event of disability of Mr. Krakiwsky, and by providing Mr. Krakiwsky thirty (30) days prior written notice. In the event of a change of control, the Corporation by decision or by Mr. Krakiwsky with good reason can within one (1) year from the date of acceptance of an offer terminate the Krakiwsky Employment Agreement with written notice to either party and payment in the amount of eighteen (18) months base salary in lieu of notice within thirty (30) days of the termination date. Under the terms of the Krakiwsky Employment Agreement, in the event of Mr. Krakiwsky's retirement, Mr. Krakiwsky is entitled to payment in the amount of twelve (12) months of base salary within thirty (30) days of the termination date or in lieu of notice the total and final amount of eighteen (18) months base salary. The Krakiwsky Employment Agreement continues until terminated by either party, as set forth above.

Effective July 21, 2022, the Corporation entered into an employment agreement (the "**McRae Employment Agreement**") with Randall McRae, which provided that Mr. McRae would act in the capacity of Interim Chief Financial Officer of the Corporation. Under the terms of the McRae Employment Agreement, in the event of termination by the Corporation without cause, Mr. McRae is entitled to a payment in the amount of three (3) months of base salary, plus one (1) month per year of service up to a maximum of six (6) months base salary. The McRae Employment Agreement may also be terminated by the Corporation for just cause by providing Mr. McRae written notice. The McRae Employment Agreement continues until terminated by either party, as set forth above. On February 23, 2023, Mr. McRae was appointed as Chief Financial Officer on similar terms and conditions as the McRae Employment Agreement.

Effective August 16, 2021, the Corporation entered into an employment agreement (the "**Muller Employment Agreement**") with Julien Muller, which provided that Mr. Muller would act in the capacity of Chief Technology Officer of the Corporation. Under the terms of the Muller Employment Agreement, in the event of termination by the Corporation without cause, Mr. Muller is entitled to a payment in the amount of seven (7) months of base salary, plus one (1) month per year of service up to a maximum of twelve (12) months base salary. The Muller Employment Agreement may also be terminated by the Corporation for cause by providing Mr. Muller written notice. The Muller Employment Agreement continues until terminated by either party, as set forth above. In the event of termination by the Corporation of the Muller Employment Agreement, the Corporation is responsible for the cost associated with the repatriation of the Muller family to France. In the event of the termination of the Employment Agreement of Mr. Muller and the Corporation's subsidiary in France, Mr. Muller is entitled to payment accorded by French legislation at the time of termination, based on a formula calculated on age, tenure education, position, family, and job performance.

Effective November 29, 2023, the Corporation entered into an employment agreement (the "**Buric Employment Agreement**") with Sime Buric, which provided that Mr. Buric would act in the capacity of Executive Vice President of Services of the Corporation. Under the terms of the Buric Employment Agreement, in the event of termination by the Corporation without cause, Mr. Buric is entitled to a payment in the amount of twelve (12) months base salary. The Buric Employment Agreement may also be terminated

by the Corporation for just cause by providing Mr. Buric written notice. The Buric Employment Agreement was terminated on April 16, 2025.

Share-based and Option-based Awards

The Board of Directors granted an aggregate of 1,235,000 stock options to directors and executive officers under the Stock Option Plan (as defined below) during the financial year ended December 31, 2024. The Board of Directors granted an aggregate of 445,000 RSUs under the Restricted Share Unit Plan (as defined below) to directors under the Restricted Share Unit Plan during the financial year ended December 31, 2024. The Corporation took into account the number of options outstanding, the performance of the Corporation and the performance of directors and executive officers in determining the grant of stock options and RSUs in 2024.

The allocation of the number of stock options and RSUs granted among the directors and executive officers of the Corporation is first determined by the committee under the mandate of the Compensation Committee (the “**Compensation Committee**”) and then approved by the entire Board of Directors. See “*Incentive Plan Awards*” below and “*DIRECTOR COMPENSATION - Incentive Plan Awards*” below.

Compensation Committee

The following are the members of the Compensation Committee, as at the date hereof:

Dr. Michal Okoniewski (Chair)	Independent
Martin Burian	Independent
Jennifer Stubbs	Independent

All members of the Compensation Committee are knowledgeable about the Corporation’s compensation programs and possess an understanding of compensation theory and practice, personnel management and development, succession planning and executive development. In addition, all members are “financially literate” within the meaning of National Instrument 52-110 and have accounting or related financial management experience or expertise.

The responsibilities of the Compensation Committee in respect of compensation matters include reviewing and recommending to the Board of Directors the compensation policies and guidelines for supervisory management and personnel, corporate benefits, bonuses, stock options, RSUs and other incentives, reviewing and approving corporate goals and objectives relevant to Chief Executive Officer compensation; non-CEO officer and director compensation; the review of executive compensation disclosure; succession plans for officers and for key employees; and material changes and trends in human resources policy, procedure, compensation and benefits.

Summary Compensation Table

The following table sets forth all annual and long term compensation for the three most recently completed financial years for services in all capacities to the Corporation and its subsidiaries, if any, in respect of individual(s) who were acting as, or were acting in a capacity similar to, a chief executive officer or chief financial officer and the three most highly compensated executive officers or individuals whose total compensation exceeded \$150,000 per annum (the “**Named Executive Officers**”).

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year Ended December 31	Consulting Fees/Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁵⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽⁴⁾	Long-Term Incentive Plans			
Sean Krakiwsky	2024	\$286,736	Nil	\$84,000	Nil	Nil	Nil	\$18,000	\$388,736
	2023	\$281,027	Nil	\$27,000	Nil	Nil	Nil	\$18,000	\$326,027
	2022	\$258,409	Nil	\$58,500	Nil	Nil	Nil	\$18,000	\$334,909

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year Ended December 31	Consulting Fees/Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁵⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽⁴⁾	Long-Term Incentive Plans			
President, Chief Executive Officer and Director									
Randall	2024	\$247,959	Nil	\$56,000	Nil	Nil	Nil	Nil	\$303,959
McRae	2023	\$209,617	Nil	\$27,000	Nil	Nil	Nil	Nil	\$236,617
Chief Financial Officer ⁽³⁾	2022	\$91,396	Nil	\$96,250	Nil	Nil	Nil	\$10,000	\$197,646
Julien Mueller	2024	\$187,371	Nil	Nil	Nil	Nil	Nil	\$16,600	\$203,971
Chief Technology Officer ⁽⁶⁾	2023	\$195,317	Nil	\$1,800	Nil	Nil	Nil	\$9,600	\$206,717
	2022	\$160,700	Nil	\$58,500	Nil	Nil	Nil	Nil	\$219,200
Sime Buric ⁽⁷⁾	2024	\$320,935	Nil	\$16,800	Nil	Nil	Nil	\$9,600	\$347,335
Former Executive Vice President of Services	2023	\$224,392	Nil	\$21,600	Nil	Nil	Nil	\$9,200	\$255,192
	2022	\$233,720	Nil	\$140,400	Nil	Nil	Nil	\$9,200	\$383,320

Notes:

- (1) **"Share-Based Award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock. The "award date fair value" has been determined by using the Black-Scholes-Merton model. See *"Narrative Discussion"* below.
- (2) **"Option-Based Award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The "grant date fair value" has been determined by using the Black-Scholes-Merton model. See *"Narrative Discussion"* below.
- (3) Mr. McRae was appointed the Corporation's Interim Chief Financial Officer effective July 21, 2022, and was appointed Chief Financial Officer on February 28, 2023.
- (4) Bonus payments included in annual incentive plans are paid in the following year.
- (5) The amounts disclosed in other compensation represents Mr. Krakowsky, Mr. Mueller, Mr. Buric, and Mr. Lin's vehicle allowances.
- (6) Mr. Mueller was appointed as the Corporation's Chief Technology Officer effective March 3, 2020.
- (7) Mr. Buric was appointed the Corporation's Executive Vice President of Services on November 29, 2023, and departed on April 16, 2025.

Narrative Discussion

Calculating the value of stock options using the Black-Scholes-Merton model is very different from a simple "in-the-money" value calculation. In fact, stock options, that are well out-of-the-money can still have a significant "grant date fair value" or "award date fair value" based on a Black-Scholes-Merton model, especially where, as in the case of the Corporation, the price of the underlying share is highly volatile. Accordingly, caution must be exercised in comparing grant/award date fair value amounts with cash compensation or an in-the-money option value calculation.

Incentive Plan Awards

Stock Options and Other Compensation Securities

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name and Title	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Option ⁽¹⁾⁽²⁾ (\$)	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 (\$)
Sean Krakiwsky President, Chief Executive Officer and Director	50,000	0.60	Feb 2026	Nil	Nil	Nil	Nil
	75,000	1.32	Mar 2027	Nil			
	75,000	1.10	Mar 2028	Nil			
	300,000	0.50	Jun 2029	Nil			
Randall McRae Chief Financial Officer ⁽³⁾	175,000	1.10	Aug 2027	Nil	Nil	Nil	Nil
	75,000	1.10	Mar 2028	Nil			
	200,000	0.50	Jun 2029	Nil			
Julien Mueller Chief Technology Officer	150,000	0.60	Mar 2025	Nil	Nil	Nil	Nil
	75,000	1.32	Mar 2027	Nil			
	5,000	1.10	Mar 2028	Nil			
Sime Buric⁽⁴⁾ Former Executive Vice President of Services	180,000	1.32	Mar 2027	Nil	Nil	Nil	Nil
	60,000	1.10	Mar 2028	Nil			
	60,000	0.50	Jun 2029	Nil			

Notes:

- (1) Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 31, 2024, being \$0.32 per Common Share, and the exercise price of the options.
- (3) Mr. McRae was appointed as the Corporation's Interim Chief Financial Officer effective July 21, 2022, and was appointed as the Chief Financial Officer on February 28, 2023.
- (4) Mr. Buric was appointed the Corporation's Executive Vice President of Services on November 29, 2023, and departed April 16, 2025.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for each Named Executive Officer.

Name and Title	Option-Based Awards – Value vested during the year (\$) ⁽¹⁾	Share-Based Awards – Value vested during the year (\$)	Non-Equity Incentive Plan Compensation – Value earned during the year (\$)
Sean Krakiwsky President, Chief Executive Officer and Director	\$117,000	Nil	Nil
Randall McRae Chief Financial Officer ⁽²⁾	\$41,083	Nil	Nil
Julien Mueller Chief Technology Officer	\$20,100	Nil	Nil
Sime Buric ⁽³⁾ Executive Vice President of Services	\$54,000	Nil	Nil

Notes:

- (1) All option-based awards vest over three years, with one third of the grant vesting on each of the first three grant anniversary dates. Share-based awards vest over a 36-month period, with half of the grant vesting 18 months after grant and the second half vesting 36 months after grant. See “*Outstanding Share-Based Awards and Option-Based Awards*” for the value of unexercised in-the-money options.
- (2) Mr. McRae was appointed as the Corporation’s Interim Chief Financial Officer effective July 21, 2022, and was appointed as the Chief Financial Officer on February 28, 2023.
- (3) Mr. Buric was appointed the Corporation’s Executive Vice President of Services on November 29, 2023, and departed on April 16, 2025.

Narrative Discussion

The Corporation has a stock option plan (the “**Stock Option Plan**”) previously approved by the shareholders of the Corporation on June 26, 2024. The significant terms of the Stock Option Plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON - Re-Approval of Stock Option Plan*” and attached hereto as Schedule “D”. In addition, the Corporation has a restricted share unit plan (the “**Restricted Share Unit Plan**”) previously approved by the shareholders of the Corporation on June 23, 2020. The Restricted Share Unit Plan reserves a maximum of 1,000,000 Common Shares for issuance pursuant to RSUs under the Restricted Share Unit Plan. The other significant terms of the Restricted Share Unit Plan are disclosed in the Corporation’s Management Information Circular dated May 22, 2020, and filed on SEDAR+ at www.sedarplus.ca on June 2, 2020. The Corporation is seeking shareholder approval of an amended restricted share unit plan. The significant terms of the amended restricted share unit plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON – Approval of Amended Restricted Share Unit Plan*” and attached hereto as Schedule “C”.

Pension Plan Benefits

The Corporation does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

Other than as set forth below, the Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination

(whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a Named Executive Officer's responsibilities.

Pursuant to the Krakiwsky Employment Agreement, in the event of termination by the Corporation without cause, Mr. Krakiwsky is entitled to a payment in the amount of twelve (12) months of base salary. The Krakiwsky Employment Agreement may also be terminated by the Corporation for cause or in the event of disability of Mr. Krakiwsky, and by providing Mr. Krakiwsky thirty (30) days prior written notice. In the event of a change of control, the Corporation by decision or by Mr. Krakiwsky with good reason can within one (1) year from the date of acceptance of an offer terminate the Krakiwsky Employment Agreement with written notice to either party and payment in the amount of eighteen (18) months base salary in lieu of notice within thirty (30) days of the termination date. Under the terms of the Krakiwsky Employment Agreement, in the event of Mr. Krakiwsky's retirement, Mr. Krakiwsky is entitled to payment in the amount of twelve (12) months of base salary within thirty (30) days of the termination date or in lieu of notice the total and final amount of eighteen (18) months base salary. The Krakiwsky Employment Agreement continues until terminated by either party, as set forth above.

Pursuant to the Muller Employment Agreement, in the event of termination by the Corporation without cause, Mr. Muller is entitled to a payment in the amount of seven (7) months of base salary, plus one (1) month per year of service up to a maximum of twelve (12) months base salary.

Pursuant to the Buric Employment Agreement, in the event of termination by the Corporation without cause, Mr. Buric is entitled to payment in the amount of twelve (12) months base salary. Mr. Buric ceased to be an officer of the Corporation on April 16, 2025.

DIRECTOR COMPENSATION

During the year ended December 31, 2024, the Corporation had seven (7) directors, one (1) of which was a Named Executive Officers. For a description of the compensation paid to Named Executive Officers of the Corporation who also acted as directors of the Corporation, see "*EXECUTIVE COMPENSATION*".

Director Compensation Table

The following table sets forth all compensation provided to directors who are not also Named Executive Officers ("**Outside Directors**") of the Corporation for the most recently completed financial year.

Name	Fees Earned (\$)	Share-Based Awards (\$)⁽¹⁾	Option-Based Awards (\$)⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Martin Burian	\$32,504	\$27,324	\$58,800	Nil	Nil	Nil	\$133,628
Werner Gartner	\$27,058	\$27,324	\$16,800	Nil	Nil	Nil	\$83,682
Michal Okoniewski	\$27,058	\$27,324	\$16,800	Nil	Nil	Nil	\$83,682
Guido Cloetens	\$10,000	\$27,324	\$23,800	Nil	Nil	Nil	\$61,124
Dr. René Lenggenhager⁽³⁾	\$20,026	\$27,324	\$16,800	Nil	Nil	Nil	\$64,150
Jennifer Stubbs	\$13,542	Nil	\$56,000	Nil	Nil	Nil	\$69,542
Kham Lin⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	\$43,441	\$43,441

Notes:

- (1) "**Share-Based Award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock. The "award date fair value" has been determined by using the Black-Scholes-Merton model.
- (2) "**Option-Based Award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The "grant date fair value" has been determined by using the Black-Scholes-Merton model.
- (3) Dr. René Lenggenhager resigned from the Board of Directors on April 24, 2025.

(4) Mr. Lin resigned as a Director of the Corporation on April 9, 2024.

Narrative Discussion

On January 2, 2024, Mr. Burian, Mr. Gartner, Mr. Okoniewski, Mr. Cloetens and Mr. Lenggenhager were granted 69,000 RSUs each, as compensation for director's services provided in 2024 pursuant to the RSU Plan. These RSUs vest over three years, with one third of each grant vesting on the first, second, and third anniversary date of the grant.

On June 5, 2024, Mr. Burian, Mr. Okoniewski, Mr. Gartner, Mr. Cloetens, Mr. Lenggenhager and Ms. Stubbs were granted 210,000, 60,000, 60,000, 85,000, 60,000 and 200,000 stock options respectively pursuant to the Stock Option Plan. All of the stock options were vested immediately.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Outside Director of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name	Option-Based Awards				Number Of Shares Or Units That Are Vested But Not Exercised (#)	Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Option ⁽¹⁾⁽²⁾ (\$)		Number Of Shares Or Units 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 (\$) ⁽⁴⁾
Martin Burian	100,000	\$0.60	March 2026	Nil	52,500	99,000	\$31,680	\$16,800
	50,000	\$1.32	March 2027	Nil				
	210,000	\$0.50	June 2029	Nil				
Werner Gartner	50,000	\$1.32	March 2027	Nil	46,250	99,000	\$31,680	\$14,800
	60,000	\$0.50	June 2029	Nil				
Michal Okoniewski	50,000	\$1.32	March 2027	Nil	31,250	69,000	\$22,800	\$10,000
	90,000	\$1.10	March 2028	Nil				
	60,000	\$0.50	June 2029	Nil				
Guido Cloetens	50,000	\$1.32	March 2027	Nil	Nil	99,000	\$31,680	Nil
	85,000	\$0.50	June 2029	Nil				
Dr. René Lenggenhager ⁽⁴⁾	150,000	\$1.50	January 2027	Nil	Nil	69,000	\$22,080	Nil
Lenggenhager ⁽⁴⁾	100,000	\$1.32	March 2027	Nil				
	50,000	\$1.32	March 2027	Nil				
	90,000	\$1.10	March 2028	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 Option ⁽¹⁾⁽²⁾ (\$)	Number Of Shares Or Units Of Shares That Are Vested But Not Exercised (#)	Number Of Shares Or Units 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 (\$) ⁽⁴⁾
	60,000	\$0.50	June 2029	Nil				
Jennifer Stubbs	200,000	\$0.50	June 2029	Nil	Nil	Nil	Nil	Nil
Kham Lin ⁽⁵⁾	Nil	N/A	N/A	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 30, 2024, being \$0.32 per Common Share, and the exercise price of the options.
- (3) The market value of the RSUs was calculated using the market value of the Common Shares as at December 30, 2024, being \$0.32 per Common Share.
- (4) Dr. René Lenggenhager resigned from the Board of Directors on April 24, 2025.
- (5) Mr. Lin resigned as a Director of the Corporation on April 9, 2024.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for Outside Directors of the Corporation.

Name	Option-Based Awards - Value vested during the year (\$) ⁽¹⁾	Share-Based Awards - Value vested during the year (\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (\$)
Martin Burian	\$80,133	\$25,538	Nil
Werner Gartner	\$29,800	\$23,006	Nil
Michal Okoniewski	\$40,600	\$12,656	Nil
Guido Cloetens	\$36,800	\$10,350	Nil
Dr. René Lenggenhager ⁽²⁾	\$108,100	Nil	Nil
Jennifer Stubbs	\$56,000	Nil	Nil
Kham Lin ⁽³⁾	Nil	Nil	Nil

Note:

- (1) Option-based awards vest over three years, with one third of the grant vesting on each of the first three grant anniversary dates. Share-based awards vest over a 36-month period, either with half of the grant vesting 18 months after grant and the second half vesting 36 months after grant or with one third of the grant vesting on each of the first three grant anniversary dates. In certain circumstances the Company may grant option-based or share-based awards that vest immediately or on an alternative schedule. See “*Outstanding Share-Based Awards and Option-Based Awards*” for the value of unexercised in-the-money options.
- (2) Dr. René Lenggenhager resigned from the Board of Directors on April 24, 2025.
- (3) Mr. Lin resigned as a Director of the Corporation on April 9, 2024.

Narrative Discussion

The significant terms of the Stock Option Plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON - Re-Approval of Stock Option Plan*” and attached hereto as Schedule “D”. The significant terms of the amended restricted share unit plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON – Approval of Amended Restricted Share Unit Plan*” and attached hereto as Schedule “C”.

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation’s most recently completed financial year.

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights⁽³⁾</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)⁽²⁾</u>
Equity compensation plans approved by securityholders	8,322,390	\$0.86	3,000,059
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	8,322,390	\$0.86	3,000,059

Notes:

- (1) During the financial year ended December 31, 2024, the only equity compensation plans under which Common Shares may have been issued were the Stock Option Plan and the Restricted Share Unit Plan. As at December 31, 2024, the number of Common Shares to be issued upon the exercise of outstanding options was 7,697,390. As at December 31, 2024, 625,000 RSUs were issued under the Restricted Share Unit Plan.
- (2) A maximum of 1,000,000 Common Shares are reserved for issuance pursuant to RSUs under the Restricted Share Unit Plan. The aggregate number of Common Shares that may be reserved for issuance under the Stock Option Plan, along with any Common Shares reserved for issuance under the Restricted Share Unit Plan, shall not exceed 10% of the Corporation’s issued and outstanding Common Shares.
- (3) This weighted-average exercise price only relates to Common Shares reserved for issuance under the Stock Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in

any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

AUDIT COMMITTEE

Audit Committee Terms of Reference

The text of the Corporation's Audit Committee charter is set out in Schedule "E" attached to this Circular.

Audit Committee Composition

The following are the members of the Audit Committee, as at the date hereof:

Werner Gartner, CMA, CPA	Independent ⁽¹⁾⁽²⁾	Financially literate ⁽¹⁾
Martin Burian, CA, CPA, ICD.D	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Jennifer Stubbs, CPA	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

- (1) As defined by National Instrument 52-110 ("**NI 52-110**").
- (2) Chair of the Audit Committee.

Relevant Education and Experience

All of the members of the Audit Committee have been either directly or indirectly involved in the preparation of the financial statements, filing of quarterly and annual financial statements, dealing with auditors, or as a member of the Audit Committee. All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (securities regulatory authority exemption).

Pre-Approval Policies and Procedures

The Audit Committee had adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached as Schedule “E” to this Circular.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditors in each of the last two fiscal years for audit and other fees are as follows:

<u>Financial Year Ending</u>	<u>Audit Fees</u>	<u>Audit Related Fees</u>	<u>Tax Fees</u>	<u>All Other Fees</u>
2024	\$287,175	Nil	Nil	\$7,117
2023	\$491,795	\$7,350	Nil	Nil

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Corporation. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Corporation has implemented a Corporate Governance and Nominating Committee Terms of Reference, as well as a Charter of the Audit Committee, a Compensation Committee Terms of Reference and an Insider Trading and Reporting Policy.

The responsibilities of the Corporate Governance and Nominating Committee in respect of corporate governance matters include: reviewing the size and independence of the Board of Directors; reviewing the appropriateness of governance practices of the Board of Directors; overseeing legal obligations in relation to confidential information; developing and reviewing the powers, charters, mandates, policies, position descriptions and the performance of the Board of Directors and its committees; ensuring that the Corporation has adequate policies and procedures to identify and manage the Corporation’s principal risks; reviewing, and making recommendations in relation to, relationships among senior management and the Board of Directors; reviewing succession plans and making recommendations to the Board of Directors with respect to executive positions; ensuring the Board of Directors is informed and aware of its duties and responsibilities; reviewing corporate governance disclosure before such disclosure is made to the public; reviewing management reports and ensure compliance with corporate governance policies; reviewing responses to securities laws or stock exchange rules; reviewing potential liability of directors and officers and ensuring that protective measures such as insurance and indemnification are in place; and considering the need for special, new or additional corporate governance policies.

The members of the Corporate Governance and Nominating Committee are Martin Burian (Chair), Sean Krakiwsky and Michal Okoniewski and they have unrestricted access to the Corporation’s personnel and documents and are provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”), the Corporation is required to disclose its corporate governance practices as summarized below.

Board of Directors

The Board of Directors is currently comprised of five (5) members, and all of these individuals are being nominated for re-election at the Meeting. Mr. Martin Burian, Mr. Werner Gartner, Mr. Michal Okoniewski and Ms. Jennifer Stubbs are the current independent directors of the Corporation. If elected at the Meeting,

Mr. Martin Burian, Mr. Werner Gartner, Mr. Michal Okoniewski and Ms. Jennifer Stubbs will be the independent directors of the Corporation.

Mr. Sean Krakiwsky, the President and Chief Executive Officer of the Corporation is a member of management and, as a result, not an independent director.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the board of directors, reasonably interfere with the exercise of a director's independent judgement. As disclosed above, the Board of Directors is comprised of a majority of independent directors. The independent judgement of the Board of Directors in carrying out its responsibilities is the responsibility of all directors. The Board of Directors of the Corporation facilitates independent supervision of management through meetings of the Board of Directors and through frequent informal discussions among independent members of the Board of Directors and management. In addition, the Board of Directors have free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers.

Directorships

The following directors of the Corporation were directors of other reporting issuers during the most recently completed financial year:

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position
Michal Okoniewski	Acceleware Ltd.	TSXV: AXE	CSO & Director
Martin Burian	Elysee Development Corp. Argentina Lithium & Energy Corp. Blue Sky Uranium Corp.	TSXV: ELC TSXV: LIT TSXV: BSK	Director Director Director

Orientation and Continuing Education

Each new director is given an outline of the nature of the Corporation's business, its corporate strategy and current issues with the Corporation. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and are advised by counsel to the Corporation of their legal obligations as directors of the Corporation. There is currently no Nanalysis Scientific Corp. Board Policy Manual; however, the Corporation may consider preparing one in the future.

The introduction and education process will be reviewed on an annual basis by the Board of Directors and will be revised as necessary.

Ethical Business Conduct

The Board of Directors may consider adopting a written code of business conduct and ethics but has decided not to adopt such a code at the present time.

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict-of-interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment

in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

Nomination of Directors

Pursuant to the Corporate Governance and Nominating Committee Terms of Reference, the Corporate Governance and Nominating Committee is responsible for identifying, seeking and recommending individuals qualified to become members of the Board of Directors. The Board of Directors selects new nominees for election and provides such nominations to the shareholders of the Corporation for election at annual general meetings of the Corporation. The nominees are selected pursuant to criteria found in the Corporate Governance and Nominating Committee Terms of Reference including developing a Board of Directors that encompasses a broad range of skills, expertise, industry knowledge, fit and diversity of opinion and contacts relevant to the Corporation's business.

Compensation

In addition to the approval of the Board of Directors, the Compensation Committee determines executive and director compensation. See "*EXECUTIVE COMPENSATION - Compensation Committee*" above.

Other Board of Directors Committees

The Board of Directors has no other standing committees at this time other than the Audit Committee, the Compensation Committee and Corporate Governance and Nominating Committee described above.

Assessments

The Board of Directors has not implemented a formal process for assessing its, or its members', effectiveness. As a result of the limited number of individuals on the Board of Directors, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an annual basis.

PARTICULARS OF MATTERS TO BE ACTED UPON

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

1. Report and Financial Statements

The Board of Directors of the Corporation has approved all of the information in the audited financial statements of the Corporation for the year ended December 31, 2024, and the report of the auditor thereon, copies of which are delivered herewith.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that five (5) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at five (5).**

3. Election of Directors

The Corporation currently has five (5) directors, and all of these directors are being nominated for re-election at the Meeting. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Corporation that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors.** Each director elected will hold office until the next annual general meeting of the Corporation or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Corporation, or with the provisions of the *Business Corporations Act* (British Columbia).

Name, Municipality of Residence, Office and Date Became a Director	Present Occupation and Positions Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Date of this Management Circular ⁽¹⁾
Sean Krakiwsky ⁽³⁾ Calgary, Alberta Chief Executive Officer, Chair and Director June 4, 2019	President and Chief Executive Officer of the Company since June 4, 2019. Previously, Mr. Krakiwsky had been the President and CEO of Nanalysis Corp. since July 2009 which is a wholly owned subsidiary of the Company. He has over 20 years of experience founding high technology startups, including Acceleware Ltd. (TSXV: AXE) which is a high-performance computing company with dozens of Fortune 500 customers. He has a B.Sc. and M.Sc. in Electrical Engineering from the University of Calgary.	1,297,762 (1.14%)
Martin Burian ⁽²⁾⁽³⁾⁽⁴⁾ Vancouver, British Columbia Director February 27, 2017	Managing Director, Investment Banking at RCI Capital Group and CFO of Heffel Gallery Limited part-time since 2016. Mr. Burian has spent 30 years in investment banking, including Haywood Securities and Canaccord Capital, and presently serves on the Board of Directors of four public companies. Mr. Burian is a CPA and holds the ICD.D designation.	1,002,300 ⁽⁵⁾ Less than 1%
Werner Gartner ⁽²⁾ Calgary, Alberta Director June 4, 2019	Mr. Gartner has over 30 years' executive/board experience with technology-based businesses, primarily with companies in the GPS (global positioning system)/GNSS (global navigation satellite system) and wireless sectors. Mr. Gartner has served on the Board of Directors and/or advised several technology companies, including Hemisphere GNSS Inc., 4iiii Innovation Inc., RoboGarden Inc., Beijing UniStrong Science and Technology Co., Trusted Positioning Inc., Litus Inc. and Profound Positioning Inc. He is also a member of the board of directors of Tecterra, an Alberta government-funded organization mandated to spur the development and commercialization of geospatial technologies. In addition, He is also a member of the Institute of Corporate Directors in Canada. Mr. Gartner received a BSc from Western University in Ontario, an MBA from the Schulich School of Business at York University in Toronto and is a CPA/CMA.	916,385 Less than 1%

Name, Municipality of Residence, Office and Date Became a Director	Present Occupation and Positions Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Date of this Management Information Circular ⁽¹⁾
Michal Okoniewski ⁽³⁾⁽⁴⁾ Calgary, Alberta June 4, 2019	Co-founder, Director and Chief Scientific Officer of Acceleware Ltd. since August 2005. A renowned expert in applied electrodynamics and RF/antenna engineering, Dr. Okoniewski has a proven history of developing leading-edge scientific solutions for the electronic, medical and energy industries. With over 30 years of experience, Dr. Okoniewski has pioneered hardware acceleration of computational electromagnetics, authoring over 350 technical publications and holding several patents. His GPU accelerated FDTD solver revolutionized the engineering of electronic devices. More recently, his patents and knowledge are being applied in the energy industry for the production of heavy oils in unconventional reservoirs. Prior to co-founding Acceleware in 2004, Dr. Okoniewski worked with TR-Labs, and provided consulting services for the electronic and biomedical industries in North America and Europe. Dr. Okoniewski has a PhD in electrical engineering from the Technical University, Gdansk, and is a fellow of IEEE (Institute of Electrical and Electronics Engineers). He is a professor for the Electrical and Computer Engineering Department with the Schulich School of Engineering at the University of Calgary (Canada).	1,332,500 1.17%
Jennifer Stubbs ⁽²⁾⁽⁴⁾ Calgary, Alberta Nominee	Ms. Stubbs serves as Chief Financial Officer of FLINT Corp. and was appointed to this role in July 2023. Ms. Stubbs started her career at KPMG in Assurance and went on to hold financial roles in various industries, including engineering, manufacturing, real estate and energy infrastructure. Prior to joining FLINT, Ms. Stubbs was with Pembina Pipeline Corporation for 11 years. She progressed through various financial roles with the organization with her last role as Vice President, Continuous Improvement, which included responsibilities for Internal Audit, oversight and reporting of corporate productivity initiatives and capital project governance. Ms. Stubbs is a Chartered Professional Accountant and holds a Bachelor of Commerce from the University of British Columbia.	Nil Less than 1%

Notes:

- (1) The information as to shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective directors.
- (2) Members of the Corporation's Audit Committee, chaired by Mr. Gartner.
- (3) Members of the Corporation's Corporate Governance and Nominating Committee, chaired by Mr. Burian.
- (4) Members of the Company's Compensation Committee, chaired by Mr. Okoniewski.
- (5) 260,000 Common Shares are controlled by Burian Investments Inc., of which Mr. Burian is a shareholder and director.

Cease Trade Orders

No proposed director, within 10 years before the date of this Management Information Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director, within 10 years before the date of this Management Information Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Personal Bankruptcies

No proposed director has, within 10 years before the date of this Management 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 such proposed director.

Penalties and Sanctions

No proposed director has been subject to:

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

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

other than a settlement agreement entered into before December 31, 2000, that would likely not be important to a reasonable security holder in deciding whether to vote for a proposed director.

4. Appointment of Auditor

The shareholders of the Corporation will be asked to vote for the appointment of Ernst & Young LLP, Chartered Accountants, Calgary, Alberta ("**E&Y LLP**"), as auditor of the Corporation. **Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing E&Y LLP, as auditor of the Corporation for the next ensuing year**, to hold office until the close of the next annual general meeting of shareholders or until E&Y LLP is removed from office or resigns as provided by the Corporation's by-laws, and the Management Designees also intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the Board of Directors to set the compensation of the auditor.

5. Amendment of Articles with Respect to Advance Notice Provisions

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to adopt a special resolution (previously defined as the "**ANP Amendment Resolution**"), the full text of which is attached as Schedule "A" to the Circular, to amend the articles of the Corporation to provide for advance notice of nominations of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are contained in section 28 of the proposed amended articles of the Corporation, the full text of which, blacklined to show the changes from the current articles of the Corporation, is attached hereto as Schedule "B".

The purpose of the Advance Notice Provisions is to foster a variety of interests of the shareholders and the Corporation by ensuring that all shareholders, including those participating in a meeting by proxy rather

than in person, receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provisions are intended to provide a reasonable framework for shareholders to nominate directors and should assist in facilitating an orderly and efficient meeting process.

Pursuant to the Advance Notice Provisions, shareholders seeking to nominate candidates for election as directors other than pursuant to a proposal or requisition of shareholders made in accordance with the provisions of the Business Corporations Act (*British Columbia*), must provide timely written notice to the Corporation's Secretary. To be timely, a shareholder's notice must be received (i) in the case of an annual general meeting of shareholders, notice to the Corporation must be made not less than 30 days prior to the date of the annual general meeting; provided, however, in the event that the annual general meeting is called for a date that is less than 50 days after the date on which the first public announcement of the date of the meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement; (ii) in the case of any other general meeting of shareholders called for the purpose of electing directors (whether or not also called for other purposes), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the meeting was made; and (iii) if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described in (i) or (ii) above, and the notice date in respect of the meeting is not fewer than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting. The Advance Notice Provisions also prescribe the proper written form for a shareholder's notice.

Shareholder Approval and Coming into Force of the ANP Amendment Resolution

The Board adopted a resolution on August 14, 2025, 2025 authorizing the submission of the ANP Amendment Resolution to the shareholders.

If the ANP Amendment Resolution receives the requisite shareholder approval at the Meeting, the Advance Notice Provisions will come into force on the date on which shareholder approval has been received. Under the ANP Amendment Resolution, the Board has the power to revoke the ANP Amendment Resolution at their discretion before any effect is given thereto.

The Board has unanimously determined that the Advance Notice Provisions are in the best interests of the Corporation and has unanimously approved the Advance Notice Provisions. The Board recommends that you vote FOR the ANP Amendment Resolution.

In order for the ANP Amendment Resolution to be passed, approval by a majority of not less than two-thirds (2/3) of the common shares voted in respect thereof at the Meeting is required. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this special resolution to add the Advance Notice Provisions to the Corporation's articles.**

Shareholders will be asked at the Meeting to vote on the ANP Amendment Resolution, the full text of which is set out in Schedule "A".

6. Approval of Amended Restricted Share Unit Plan

The Corporation is proposing to replace the current restricted share unit plan ("**RSU Plan**") with an amended restricted share unit plan (the "**Amended RSU Plan**"). The Amended RSU Plan is substantially the same as the RSU Plan, however, the Amended RSU Plan increases the number of Common Shares issuable under the Amended RSU Plan to 3,000,000 Common Shares and contains other minor amendments to ensure compliance with TSX Venture Exchange Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**") which was implemented by the TSX Venture Exchange on November 24, 2021.

The Board approved the adoption of the Amended RSU Plan by a directors' resolution dated August 14, 2025, subject to the approval of the TSX Venture Exchange and the shareholders of Nanalysis. As a result, and assuming such approvals are obtained, the RSU Plan will be of no further force and effect and all restricted share units ("**RSUs**") issued under the RSU Plan will be deemed to be issued under the Amended RSU Plan and henceforth governed under the Amended RSU Plan.

A summary of the Amended RSU Plan is provided below and is qualified in its entirety by the specific language of the Amended RSU Plan, the full text of which is set forth in Schedule "C" to this Circular. Terms used but not defined herein shall have their respective meanings given to them in the Amended RSU Plan.

Purpose

The purpose of the RSU Plan is to assist and encourage directors, executive officers, employees and consultants of the Corporation (each a "**Participant**") to work towards and participate in the growth and development the Corporation and provide such persons with the opportunity to acquire an ownership interest in the Corporation.

Administration and Eligibility

The Nanalysis Board is responsible for the general administration of the Amended RSU Plan, its proper execution, interpretation and the determination of all questions related to the Amended RSU Plan. RSUs may be granted to any eligible person under the RSU Plan, including: employees, executive officers, directors, or consultants of Nanalysis or any related entity or permitted assign of any such person.

Number of RSUs Available and Limits

Pursuant to the Amended RSU Plan, the maximum number of Common Shares which may be reserved for issuance at any time is 3,000,000 Common Shares. In accordance with Policy 4.4, unless disinterested shareholder approval is obtained (or unless otherwise permitted by the rules of the TSXV) the Amended RSU Plan is subject to the following specified limits:

- (a) the maximum number of Common Shares issuable to Insiders pursuant to RSUs, together with any other Share Compensation Arrangement, at any time, shall not exceed 10% of the total number of Common Shares then outstanding;
- (b) the maximum number of Common Shares issued to Insiders pursuant to RSUs, together with any other Share Compensation Arrangement, within a 12-month period, shall not exceed 10% of the total number of Common Shares then outstanding, calculated on the Grant Date;
- (c) the maximum number of RSUs that may be granted to any one Insider under the Amended RSU Plan, together with any other Share Compensation Arrangement, may not exceed 1% of the issued Common Shares calculated on the Grant Date and the maximum number of RSUs that may be granted to any one Insider under the Amended RSU Plan within a 12-month period, together with any other Share Compensation Arrangement, is 2% of the issued Common Shares calculated at the beginning of the 12-month period;
- (d) the maximum number of RSUs that may be granted to any one Eligible Person under the Amended RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, is 5% of the issued Common Shares calculated on the Grant Date;
- (e) the maximum number of RSUs that may be granted to any one Consultant of the Corporation under the Amended RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, is 2% of the issued Common Shares calculated on the Grant Date; and
- (f) no RSUs may be granted to Investor Relations Service Providers (as such term is defined in the TSXV Policies).

Vesting of RSUs

The Nanalysis Board may determine the criteria for the granting and vesting of RSUs under the Amended RSU Plan. In accordance with the TSXV Policies, no RSUs may vest before the date that is a year following the date that such RSUs are issued (except for the death of a Participant, or a change of control, reverse take-over, take-over bid, or other similar transaction).

Dividend Entitlements

Under the Amended RSU Plan, a Participant's may be credited with a dividend equivalent in the form of additional RSUs only if the Board, in its sole discretion, so determines. However, any dividend equivalents issued in the form of additional RSUs will be included in calculating the limits set forth in the Amended RSU Plan.

Termination

Under the Amended RSU Plan, a Participant ceasing to be a director, the voluntary resignation or the termination for cause of a Participant, all of the Participant's RSUs which remain unvested in the Participant's account shall be forfeited without any entitlement to such Participant.

Upon the termination without cause, the disability, the retirement or death of a Participant, the Participant or the Participant's beneficiary, as the case may be, shall have a number of RSUs become vested in a linear manner equal to the sum for each grant of RSUs of the original number of RSUs granted multiplied by the number of completed months of employment since the Grant Date divided by the number of months required to achieve the full vesting of such grant of RSUs reduced by the actual number of RSUs, if applicable, that have previously become vested in accordance with the Amended RSU Plan. All claims made by the Participant or the Participant's beneficiary must be made within 12 months following the date that the Participant ceases to be an eligible Participant pursuant to the Amended RSU Plan.

The shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving and adopting the Amended RSU Plan as the Corporation's restricted share unit plan. In order for the resolution approving and adopting the Amended RSU Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving the Amended RSU Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect to the resolution. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

The text of the ordinary resolution which will be placed before the Meeting for the approval of the Amended RSU Plan is as follows:

“BE IT RESOLVED as an ordinary resolution that:

1. the restricted share unit plan of the Corporation in substantially the form attached as Schedule “C” to the Management Information Circular dated August 15, 2025 (the **“Amended RSU Plan”**) be and is hereby approved and adopted as the restricted share unit plan of the Corporation;
2. the form of the Amended RSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;
3. the termination of the current restricted share unit plan (the **“RSU Plan”**) of the Corporation is hereby approved;
4. all issued and outstanding restricted share units previously granted under the RSU Plan are hereby continued under and governed by the Amended RSU Plan;
5. the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
6. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and

things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

7. Re-Approval of the Stock Option Plan

The Corporation has a Stock Option Plan previously approved by the shareholders of the Corporation on May 28, 2024. A copy of the Stock Option Plan is attached hereto as Schedule “D”.

The Stock Option Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of directors appointed from time to time by the Board of Directors (the “**Board**”). The material terms of the Stock Option Plan are as follows (capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the Stock Option Plan):

1. Options may be exercised on a cashless and net exercise basis. Under a cashless exercise, a brokerage firm will loan money to a participant under the Stock Option Plan to purchase Common Shares underlying the Options and will sell a sufficient number of Common Shares to cover the exercise price of such options in order to repay the loan made to the Participant and the Participant retains the balance of the Common Shares. In connection with a net exercise, a Participant under the Stock Option Plan would receive Common Shares equal in value to the difference between the exercise price and the fair market value of the Common Shares on the date of exercise, computed in accordance with the Stock Option Plan.
2. Options granted will not be permitted to exceed a term of five (5) years (subject to extension where the expiry date falls within a "blackout period" as defined therein).
3. The exercise price of any Options granted under the Stock Option Plan will be determined by the Board, in its sole discretion, but shall not be less than the closing price of the Corporation's Common Shares on the last trading day before the directors grant such Options, less the maximum discount permitted by the TSX Venture Exchange, subject to a minimum exercise price of \$0.05 per Common Share.
4. Options will vest at the discretion of the Board, as determined at the time of each grant provided that options granted to employees or consultants performing investor relations activities shall vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period.
5. All Options are non-assignable and non-transferable.
6. The maximum aggregate number of Options that can be granted (i) to any one Person in a 12 month period may not exceed five percent (5%) of the issued Common Shares, unless the Corporation has obtained the requisite Disinterested Shareholder Approval; and (ii) to a Consultant in a 12 month period may not exceed two percent (2%) of the issued Common Shares, in both instances, where such percentages are calculated on the date the Options are granted. No more than an aggregate of two percent (2%) of the issued Common Shares may be granted to all persons retained to provide investor relations activities, calculated on the date the Options are granted.
7. If the Option holder ceases to be an Eligible Person (other than by reason of death), then all Options granted to such Option holder shall expire within 90 days following the date that the Option holder ceases to be an Eligible Person. If the Option holder ceases to be an Eligible Person by reason of death, the Option holder's heirs or administrators can exercise any portion of the outstanding Option, for a period of one year from the Option holder's death. If the Option holder is engaged in investor relations activities, the Options must expire within 30 days after the Option holder ceases to be employed by the Corporation to provide investor relations activities.
8. Disinterested Shareholder Approval must be obtained for (i) any reduction in the exercise price of an outstanding Option, if the Option holder is an Insider of the Corporation at the time of the proposed reduction; (ii) any grant of Options to Insiders, together with all of the Corporation's previously established and outstanding stock options plans or grants, within a 12 month period,

exceeding ten percent (10%) of the issued Common Shares; and (iii) any grant of Options to any one Person, within a 12 month period, exceeding five percent (5%) of the issued Common Shares, calculated on the date the Options are granted.

9. Options will be adjusted in the event of any consolidation, subdivision, conversion or exchange of the Corporation's Common Shares.

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

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving the Stock Option Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect to the resolution. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

The text of the ordinary resolution which will be placed before the Meeting for the approval of the Stock Option Plan is as follows:

"BE IT RESOLVED as an ordinary resolution that:

1. the stock option plan of the Corporation in substantially the form attached as Schedule "D" to the Management Information Circular dated August 15, 2025 (the "**Stock Option Plan**") be and is hereby approved and adopted as the stock option plan of the Corporation;
2. the form of the Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;
3. all issued and outstanding stock options previously granted shall be continued under and governed by the Stock Option Plan;
4. the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
5. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management's intention to vote proxies in favour of the resolutions set forth herein. All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information of the Corporation's most recently completed financial year is provided, or will be provided, in the Corporation's comparative financial statements and management discussion and analysis available on SEDAR+. A shareholder may contact the Corporation at:

Nanalysis Scientific Corp.
Bay 1, 4600 5th Street NE
Calgary, Alberta
T2E 7C3
Attention: Chief Executive Officer

to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis without charge.

BOARD APPROVAL

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Corporation.

SCHEDULE "A"
ANP AMENDMENT RESOLUTION

**SPECIAL RESOLUTION OF THE SHAREHOLDERS OF
NANAYSIS SCIENTIFIC CORP. (THE "CORPORATION")**

"BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE CORPORATION THAT:

Amendment of Articles

1. The articles of the Corporation (the "**Articles**") be altered (the "**Amendment**") by adding advance notice provisions in section 28, as set out in Schedule "B" to the management information circular dated August 15, 2025 of the Corporation (the "**Circular**").
2. The Corporation shall adopt the Articles, as amended by the Amendment (the "**Amended Articles**"), with such amendments as any one director or officer of the Corporation may approve, and all amendments to the aforesaid Amended Articles, as amended, reflected therein are approved.
3. It is a condition of these resolutions that the alterations to the Articles of the Corporation referred to above take effect on the date and time that this resolution is received for deposit at the Corporation's records office.
4. Pursuant to section 139 of the *Business Corporations Act* (British Columbia), the directors of the Corporation have the right to revoke these resolutions before they are acted on, without further approval, ratification or confirmation by the shareholders of the Corporation.

General

5. Any one or more of the directors or officers of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolution (including, without limitation, the execution and filing of the aforementioned Amended Articles, and any applications, documents, filings or certificates in connection therewith), the execution of any such application, document, filing or certificate or the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination."

SCHEDULE "B"

**PROPOSED AMENDMENTS TO ARTICLES OF
NANALYSIS SCIENTIFIC CORP.**

ARTICLES
of
~~CANVASS VENTURES LTD.~~
NANALYSIS SCIENTIFIC CORP.

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INCORPORATION AGREEMENT

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

I propose to form the Company under the *Business Corporations Act* (British Columbia).

I agree to take the number and class of shares in the Company set opposite my name:

Signature and full name of the Incorporator	Date of signing	Number and class of shares being taken by Incorporator
 Martin Andrew Burian	February <u>27</u> , 2017	670,000 Unlimited Number of Common Voting shares

ARTICLES

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

The Company will have as its Articles on incorporation the following Articles.

Signature and full name of the Incorporator	Date of signing
 Martin Andrew Burian	February <u>27</u> , 2017

Incorporation number: BC1108888

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

ARTICLES

1. INTERPRETATION

1.1. Definitions

In these Articles, unless the context otherwise requires:

- (1) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;

- (2) "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;
- (3) "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;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder;
- (5) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (6) "seal" means the seal of the Company, if any.

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 Acknowledgement

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 acknowledgement 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 acknowledgement and delivery of a share certificate or an acknowledgement 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 acknowledgement 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 acknowledgement 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 acknowledgement 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 acknowledgement, as the case may be, and on such other terms, if any, as they think fit:

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

2.6. Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement

If a share certificate or a non-transferable written acknowledgement of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (1) proof satisfactory to them that the share certificate or acknowledgement is lost, stolen or destroyed; and
- (2) any indemnity the directors consider adequate.

2.7. 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 the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8. 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 2.7, the amount, if any and which must not exceed the amount prescribed under the Business Corporations Act, determined by the directors.

2.9. 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, 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

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) a duly signed instrument of transfer in respect of the share;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (3) if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgement; 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, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

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 from time to time.

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 acknowledgements 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 acknowledgement 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 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 proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

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, provided the documents required by the Business Corporations Act and the directors have 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 determined by the directors.

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 by special resolution:

- (1) 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;
- (2) 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;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (5) 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;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the Business Corporations Act;

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 special 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; or

- (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;

and alter its Articles and Notice of Articles accordingly.

9.3. Change of Name

The Company may by director's resolution authorize an alteration of its Notice of Articles in order to change its name and may by ordinary resolution or directors' resolution 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 special 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 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 and Location of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders. The location of a meeting of shareholders shall be determined by the directors and may be within or outside British Columbia.

10.4. Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), 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.

10.5. 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.

10.6. 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.

10.7. Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders 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 that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting, unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10.8. 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.

10.9. Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution 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.

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 general meeting of shareholders is two-thirds 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 to 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 2.5% 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. Persons Entitled to Attend Meeting

In addition to those persons 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, any 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; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the 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 of shareholders 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 any 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 case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have 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 of shareholders, 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 of shareholders, 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 registered in respect of that share.

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 an individual 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 be received:
 - (a) 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) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by 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. Proxy Provisions Do Not Apply to All Companies

If and for so long as the Company is a public company Articles 12.7 to 12.15 apply only insofar as they are not inconsistent with 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 insofar as they are not inconsistent with the 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.

12.7. 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 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.

12.8. Alternate Proxy Holders

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

12.9. 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; or
- (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.

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 received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by 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 or any adjourned 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 undersigned): _____

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 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 or any adjourned 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.

12.14. 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. 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):

- (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, subject to Article 14.8, appoint, 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

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

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) when his or her successor is elected or appointed; and
- (4) when 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 calling 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:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, 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 special 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.

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.

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.

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.

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:

- (1) in person;
- (2) by telephone; or
- (3) by other communications medium,

if all the directors participating in the meeting, whether in person, by telephone or by other communications medium, are able to communicate with each other. 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, 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; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

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.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

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 have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, e-mail 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 a 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 Eligible Parties

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 or, if applicable, any former Companies Act or former 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 in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, 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 money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid 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 money 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 registered address of the shareholder, or in the case of joint shareholders, to the registered 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 so capitalized or any part thereof.

23. ACCOUNTING RECORDS**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 e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient.

24.2. Deemed Receipt

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) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed.

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 sent in accordance with 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 such record to the joint shareholder first named in the central securities register in respect of the share.

24.5. Notice to Legal Personal Representatives and 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 such persons as are authorized under Article 25.1 to attest the Company's seal 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.

25.4. Execution of Documents Generally

The directors may from time to time by resolution appoint any one or more persons, officers or directors for the purpose of executing any instrument, document or agreement in the name of and on behalf of the Company for which the seal need not be affixed, and if no such person, officer or director is appointed, then any one officer or director of the Company may execute such instrument, document and agreement.

26. PROHIBITIONS

26.1. Application

Article 26.2 does not apply to the Company if and for so long as it is a public company.

26.2. Consent Required for Transfer of Shares or Designated Securities

No securities of the Company other than non-convertible debt securities of the Company shall be transferred without the consent of the directors expressed by resolution and the directors shall not be required to give any reason for refusing to consent to any such transfer.

27. SPECIAL RIGHTS AND RESTRICTIONS

27.1 Common Shares

The holders of the Common shares will be entitled to receive notice of, attend and vote at all meetings of shareholders, except meetings at which only holders of a specific class of shares are entitled to vote. Each Common share will entitle its holder to one (1) vote.

28 ADVANCE NOTICE PROVISIONS

28.1. Nomination of Directors

- (a) 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 may be made at any general meeting of shareholders if one of the purposes for which the general meeting was called was the election of directors:
 - (i) by or at the direction of the board, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Business Corporations Act, or a requisition of the shareholders made in accordance with the provisions of the Business Corporations Act; or
 - (iii) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 28.1 and on the record date for notice of such meeting, is entered in the central securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 28.1.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company at the principal executive offices of the Company.
- (c) To be timely, a Nominating Shareholder's notice to the Secretary of the Company must be given:
 - (i) in the case of an annual general meeting of shareholders, not less than 30 days prior to the date of the annual general meeting of shareholders; provided, however, that in the event that the annual general 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 meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the 10th day following the Notice Date;
 - (ii) in the case of any other general meeting of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the Notice Date with respect to such meeting; and
 - (iii) if notice-and-access (as defined in National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer) is used for delivery of proxy related materials in respect of a general meeting described above, and the notice date in respect of the general meeting is not fewer than 50 days prior to the date of such meeting, the notice must be received by the Secretary of the Company not later than the close of business on the 40th day before such meeting.
- (d) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:
 - (i) 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 principal occupation or employment of the person; (C) the class or series and number of shares in the authorized share structure of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the general meeting of shareholders (if such date shall then have been made publicly available and

shall have occurred) and as of the date of such notice; and (D) 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 applicable securities legislation; and

- (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the 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 applicable securities legislation.
- (e) 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.
- (f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 28.1; provided, however, that nothing in this Article 28.1 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Business Corporations Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Article 28.1 and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (g) For purposes of this Article 28.1, "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 Plus at www.sedarplus.com.
- (h) Notwithstanding any other provision of this Article 28.1, notice given to the Secretary of the Company pursuant to this Article 28.1 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the 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, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Company; 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 subsequent day that is a business day.
- (i) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 28.1.

ARTICLES
of
~~CANVASS VENTURES LTD.~~
NANALYSIS SCIENTIFIC CORP.

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INCORPORATION AGREEMENT

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

I propose to form the Company under the *Business Corporations Act* (British Columbia).

I agree to take the number and class of shares in the Company set opposite my name:

Signature and full name of the Incorporator	Date of signing	Number and class of shares being taken by Incorporator
 Martin Andrew Burian	February <u>27</u> , 2017	670,000 Unlimited Number of Common Voting shares

ARTICLES

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

The Company will have as its Articles on incorporation the following Articles.

Signature and full name of the Incorporator	Date of signing
 Martin Andrew Burian	February <u>27</u> , 2017

Incorporation number: BC1108888

NANALYSIS SCIENTIFIC CORP.
~~CANVASS VENTURES LTD.~~ (the "Company")

ARTICLES

1. INTERPRETATION

1.1. Definitions

In these Articles, unless the context otherwise requires:

- (1) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;

- (2) "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;
- (3) "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;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder;
- (5) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (6) "seal" means the seal of the Company, if any.

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 Acknowledgement

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 acknowledgement 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 acknowledgement and delivery of a share certificate or an acknowledgement 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 acknowledgement 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 acknowledgement 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 acknowledgement 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 acknowledgement, as the case may be, and on such other terms, if any, as they think fit:

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

2.6. Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement

If a share certificate or a non-transferable written acknowledgement of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (1) proof satisfactory to them that the share certificate or acknowledgement is lost, stolen or destroyed; and
- (2) any indemnity the directors consider adequate.

2.7. 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 the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8. 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 2.7, the amount, if any and which must not exceed the amount prescribed under the Business Corporations Act, determined by the directors.

2.9. 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, 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

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) a duly signed instrument of transfer in respect of the share;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (3) if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgement; 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, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

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 from time to time.

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 acknowledgements 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 acknowledgement 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 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 proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

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, provided the documents required by the Business Corporations Act and the directors have 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 determined by the directors.

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 by special resolution:

- (1) 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;
- (2) 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;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (5) 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;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the Business Corporations Act;

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 special 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; or

- (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;

and alter its Articles and Notice of Articles accordingly.

9.3. Change of Name

The Company may by director's resolution authorize an alteration of its Notice of Articles in order to change its name and may by ordinary resolution or directors' resolution 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 special 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 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 and Location of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders. The location of a meeting of shareholders shall be determined by the directors and may be within or outside British Columbia.

10.4. Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), 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.

10.5. 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.

10.6. 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.

10.7. Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders 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 that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting, unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10.8. 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.

10.9. Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution 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.

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 general meeting of shareholders is two-thirds 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 to 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 2.5% 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. Persons Entitled to Attend Meeting

In addition to those persons 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, any 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; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the 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 of shareholders 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 any 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 case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have 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 of shareholders, 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 of shareholders, 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 registered in respect of that share.

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 an individual 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 be received:
 - (a) 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) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by 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. Proxy Provisions Do Not Apply to All Companies

If and for so long as the Company is a public company Articles 12.7 to 12.15 apply only insofar as they are not inconsistent with 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 insofar as they are not inconsistent with the 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.

12.7. 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 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.

12.8. Alternate Proxy Holders

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

12.9. 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; or
- (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.

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 received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by 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 or any adjourned 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 undersigned): _____

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 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 or any adjourned 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.

12.14. 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. 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):

- (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, subject to Article 14.8, appoint, 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

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

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) when his or her successor is elected or appointed; and
- (4) when 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 calling 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:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, 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 special 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.

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.

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.

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.

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:

- (1) in person;
- (2) by telephone; or
- (3) by other communications medium,

if all the directors participating in the meeting, whether in person, by telephone or by other communications medium, are able to communicate with each other. 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, 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; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

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.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

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 have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, e-mail 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 a 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 Eligible Parties

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 or, if applicable, any former Companies Act or former 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 in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, 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 money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid 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 money 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 registered address of the shareholder, or in the case of joint shareholders, to the registered 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 so capitalized or any part thereof.

23. ACCOUNTING RECORDS**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 e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient.

24.2. Deemed Receipt

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) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed.

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 sent in accordance with 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 such record to the joint shareholder first named in the central securities register in respect of the share.

24.5. Notice to Legal Personal Representatives and 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 such persons as are authorized under Article 25.1 to attest the Company's seal 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.

25.4. Execution of Documents Generally

The directors may from time to time by resolution appoint any one or more persons, officers or directors for the purpose of executing any instrument, document or agreement in the name of and on behalf of the Company for which the seal need not be affixed, and if no such person, officer or director is appointed, then any one officer or director of the Company may execute such instrument, document and agreement.

26. PROHIBITIONS

26.1. Application

Article 26.2 does not apply to the Company if and for so long as it is a public company.

26.2. Consent Required for Transfer of Shares or Designated Securities

No securities of the Company other than non-convertible debt securities of the Company shall be transferred without the consent of the directors expressed by resolution and the directors shall not be required to give any reason for refusing to consent to any such transfer.

27. SPECIAL RIGHTS AND RESTRICTIONS

27.1 Common Shares

The holders of the Common shares will be entitled to receive notice of, attend and vote at all meetings of shareholders, except meetings at which only holders of a specific class of shares are entitled to vote. Each Common share will entitle its holder to one (1) vote.

28 **ADVANCE NOTICE PROVISIONS**

28.1. **Nomination of Directors**

- (a) 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 may be made at any general meeting of shareholders if one of the purposes for which the general meeting was called was the election of directors:
- (i) by or at the direction of the board, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Business Corporations Act, or a requisition of the shareholders made in accordance with the provisions of the Business Corporations Act; or
 - (iii) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 28.1 and on the record date for notice of such meeting, is entered in the central securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 28.1.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company at the principal executive offices of the Company.
- (c) To be timely, a Nominating Shareholder's notice to the Secretary of the Company must be given:
- (i) in the case of an annual general meeting of shareholders, not less than 30 days prior to the date of the annual general meeting of shareholders; provided, however, that in the event that the annual general 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 meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the 10th day following the Notice Date;
 - (ii) in the case of any other general meeting of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the Notice Date with respect to such meeting; and
 - (iii) if notice-and-access (as defined in National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer) is used for delivery of proxy related materials in respect of a general meeting described above, and the notice date in respect of the general meeting is not fewer than 50 days prior to the date of such meeting, the notice must be received by the Secretary of the Company not later than the close of business on the 40th day before such meeting.
- (d) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:
- (i) 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 principal occupation or employment of the person; (C) the class or series and number of shares in the authorized share structure of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the general meeting of shareholders (if such date shall then have been made publicly available and

shall have occurred) and as of the date of such notice; and (D) 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 applicable securities legislation; and

- (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the 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 applicable securities legislation.
- (e) 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.
- (f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 28.1; provided, however, that nothing in this Article 28.1 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Business Corporations Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Article 28.1 and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (g) For purposes of this Article 28.1, "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 Plus at www.sedarplus.com.
- (h) Notwithstanding any other provision of this Article 28.1, notice given to the Secretary of the Company pursuant to this Article 28.1 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the 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, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Company; 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 subsequent day that is a business day.
- (i) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 28.1.

SCHEDULE "C"

NANALYSIS SCIENTIFIC CORP.

AMENDED RESTRICTED SHARE UNIT PLAN

**NANALYSIS SCIENTIFIC CORP.
AMENDED RESTRICTED SHARE UNIT PLAN**

1. INTERPRETATION

1.1 Restricted Share Unit Plan

The plan herein described shall be called the “**Restricted Share Unit Plan**” and is referred to herein, as may be amended from time to time, as the “**Plan**”.

1.2 Definitions

For the purposes of the Plan, unless there is something in the subject matter or context inconsistent therewith the following terms shall have the following meanings:

- (a) “**Account**” means the account set up on behalf of each Participant in accordance with Section 4.1(b);
- (b) “**Affiliate**” shall have the meaning ascribed thereto by the Stock Exchange;
- (c) “**Applicable Law**” means all applicable federal, provincial and foreign laws and any regulations, instruments or orders enacted thereunder, and the rules, regulations and policies of the Stock Exchange;
- (d) “**Associate**” shall have the meaning ascribed thereto by the Stock Exchange;
- (e) “**Black Out Period**” means a period when a Participant is prohibited from trading in the Corporation’s securities pursuant to the Corporation’s written policies then applicable or a notice in writing to a Participant by a senior officer or Director of the Corporation;
- (f) “**Board**” or “**Board of Directors**” means the board of directors of the Corporation, as constituted from time to time;
- (g) “**Change in Control**” means:
 - (i) the successful completion of a take-over bid in respect of the Corporation;
 - (ii) the issuance to or acquisition by any person, or group of persons acting jointly or in concert of (A) more than 50% of the outstanding Shares; or (B) more than 33 and 1/3% of the outstanding Shares and the election or appointment by such person or persons of their nominees as a majority of the Board; and
 - (iii) the sale of all or substantially all of the assets of the Corporation;
- (h) “**Consultant**” has the meaning given to it in NI 45-106;
- (i) “**Corporation**” means Nanalysis Scientific Corp. and any successor Corporation thereto;
- (j) “**Director**” has the meaning given to it in NI 45-106;
- (k) “**Disability**” means that the Participant becomes physically or mentally disabled to such an extent as to make him or her unable to perform his or her duties normally and adequately for a period totalling six months during a period of 12 consecutive months. The Board’s determination as to whether or not a Participant has incurred a Disability is final and conclusive and binding on all persons;

- (l) **“Disinterested Shareholder Approval”** means approval by a majority of the votes cast by all shareholders entitled to vote at a meeting of shareholders of the Corporation excluding votes attached to shares beneficially owned by Insiders to whom RSUs may be granted under this Plan and their Associates and Affiliates;
- (m) **“Dividend Equivalent”** means a bookkeeping entry whereby each outstanding RSU is credited with the equivalent amount of any dividend paid on a Share in accordance with Section 4.5;
- (n) **“Dividend Market Value”** means the Market Price per Share on the dividend record date;
- (o) **“Eligible Person”** means, at the Grant Date, any Employee, Executive Officer, Director or Consultant of the Corporation or of a Related Entity or a Permitted Assign of any such person;
- (p) **“Employee”** means an employee of the Corporation;
- (q) **“Executive Officer”** has the meaning given to it in NI 45-106;
- (r) **“Grant Date”** means the effective date on which RSUs are awarded to a Participant in accordance with Section 4.6;
- (s) **“Insider”** has the meaning given to it TSX Venture Exchange Policy 1.1 – *Interpretation*;
- (t) **“Investor Relations Service Provider”** has the meaning given to it in TSX Venture Exchange Policy 4.4 – *Security Based Compensation*;
- (u) **“Market Price”** means, with respect to the Shares on a particular date, the price per Share computed on the basis of the closing price of the Shares on the Stock Exchange for the most recent trading day preceding the relevant date. In the event that the Shares are not listed and posted for trading on any Stock Exchange, the Market Price shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;
- (v) **“Notice of Redemption”** has the meaning given to it in Section 4.9(a);
- (w) **“NI 45-106”** means National Instrument 45-106 - *Prospectus Exemptions* or any successor instrument adopted from time to time by the Canadian Securities Administrators;
- (x) **“Participant”** means an Eligible Person to whom or which RSUs have been granted;
- (y) **“Performance Period”** means a period designated by the Board in accordance with Section 4.6(a) that commences on the designated Grant Date and ends on December 31 of the third full calendar year commencing after the Grant Date;
- (z) **“Permitted Assign”** has the meaning given to it in NI 45-106;
- (aa) **“Plan Limit”** means the maximum number of Shares that are issuable under the Plan in accordance with Section 4.2;
- (bb) **“Redemption Date”** means the date on which the Vested RSUs are redeemed in accordance with 4.9(a);

- (cc) **“Regulatory Approval”** means the approval under Applicable Law of the Stock Exchange and any other regulatory authority or governmental agency that may have lawful jurisdiction over the Plan and any RSUs issued hereunder;
- (dd) **“Related Entity”** has the meaning given to it in NI 45-106;
- (ee) **“Restricted Share Unit”** or **“RSU”** means a unit equivalent to the Market Price of a Share on the date such unit is credited by means of a bookkeeping entry on the books of the Corporation to a Participant's Account in accordance with the terms and conditions of the Plan;
- (ff) **“Retirement”** means the termination of employment of a Participant on or after age sixty-five (65) or any such other age as determined from time to time by the Board;
- (gg) **“RSU Agreement”** means an agreement between the Corporation and a Participant, in such form as may be approved by the Board from time to time, under which RSUs are granted, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan;
- (hh) **“Share Compensation Arrangement”** means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise, subject to prior TSXV acceptance;
- (ii) **“Shareholder Approval”** means approval by the Corporation's shareholders in accordance with the rules of the Stock Exchange;
- (jj) **“Shares”** means common shares in the capital of the Corporation;
- (kk) **“Stock Exchange”** means the TSXV, the Toronto Stock Exchange, or any other stock exchange on which the Shares are then listed for trading, as applicable; and
- (ll) **“TSXV”** means the TSX Venture Exchange.

1.3 Use of Gender and Number

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

1.4 Governing Law

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

2. ESTABLISHMENT OF THE PLAN

2.1 Establishment and Purpose of the Plan

The purpose of the Plan is to assist and encourage Directors, Executive Officers, Employees and Consultants of the Corporation and its Related Entities to work towards and participate in the growth and development of the Corporation and its Related Entities and provide such persons with the opportunity to acquire an ownership interest in the Corporation.

2.2 Effective Date

The Plan shall be effective as of [●], 2025.

2.3 Eligibility

RSUs may be granted hereunder to Eligible Persons from time to time by the Board, subject to the limitations set forth herein, but may not be granted when that grant would be prohibited by or in breach of Applicable Law or any Black Out Period then in effect. RSUs cannot be granted to Eligible Persons unless and until the RSUs have been allocated to the Eligible Persons.

3. ADMINISTRATION

3.1 Use of Committees

The Board may delegate all or such portion of its powers hereunder as it may determine to a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three members of the Board, either indefinitely or for such period of time as it may specify, and thereafter, such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do. If a committee is appointed for this purpose, all references herein to the Board will be deemed to be references to such committee.

3.2 Authority of the Board

The Board shall be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Subject to the limitations of the Plan, without limiting the generality of the foregoing, the Board has the power and authority to:

- (a) determine which Eligible Persons are to be granted RSUs and the number of RSUs to be issued to those Eligible Persons;
- (b) determine the terms under which such RSUs are granted including, without limitation, those related to the Performance Period, vesting and forfeiture;
- (c) prescribe the form of RSU Agreement with respect to a particular grant of RSUs;
- (d) interpret the Plan and determine all questions arising out of the Plan and any RSUs granted pursuant to the Plan, which interpretations and determinations will be conclusive and binding on the Corporation and all other affected persons;
- (e) prescribe, amend and rescind rules and procedures relating to the Plan;
- (f) subject to the provisions of the Plan and subject to such additional limitations and restrictions as the Board may impose, delegate to one or more officers of the Corporation some or all of its authority under the Plan; and
- (g) employ such legal counsel, independent auditors, third party service providers and consultants as it deems desirable for the administration of the Plan and to rely upon any opinion or computation received therefrom.

The Board's guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Corporation and all other persons, including, in particular and without limitation, the Participants.

4. GRANT OF RSUs

4.1 RSU Agreement and Account

- (a) Upon the grant of RSUs, the Corporation will deliver to the Participant an RSU Agreement dated as of the Grant Date, containing the terms of the RSUs and executed by the Corporation, and upon delivery to the Corporation of the RSU Agreement executed by the Participant, such Participant will be a participant in the Plan and have the right to receive Shares on the terms set out in the RSU Agreement and in the Plan. Subject to any specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of each RSU Agreement made hereunder.
- (b) An account (“**Account**”) shall be maintained by the Corporation for each Participant and will show the RSUs credited to a Participant from time to time.

4.2 Shares Reserved

- (a) The maximum number of Shares which may be reserved for issuance under the Plan at any time shall be 3,000,000 Shares, subject to adjustment under Section 6.1, or such greater number of Shares as shall have been duly approved by the Board and, if required by applicable policies of the Stock Exchange, by Disinterested Shareholder Approval (the “**Plan Limit**”).
- (b) The number of Shares which may be reserved for issuance under the Plan, in combination with the aggregate number of Shares which may be issuable under any other Share Compensation Arrangement, including the Corporation’s Stock Option Plan, shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis, or such greater number of Shares as shall have been duly approved by the Board and, if required by the applicable policies of the Stock Exchange, by the shareholders of the Corporation.

4.3 Limits on Issuances

Notwithstanding any other provision of this Plan, unless Disinterested Shareholder Approval is obtained (or unless permitted otherwise by the rules of the Stock Exchange):

- (a) the maximum number of Shares issuable to Insiders pursuant to RSUs, together with any other Share Compensation Arrangement, at any time, shall not exceed 10% of the total number of Shares then outstanding;
- (b) the maximum number of Shares issued to Insiders pursuant to RSUs, together with any other Share Compensation Arrangement, within a 12-month period, shall not exceed 10% of the total number of Shares then outstanding, calculated on the Grant Date;
- (c) the maximum number of RSUs that may be granted to any one Insider under the Plan, together with any other Share Compensation Arrangement, may not exceed 1% of the issued Shares calculated on the Grant Date and the maximum number of RSUs that may be granted to any one Insider under the Plan within a 12-month period, together with any other Share Compensation Arrangement, is 2% of the issued Shares calculated at the beginning of the 12-month period;
- (d) the maximum number of RSUs that may be granted to any one Eligible Person under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, is 5% of the issued Shares calculated on the Grant Date;

- (e) the maximum number of RSUs that may be granted to any one Consultant of the Corporation under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, is 2% of the issued Shares calculated on the Grant Date; and
- (f) Investor Relations Service Providers may not be granted any RSUs under this Plan.

4.4 Status of Terminated RSUs

For purposes of determining the number of Shares that remain available for issuance under the Plan, the number of Shares underlying any grants of RSUs that are settled in cash, surrendered, forfeited, waived, repurchased by the Corporation and/or cancelled shall be added back to the Plan Limit and again be available for future grant, whereas the number of Shares underlying any grants of RSUs that are issued shall not be available for future grant.

4.5 Credits for Dividends

A Participant's Account shall be credited with a Dividend Equivalent in the form of additional RSUs only if the Board, in its sole discretion, so determines. Such Dividend Equivalents, if any, shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions computed to three decimal places. Any Dividend Equivalent issued in the form of additional RSUs shall be included in calculating the limits set forth in Section 4.3.

4.6 Grant and Vesting of RSUs

- (a) In accordance with the policies of the TSXV, in no case shall RSUs granted under the Plan vest before the date that is one year following the date that such RSUs are issued, except for a Participant who dies or who ceases to be an eligible Participant under the Plan in connection with a change of control, take-over bid, reverse take-over or other similar transaction, as described in Sections 4.8 and 4.11.
- (b) For each calendar year ending after the effective date of the Plan, the Board may designate one or more Performance Periods under the Plan. In respect of each such designated Performance Period and subject to the terms of the Plan, the Board may from time to time establish the Grant Date and grant to any Eligible Person one or more RSUs as the Board deems appropriate. It shall be the responsibility of the Corporation and the Eligible Person to ensure that such Eligible Person is a *bona fide* Eligible Person.
- (c) The Board shall make all other determinations with respect to the Performance Period as the Board considers in its sole discretion to be necessary or desirable under the Plan, including, without limitation, the date or dates within such Performance Period and such other terms and conditions, if any, on which all or a portion of such RSUs (and corresponding Dividend Equivalents) credited to a Participant's Account shall vest (to be set forth in the RSU Agreement), provided that no RSUs (and corresponding Dividend Equivalents) may vest when prohibited by, or in breach of, Applicable Law.
- (d) Notwithstanding any other provision of the Plan, excepting (a) above, the Board may in its sole and absolute discretion accelerate and/or waive any vesting or other conditions for all or any RSUs (and corresponding Dividend Equivalents) for any Participant at any time and from time to time.
- (e) In no circumstances will RSUs credited to a Participant's Account in respect of a Performance Period vest after December 31 of the third full calendar year following the Grant Date in respect of such Performance Period.

- (f) Any RSUs in respect of a Performance Period that are not vested on or before December 31 of the third full calendar year following the Grant Date in respect of such RSUs shall be cancelled and no vesting, payment or issuance shall be made under the Plan in respect of such RSUs.

4.7 Third Party Offer

If an offer to purchase all of the outstanding Shares of the Corporation is made by a third party, the Board may, to the extent permitted by Applicable Law and upon giving each Participant written notice to that effect, effect the acceleration of the vesting of RSUs granted under the Plan. All determinations of the Board under this Section will be final, binding and conclusive for all purposes.

4.8 Change in Control

Upon the occurrence of a Change in Control or in the event of the termination of a Participant's employment by the Corporation for any reason (except termination for cause or voluntary resignation) at any time within one (1) year of the occurrence of a Change in Control, all the RSUs at that time outstanding but unvested shall automatically and irrevocably become vested in full.

4.9 Delivery of Shares or Cash

- (a) Vested RSUs may be redeemed by a Participant, in whole or in part, at any time prior to the end of the Performance Period, subject to Black Out Periods, upon delivery of a notice of redemption to the Corporation in the form attached hereto as Schedule A (the "**Notice of Redemption**"). Upon receipt by the Corporation of a Notice of Redemption, the Corporation, at its sole and absolute discretion shall have the option of settling the vested RSUs by any of the following methods or combination of such methods, subject to section 4.9(b) and Section 4.9(c): (i) elect to make to a Participant a cash payment equal to the product of the number of vested RSUs required to be redeemed pursuant to the Plan and the Notice of Redemption and the Market Price of a Share, less Source Deductions (as such term is defined herein); or (ii) elect to purchase on the secondary market, for delivery to the Participant, one Share for each full RSU to be redeemed pursuant to the Plan and the Notice of Redemption and making a lump sum cash payment in respect of any partial Restricted Share Unit to be redeemed (less any amounts in respect of Source Deductions); or (iii) elect to issue to the Participant from treasury one Share for each full RSU to be redeemed pursuant to the Plan and the Notice of Redemption and making a lump sum cash payment in respect of any partial Restricted Share Unit to be redeemed (less any amounts in respect of Source Deductions).
- (b) Notwithstanding Section 4.9(a), all redemptions under this Section 4.9 in respect of RSUs in Participants' Accounts that have vested in respect of a Performance Period shall be redeemed on or before December 31 of the third full calendar year following the end of the year in which such RSUs were awarded pursuant to Section 4.6.
- (c) Subject to Section 4.9(b) above, the Board will ensure delivery of the Shares and/or cash payment required by Section 4.9(a), is made no later than the 21st day following receipt of the Notice of Redemption.
- (d) Upon delivery of Shares and/or cash in satisfaction of RSUs, such RSUs shall be cancelled from the Participant's Account.
- (e) If the applicable Redemption Date for RSUs occurs during or within 10 business days of the expiration of a Black Out Period applicable to such Participant, then the Redemption Date for such RSUs shall be extended to the close of business on the tenth business day following the expiration of the Black Out Period.

4.10 Tax and Withholding Tax

Notwithstanding any other provision contained herein, in connection with the exercise of an RSU by a Participant or a Permitted Assign for Shares of the Corporation or a cash payment pursuant to Section 4.9(a) hereof, as a condition to such exercise: (i) the Corporation shall require such Participant to pay or cause to be paid to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions in connection with the exercise of such RSUs (the “**Source Deductions**”); or (ii) in the event a Participant does not pay or cause to be paid the amount specified in (i), the Corporation shall be permitted to engage a broker or other agent on behalf of the Participant or Permitted Assign, at the risk and expense of the Participant, to sell a portion of the underlying Shares issued on the exercise of such RSU through the facilities of the Stock Exchange, and to apply the proceeds received on the sale of such underlying Shares as necessary so as to ensure that the Corporation is in compliance with the applicable Source Deductions relating to the exercise of such RSUs. In addition, the Corporation shall be entitled to withhold from any amount payable to a Participant, including the exercise of RSUs for a cash payment pursuant to Section 4.9(a) hereof, and either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation is in compliance with the applicable Source Deductions relating to the exercise of any RSU.

4.11 Termination of Employment

Unless otherwise determined by the Board, in its sole discretion, or specified in the applicable RSU Agreement:

- (a) upon a Participant ceasing to be a Director, the voluntary resignation or the termination for cause of a Participant, all of the Participant's RSUs which remain unvested in the Participant's Account shall be forfeited without any entitlement to such Participant. If the Participant has an employment or consulting agreement with the Corporation, the term “cause” shall include any meaning given to that term in the employment or consulting agreement or, if such term is not defined in such agreement, shall mean any ground which would justify the services of the Participant to be terminated without notice or payment in lieu and/or shall have the meaning given to such term under any Applicable Law. In all cases where a Participant ceases to be an eligible Participant pursuant to this Section (a), all RSUs which have been previously issued or vested shall expire within 12 months following the date that the Participant ceases to be an eligible Participant pursuant to this Plan; and
- (b) subject to Section 4.8, upon the termination without cause, the Disability, the Retirement or death of a Participant, the Participant or the Participant's beneficiary, as the case may be, shall have a number of RSUs become vested in a linear manner equal to the sum for each grant of RSUs of the original number of RSUs granted multiplied by the number of completed months of employment since the Grant Date divided by the number of months required to achieve the full vesting of such grant of RSUs reduced by the actual number of RSUs, if applicable, that have previously become vested in accordance with the Plan. Such vested RSUs shall be settled in accordance with Section 4.9. All claims pursuant to this Section 4.11(b) must be made by the Participant or the Participant's beneficiary within 12 months following the date that the Participant ceases to be an eligible Participant pursuant to this Plan.

4.12 No Compensation for Cancelled RSUs

Section 4.11 applies regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the RSUs to vest with the Participant. Except as expressly permitted by the Board and the Plan, all RSUs will cease to vest as at the date upon which the Participant ceases to be an Eligible Person. Participants will not be entitled to any compensation in respect of any part of the RSUs which were not vested.

4.13 Non-Transferability of RSUs

Unless the Board determines otherwise in its sole discretion, a Participant may transfer RSUs to a Permitted Assign, provided that the transfer is permitted by, and is effected in accordance with the then applicable policies of the Stock Exchange; for the avoidance of doubt, if the Corporation is subject to the requirements of the TSXV and such exchange so requires, RSUs shall be non-assignable and non-transferrable. Upon any such permitted transfer, the transferred RSUs shall be deemed, for purposes of the Plan, to continue to be held by the Participant, and shall continue to be subject to the terms and conditions of the Plan as if the Participant remained the sole holder thereof. The Board may, in its sole discretion, permit transfers of RSUs other than those contemplated by this Section, subject to Applicable Law and the prior approval of the Stock Exchange or shareholders of the Corporation, if required.

4.14 Hold Period

In accordance with the policies of the TSXV, all RSUs and Shares issuable pursuant to the exercise thereof shall be subject to any applicable resale restrictions under Securities Laws and the Exchange Hold Period (as such terms are defined in the policies of the TSXV), if applicable.

5. AMENDMENT

5.1 Amendments

- (a) The Board reserves the right, in its absolute discretion, to amend, suspend or terminate the Plan, or any portion thereof, at any time without obtaining Shareholder Approval, subject to those provisions of Applicable Law and Regulatory Approval, if any, that require Shareholder Approval. Such amendments may include, without limitation:
 - (i) minor changes of a “house-keeping nature”, including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the Plan, or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
 - (ii) amending RSUs under the Plan, including with respect to advancing the date on which any RSU may vest, assignability and the effect of termination of a Participant, provided that such amendment does not adversely alter or impair any RSU previously granted to a Participant without the consent of such Participant;
 - (iii) amendments necessary to comply with the provisions of Applicable Law or the applicable rules of the Stock Exchange on which the Shares are then listed, including with respect to the treatment of RSUs granted under the Plan;
 - (iv) amendments respecting the administration of the Plan;
 - (v) amendments necessary to suspend or terminate the Plan; provided that such amendment does not adversely alter or impair any RSU previously granted to a Participant without the consent of such Participant; and
 - (vi) any other amendment, fundamental or otherwise, not requiring Shareholder Approval under Applicable Law or the applicable rules of the Stock Exchange.
- (b) Notwithstanding the foregoing, the Corporation will be required to obtain Shareholder Approval for any amendment related to the following (provided that such Shareholder Approval is then a requirement of the Stock Exchange):
 - (i) the eligibility of a Participant in the Plan;

- (ii) removing or exceeding the limits on participation in the Plan;
 - (iii) increasing the Plan Limit;
 - (iv) any amendment to the Plan allowing awards granted under the Plan to be transferable or assignable to a new beneficial owner other than for normal estate settlement purposes;
 - (v) any amendment that would have the effect of extending the term of an RSU beyond the original expiry;
 - (vi) granting additional powers to the Board to amend the Plan without Shareholder Approval; and
 - (vii) any amendment to the amending provisions of the Plan.
- (c) Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals.
- (d) For the purposes of this Section 5.1, an amendment does not include an accelerated expiry of an RSU by reason of the fact that a Director, Executive Officer, Employee or Consultant ceases to be a Participant.

5.2 Termination

The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further RSUs shall be granted, but the RSUs then outstanding shall continue in full force and effect in accordance with the provisions of the Plan.

6. ADJUSTMENT TO SHARES

6.1 Adjustments

In the event of adjustments in the number of Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the capital of the Corporation or from a proposed merger, amalgamation or other corporate arrangement or reorganization involving the exchange or replacement of Shares of the Corporation for those in another corporation, then the Board may make such adjustments to this Plan, to any RSUs and to any RSU Agreements outstanding under this Plan as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of amounts to be paid to Participants hereunder. Any dispute that arises at any time with respect to any such adjustment will be conclusively determined by the Board, and any such determination will be binding on the Corporation, the Participant and all other affected parties.

6.2 Further Adjustments

Subject to Section 6.1 and Applicable Law, if, because of a proposed merger, amalgamation or other corporate arrangement or reorganization, the exchange or replacement of Shares of the Corporation for those in another corporation is imminent, the Board may, in a fair and equitable manner and subject to approval of the TSXV, determine the manner in which all unvested RSUs and rights granted under the Plan will be treated including, without limitation, requiring the acceleration of the time for the vesting of such RSUs and the time for the fulfilment of any conditions or restrictions on such vesting. All determinations of the Board under this Section will be final, binding and conclusive for all purposes.

6.3 Limitations

The grant of RSUs under the Plan will in no way affect the Corporation's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, amalgamate, reorganize, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets or engage in any like transaction.

7. GENERAL

7.1 Unfunded and Unsecured Plan

The Plan shall be unfunded and neither the Corporation nor any of its Related Entities will secure the Corporation's obligations under the Plan. To the extent any Participant or his estate holds rights by virtue of an award of Restricted Share Units under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

7.2 Compliance with Legislation

The Plan, the grant and vesting of RSUs hereunder and the Corporation's obligation to sell and deliver Shares upon vesting of RSUs is subject to Applicable Law and to such Regulatory Approvals as may, in the opinion of counsel to the Corporation, be required. Each RSU Agreement will contain such provisions as in the opinion of the Board are required to ensure that no Shares are issued on the vesting of an RSU unless the issuance of such Shares will be exempt from all registration, qualification and prospectus requirements of securities laws of any jurisdiction and will be permitted under Applicable Law. The Corporation shall not be obliged by any provision of the Plan or the grant of any RSU hereunder to issue, sell or transfer Shares in violation of Applicable Law or any condition of any Regulatory Approval. No RSU shall be granted and no Shares issued or sold hereunder where such grant, issue or sale would require registration of the Plan or of Shares under the securities laws of any jurisdiction and any purported grant of any RSU or issue, sale or transfer of Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Shares pursuant to the Plan unless such Shares shall have been duly listed, upon official notice of issuance, with the Stock Exchange. Shares issued and sold to Participants pursuant to the vesting of RSUs may be subject to limitations on sale or resale under Applicable Law. In particular, if required by Applicable Law, an RSU Agreement may provide that shareholder approval to the grant of an RSU must be obtained prior to the vesting of the RSU or to the amendment of an RSU Agreement.

7.3 Non-Exclusivity

Nothing contained in the Plan will prevent the Board from adopting other or additional Share Compensation Arrangements, subject to obtaining prior Regulatory Approval and, if required, Shareholder Approval.

7.4 Employment and Services

Nothing contained in the Plan or in any RSU Agreement will confer upon or imply in favour of any Eligible Person or Participant any right with respect to office, employment or provision of services with the Corporation or of any Related Entity or interfere in any way with the right of the Corporation or any Related Entity to lawfully terminate the Eligible Person or Participant's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Eligible Person will be voluntary.

7.5 Change of Status

Unless otherwise provided for herein or in an RSU Agreement, a change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which an RSU was granted to such Participant will not result in a change in the terms of such RSU provided that such Participant remains an Eligible Person.

7.6 No Representation or Warranty

The Corporation makes no representation or warranty as to the future market value of Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the RSUs or the Shares issued or issuable thereunder or the tax consequences to a Participant. Compliance with Applicable Law as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Corporation.

7.7 Rights as a Shareholder

Nothing contained in the Plan nor in any RSU granted hereunder shall be deemed to give any Participant any interest or title in or to any Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever other than with respect to Shares issued following the vesting of RSUs.

7.8 Discretion of Board

The awarding of RSUs to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Shares or any other securities in the capital of the Corporation or any of its subsidiaries other than as specifically provided for in the Plan.

7.9 Notices

The form of all communication relating to the Plan shall be in writing and delivered by recognized overnight courier, certified mail, fax or electronic mail to the proper address or, optionally, to any individual personally. Except as otherwise provided in any RSU Agreement, all notices to the Corporation or the Board shall be addressed to: c/o the Corporation at its registered office, Attn: the Chief Financial Officer. All notices to Participants, former Participants, beneficiaries or other persons acting for or on behalf of such persons that are not delivered personally to an individual shall be addressed to such person by the Corporation or its designee at the last address for such person maintained in the records of the Board or the Corporation.

SCHEDULE A - NOTICE OF REDEMPTION

NANALYSIS SCIENTIFIC CORP. (the "Corporation")

This Notice of Redemption is made with reference to the Corporation's Restricted Share Unit Plan (the "Plan").

Participant Information:

Name: _____

Address: _____

Telephone Number _____

RSU Information:

Date of Grant: _____

of RSUs to be redeemed: _____

Registration and Delivery:

The Shares issued in settlement of the Vested RSUs, if any, are to be registered in the name of the undersigned and are to be delivered as directed below:

Name: _____

Address: _____

Acknowledgment:

1. This Notice of Redemption is subject to the terms and conditions of the Plan.
2. Capitalized terms used in this Notice of Redemption and not otherwise defined find their meaning in the Plan.
3. RSUs exercised pursuant to this Notice of Redemption will be priced at the Market Price (as defined in the Plan).

Date

Name

Signature

SCHEDULE "D"

NANALYSIS SCIENTIFIC CORP.

STOCK OPTION PLAN

1. GENERAL PROVISIONS

1.1 Interpretation

For the purposes of this Plan, the following terms shall have the following meanings:

(a) **"Affiliate"** means a company that is one of the following:

- (i) a Subsidiary of the Company;
- (ii) a company to whom the Company is a Subsidiary; or
- (iii) a company that is controlled by the same Person as the Company;

a company is controlled by a Person if:

- (i) Voting Shares of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (ii) the Voting Shares, if voted, entitle the Person to elect a majority of the directors of the company;

a Person beneficially owns securities that are beneficially owned by:

- (iii) a company controlled by that Person; or
- (iv) an Affiliate of that Person or an Affiliate of any company controlled by that Person;

(b) **"Associate"** when used to indicate a relationship with a Person, means:

- (i) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer;
- (ii) any partner of the Person;
- (iii) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and
- (iv) in the case of a Person who is an individual, a relative of that Person including:
 - (A) that Person's spouse or child, or
 - (B) any relative of that Person or of his or her spouse who has the same residence as that Person;

but

- (v) where the TSX Venture Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D (as that term is

defined in the policies of the TSX Venture Exchange) with respect to that Member firm, Member corporation or holding company;

- (c) **“Board”** means the Board of Directors of the Company;
- (d) **“Common Shares”** means the common shares without par value of the Company as currently constituted;
- (e) **“Company”** means Nanalysis Scientific Corp.;
- (f) **“Consultant”** means, in relation to the Company, an individual or Consultant Company, other than an employee or a director of the Company or of an Affiliate, that:
 - (i) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution;
 - (ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company; and
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;
- (g) **“Consultant Company”** means a Consultant that is a company;
- (h) **“Directors”** means directors, senior officers and Management Company Employees of the Company, or directors, senior officers and Management Company Employees of the Company’s subsidiaries to whom stock options can be granted in reliance on a Prospectus exemption under applicable securities laws;
- (i) **“Discounted Market Price”** means the Market Price less a discount which shall not exceed the amount set forth below, subject to a minimum price of \$0.05;

Closing Price	Discount
Up to \$0.50	25%
\$0.51 to \$2.00	20%
Above \$2.00	15%

- (j) **“Disinterested Shareholder Approval”** means a majority of the votes cast at a meeting of shareholders other than votes attaching to securities beneficially owned by:
 - (i) Insiders to whom shares may be issued pursuant to the Plan; and
 - (ii) any Associate of Persons referred to in subsection 1.1(m)(i) hereof,provided that non-voting and subordinate Voting Shares are to be given full voting rights in these circumstances;
- (k) **“Eligible Person”** means, subject to all applicable laws, any director, officer, employee, Consultant, Consultant Company or Management Company Employee of the Company or any of its Subsidiary companies;
- (l) **“Fair Market Value”** means, with respect to a Common Share subject to Option, the 10-day weighted average of the closing prices of the Company’s Common Shares on the Toronto Stock Exchange prior to the time of grant or, if the Common Shares are not listed on such exchange, on such other exchange or exchanges on which the Common Shares are listed on a specific day. If no Common Shares have been traded on such day, the fair market value shall be established on the same basis on the last previous day for which a

trade was reported by such exchange. If the Common Shares are not listed for trading on such exchange, on such day, the fair market value shall be such price per Common Share as the Board, acting in good faith, may determine;

- (m) **"Insider"** if used in relation to the Company, means:
 - (i) a director or senior officer of the Company;
 - (ii) a director or senior officer of a company that is itself an Insider or subsidiary of the Company;
 - (iii) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Company; or
 - (iv) the Company itself if it holds any of its own securities;
- (n) **"Investor Relations Service Provider"** includes any Consultant that performs Investor Relations Activities (as such term is defined in TSX Venture Policy 1.1) and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities (as such term is defined in TSX Venture Policy 1.1).
- (o) **"Management Company Employee"** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business of the Company, but excluding an Investor Relations Service Provider;
- (p) **"Market Price"** means the last daily closing price of the Company's listed Common Shares before the date of grant of an Option;
- (q) **"Material Information"** means a material fact and/or a material change as defined by applicable securities laws or TSX Venture Exchange policies;
- (r) **"Member"** means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the TSX Venture Exchange under the Exchange requirements;
- (s) **"Members' Agreement"** means the members' agreement among the TSX Venture Exchange and each Person who, from time to time, is accepted as and becomes a Member of the TSX Venture Exchange under the TSX Venture Exchange requirements;
- (t) **"Option"** means an option to purchase Common Shares granted to an Eligible Person pursuant to the terms of the Plan;
- (u) **"Participant"** means Eligible Persons to whom Options have been granted;
- (v) **"Person"** means a company or individual;
- (w) **"Plan"** means this incentive stock option plan of the Company, as amended, replaced or restated from time to time;
- (x) **"Security Based Compensation"** means any Options granted or issued under this Plan but, as the context requires, also includes any restricted share units, deferred share unit, performance share unit, restricted share unit, securities for services, stock appreciation right, stock option, stock purchase plan, any security purchase from treasury by a Participant which is financially assisted by the Company by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential

issuance of securities of the Company from treasury to an Eligible Person under any other Share Compensation Arrangement;

- (y) **“Share Compensation Arrangement”** means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to any director, officer, employee, Consultant, Consultant Company or Management Company Employee of the Company and any of its Subsidiaries;
- (z) **“Subsidiary”** has the meaning ascribed to that term under subsection 1(1) of the *Securities Act* (British Columbia);
- (aa) **“Termination Date”** means the date on which a Participant ceases to be an Eligible Person; and
- (bb) **“Voting Shares”** means a security of an issuer that:
 - (i) is not a debt security; and
 - (ii) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

1.2 Purpose

The purpose of the Plan is to advance the interests of the Company by (i) providing Eligible Persons with additional incentive to develop and promote the growth and success of the Company, (ii) encouraging stock ownership by such Eligible Persons, (iii) increasing the proprietary interest of Eligible Persons in the success of the Company, (iv) encouraging the Eligible Person to remain with the Company or its Subsidiaries or any Associate, and (v) attracting and retaining Persons of outstanding competence whose efforts will dictate, to a large extent, the future growth and success of the Company.

1.3 Administration

- (a) This Plan shall be administered by the Board or a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three directors. If a committee is appointed for this purpose, all references to the Board will be deemed to be references to the Committee.
- (b) Subject to the limitations of the Plan, the Board shall have the authority:
 - (i) to grant Options to purchase Common Shares to Eligible Persons;
 - (ii) to determine the terms, limitations, restrictions and conditions respecting such grants, including, the number of Common Shares for which any Option may be granted to an Eligible Person and the exercise price at which Common Shares may be purchased under any Option to be granted to an Eligible Person;
 - (iii) to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it shall from time to time deem advisable; and

- (iv) to make all other determinations and to take all other actions in connection with the implementation and administration of the Plan including, without limitation, for the purpose of ensuring compliance with section 1.7 hereof, as it may deem necessary or advisable. The Board's guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Company and all other Persons.

1.4 Shares Reserved

- (a) The aggregate number of Common Shares issuable upon the exercise of all Options granted under the Plan shall not exceed 10% of the issued and outstanding Common Shares from time to time less the aggregate number of Common Shares reserved for issuance under any other Share Compensation Arrangement (unless the Company has obtained the requisite Disinterested Shareholder Approval).
- (b) Unless the Company obtains Disinterested Shareholder Approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted to the Participant.
- (c) The maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12-month period to any one Consultant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Consultant.
- (d) The maximum aggregate number of Common Shares issuable pursuant to all Options granted to all Investor Relations Services Providers under the Plan in any 12-month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Option is granted to such Investor Relations Service Provider.
- (e) Any Common Shares subject to an Option which for any reason is cancelled or terminated without having been exercised, shall again be available for grant under the Plan. No fractional shares shall be issued. Please refer to subsection 1.9(d) hereof for the manner in which a fractional share value shall be treated.
- (f) If there is a change in the outstanding Common Shares by reason of any stock dividend or any recapitalization, amalgamation, subdivision, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the relevant stock exchanges, appropriate substitution or adjustment in
 - (i) the number or kind of shares or other securities reserved for issuance pursuant to the Plan, and
 - (ii) the number and kind of shares subject to unexercised Options theretofore granted and in the option price of such shares;

provided however, that no substitution or adjustment shall obligate the Company to issue or sell fractional shares. If the Company is reorganized, amalgamated with another corporation or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate.

1.5 Disinterested Shareholder Approval and Limits with Respect to Insiders

- (a) Unless the Company obtains Disinterested Shareholder Approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to Insiders as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares at any point in time.
- (b) Unless the Company obtains Disinterested Shareholder Approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to Insiders as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider.
- (c) Unless the Company obtains Disinterested Shareholder Approval, once an Option has been granted the Company may not reduce the exercise price of an Option or extend the term of an Option previously granted to an Insider or Insiders.

1.6 Amendment and Termination

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable legislation, and subject to any required regulatory approval. No such amendment, suspension or termination shall alter or impair any Options or any rights pursuant thereto granted previously to any Participant without the consent of such Participant. If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan shall continue in effect during such time as an Option or any rights pursuant thereto remain outstanding.
- (b) With the consent of the affected Participants, the Board may amend or modify any outstanding Option in any manner to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which an Option becomes exercisable, subject to the prior approval of the relevant stock exchanges.

1.7 Compliance with Legislation

The Plan, the grant and exercise of Options hereunder and the Company's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations of any stock exchange on which the Common Shares are listed for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted, and no Common Shares issued or sold hereunder where such grant, issue or sale would require registration of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. In addition, the Company shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading. Common Shares issued and sold to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws. In addition to resale restrictions under applicable securities laws, and as long as the Company's Common Shares are listed on the TSX Venture Exchange, the Exchange Hold Period (as defined in the applicable TSX Venture Exchange policies) shall apply from the date of grant to, among other things, all Options granted to Insiders (except in the case of Options granted to Insiders which are qualified by a prospectus or granted under a securities exchange take-over bid, rights offering or pursuant to an amalgamation or other statutory procedure) and to all Options granted with an exercise price that is less than the applicable Market Price. Further, Common

Shares issued on the exercise of Options must be legended with a four month hold period from the date of grant. If Options are granted to any resident or citizen of the United States, the Board and the Company will use their best efforts to ensure that all matters pertaining to such Options shall be made in compliance with applicable United States securities laws.

1.8 Effective Date

The Plan has been adopted by the Board of the Company subject to the approval of the TSX Venture Exchange and if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

1.9 Miscellaneous

- (a) Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required regulatory approval.
- (b) Nothing contained in the Plan nor in any Option granted thereunder shall be deemed to give any Participant any interest or title in or to any Common Shares of the Company or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the exercise of any Option.
- (c) The Plan does not give any Participant or any employee of the Company or any of its Associated or Subsidiary companies the right or obligation to or to continue to serve as a director, officer or employee, as the case may be, of the Company or any of its Associated or Subsidiary companies. The awarding of Options to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its subsidiaries other than as specifically provided for in the Plan.
- (d) No fractional Common Shares shall be issued upon the exercise of Options granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Common Share upon the exercise of an Option, such Participant shall only have the right to purchase the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

2. OPTIONS

2.1 Grants

Subject to the provisions of the Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to those set forth in section 2.3 hereof, applicable to the exercise of an Option, including, without limitation, the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon exercise of an Option may be forfeited. An Eligible Person may receive Options on more than one occasion under the Plan and may receive separate Options on any one occasion.

2.2 Option Price

The Board shall establish the Option price at the time each Option is granted, which shall, as long as the Company's Common Shares are listed on the TSX Venture Exchange, be not less than the Discounted Market Price. At such time as the Company's Common Shares are listed on the Toronto Stock Exchange, the Option price shall be not less than the Fair Market Value.

The Option price shall be subject to adjustment in accordance with the provisions of subsection 1.4(f) hereof.

2.3 Exercise of Options

- (a) Subject to section 2.6 hereof, Options granted must expire not later than 5 years from the date of grant.
- (b) Options will vest at the discretion of the Board, as determined at the time of each grant, provided that (i) options granted to Investor Relations Services Providers shall vest in stages over 12 months with no more than one quarter of the options vesting in any three month period, and (ii) any acceleration of, or the removal of, vesting provisions imposed by the TSX Venture Exchange must first receive prior written approval of the TSX Venture Exchange.
- (c) Options shall not be assignable or transferable by the Participant other than by will or the laws of descent and distribution and shall be exercisable during the lifetime of a Participant only by the Participant and after death, only by the Participant's legal representative.
- (d) Subject to subsection 2.3(a) hereof and except as otherwise determined by the Board:
 - (i) if a Participant ceases to be an Eligible Person which, for the purposes of this subsection does not include an Investor Relations Service Providers, for any reason whatsoever other than death, each Option held by the Participant will cease to be exercisable no more than 90 days after the Termination Date. Options granted to Investor Relations Service Providers must expire within 30 days after the Participant ceases to be employed as an Investor Relations Service Provider. If any portion of an Option is not vested by the Termination Date, that portion of the Option may not under any circumstances be exercised by the Participant. Without limitation, and for greater certainty only, this provision will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or is entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Participant;
 - (ii) if a Participant dies, the legal representative of the Participant may exercise the Participant's Options within one year after the date of the Participant's death, but only to the extent the Options were by their terms exercisable on the date of death;
 - (iii) the retirement of any Participant who is a director of the Company or any Subsidiaries or Associate companies at any annual general meeting of the Company or such Subsidiaries as required by the constating documents of the Company or Subsidiaries, as the case may be, shall not result in the termination of the Option granted to such Participant provided that such Participant is re-elected at such annual general meeting as a director of the Company or such Subsidiary, as the case may be; and
 - (iv) the change in the duties or position of a Participant or the transfer of such Participant from a position with the Company to a position with a Subsidiary, or vice-versa, shall not trigger the termination of such Participant's Option provided such Participant remains a director, officer, employee or Consultant of the Company or Subsidiary.
- (e) Each Option shall be confirmed by an Option agreement executed on behalf of the Company by any one director of the Board and by the Participant and each Option agreement shall incorporate such terms and conditions as the Board in its discretion deems consistent with the terms of the Plan.
- (f) The exercise price of each Common Share purchased under an Option shall be paid in full in cash or by bank draft or certified cheque at the time of such exercise, in lawful money of Canada, and upon receipt of payment in full, but subject to the terms of the Plan, the

number of Common Shares in respect of which the Option is exercised shall be duly issued as fully paid and non-assessable.

- (g) Subject to the terms and conditions of this Plan, an Option may be exercised by written notice signed by the Participant and dated the date of exercise (the “**Option Exercise Notice**”), and not post-dated, stating that the Participant elects to exercise his rights to purchase Common Shares under such Option and the number of Common Shares in respect of which such Option is being exercised, accompanied by full payment for the Common Shares being purchased under such Option delivered to the Company at its principal office at Bay 1, 4600 - 5th Street NE, Calgary, Alberta T2E 7C3 (or such other address of the principal office of the Company at the time of exercise) addressed to the attention of the President of the Company. Delivery of any Option Exercise Notice accompanied by the payment may be made by Personal delivery, by courier service or by agent.
- (h) Upon exercise of an Option, a certificate or certificates evidencing the Common Shares in respect of which the Option is exercised shall forthwith be delivered to the optionee.
- (i) Notwithstanding the time or times specifically provided herein or in an Option agreement for the exercise of an Option, the Participant may elect to purchase all or any of the Common Shares remaining subject to such Option at any time if a “take-over bid” or an “issuer bid” occurs (within the meaning of any securities laws or other federal, provincial or state laws or regulations).

2.4 Cashless Exercise

Without limiting the foregoing section 2.3(g), unless otherwise determined by the Board or not compliant with any applicable laws or rules of any applicable securities exchange or market, a Participant may elect cashless exercise in its Option Exercise Notice. In such case, the Participant will not be required to deliver to the Company a cheque or other form of payment for the aggregate exercise price referred to above. Instead, the following provisions will apply:

- (a) The Participant will instruct a broker selected by the Company to sell through the stock exchange or market on which the Common Shares are listed or quoted, sufficient number of Common Shares issuable on the exercise of Options to cover the exercise price, as soon as possible upon the issue of such Common Shares to the Participant at the then applicable bid price of the Common Shares.
- (b) Before the relevant trade date, the Participant will deliver the Option Exercise Notice including details of the trades to the Company electing the cashless exercise and the Company will direct its registrar and transfer agent to issue a certificate for such Participant’s Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Company of (i) the exercise price for such Common Shares; and (ii) the amount the Company determines, in its discretion, is required to satisfy the Company withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.
- (c) The broker will deliver to the Participant the remaining value of the Options, net of any brokerage commission or other expenses (the “**In-the-Money Amount**”), in either (i) cash in an amount equal to the In-the-Money-Amount, or (b) such number of Common Shares (rounded down to the nearest whole number) having a fair market value equal to the In-the-Money Amount, plus a cash amount equal to the fraction of a Common Share that would otherwise be issuable multiplied by the fair market value of a Common Share.

2.5 Net Exercise

Subject to prior approval by the Board, a Participant (other than an Investor Relations Service Provider) may elect to surrender for cancellation to the Company any vested Options being exercised and the Company will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

- X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options under this Section 2.5;
- Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;
- A = The volume weighted average trading price of the Common Shares on the TSX Venture Exchange (and any other exchange upon which the common shares of the Company may be posted and listed for trading) calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the exercise of the subject Option; and
- B = The exercise price for such Options.

2.6 Blackout Period

The expiry date of an Option will automatically be extended if such expiry date falls within a “blackout period”, subject to the following conditions:

- (a) the “blackout period” must be formally imposed by the Company pursuant to its internal trading policies (as they may be adopted or amended from time to time) as a result of the bona fide existence of undisclosed Material Information. For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any Option will not be automatically extended in any circumstances;
- (b) the “blackout period” must expire upon the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten business days (as defined by applicable securities laws) after the expiry of the blackout period; and
- (c) the automatic extension of any Option will not be permitted where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company’s securities.

2.7 Representation by Optionees

Each Option agreement shall provide that upon each exercise of an Option, the Participant (including for the purposes of this section 2.7 each other Person who, pursuant to subsection 2.3(d) hereof, may purchase Common Shares under an Option granted to an Eligible Person) shall, if so requested by the Company, represent and agree in writing that:

- (a) the Person is, or the Participant was, a director, officer, employee or Consultant of the Company or a director, officer, employee or Consultant of any Subsidiary or Associate and has not been induced to purchase the Common Shares by expectation of employment or continued employment;

- (b) the Person is purchasing the Common Shares pursuant to the exercise of such Option as principal for the Participant's own account (or if such Participant is deceased, for the account of the estate of such deceased Participant) for investment purposes, and not with a view to the distribution or resale thereof to the public;
- (c) the Person will, prior to and upon any sale or disposition of any of the Common Shares purchased pursuant to the exercise of such Option, comply with all applicable securities laws and any other federal, provincial or state laws or regulations to the extent that such laws or regulations are applicable to such sale or disposition; and
- (d) such Participant (or such other Person) will not offer, sell or deliver any of the Common Shares purchased pursuant to the exercise of such Option, directly or indirectly, in the United States or to any citizen or resident of, or any corporation, partnership or other entity created or organized in or under the laws of, the United States, or any estate or trust the income of which is subject to United States federal income taxation regardless of its source, except in compliance with United States federal and state securities laws. The Participant acknowledges that the Company has the right to place any restriction or legend on any securities issued pursuant to this agreement or its Plan including, but in no way limited to placing a legend to the effect that the securities have not been registered under the *Securities Act (1933)* of the United States and may not be offered or sold in the United States unless registration or an exemption from registration is available.

The Company may employ other procedures and require further documentation from a Participant to ensure compliance with all applicable laws.

The issue and sale of Common Shares pursuant to any Option granted under the Plan is specially conditioned on such issue and sale being made in compliance with applicable securities laws, and the Company shall have no obligation to issue or sell any Common Shares pursuant to the exercise of any Option unless the Board determines in its sole discretion that such issue and sale will be made in compliance with applicable securities laws. The Company will be entitled to take such action as it deems necessary to restrict the transferability in the United States of any Common Shares acquired on exercise of any Option.

2.8 Representation by the Company

Each Option agreement related to stock option grants to an employee, Consultant or Management Company Employee shall include a representation by the Company that the Participant is a bona fide employee, Consultant or Management Company Employee of the Company or its Subsidiaries.

2.9 Notice to Commissions and Exchanges

The Company will give notice to all applicable securities commissions and other regulatory bodies in Canada and the United States and all applicable stock exchanges and other trading facilities upon which the Common Shares are listed or traded, as may be required, of its adoption of this Plan and of its entering into Option agreements with Eligible Persons and the terms and conditions for the purchase of Common Shares under such Option agreements, and will use all reasonable efforts to obtain any requisite approvals as may be required from such bodies, exchanges and trading facilities.

SCHEDULE "E"

Nanalysis Scientific Corp. (the "Company")

Audit Committee Charter

The Audit Committee of the Company (the "**Audit Committee**") is the committee of the board or directors of the Company (the "**Board**") to which the Board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Audit Committee will:

- (a) Review and report to the board before they are published, the Company's financial reports, management discussion and analysis ("**MD&A**") (as defined in National Instrument 51-102), any annual earnings, interim earnings and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:
 - (i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial reports;
 - (ii) reviewing significant accruals, reserves or other estimates;
 - (iii) ascertaining compliance with covenants under loan agreements;
 - (iv) reviewing adjustments raised by the external auditors, whether or not included in the financial reports;
 - (v) reviewing unresolved differences between management and the external auditors;
 - (vi) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;
- (b) review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms, prior to Board approval;
- (c) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the Board:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
 - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the Board on the integrity of the financial reporting process

and the system of internal controls that management and the Board have established,

- (g) monitor the management of the principal risks that could impact the financial reporting of the Company,
- (h) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,
- (j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company,
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with National Instrument 52-109,
- (l) review and recommend to the Board any changes to accounting policies,
- (m) review all public disclosure containing audited or unaudited financial information before release,
- (n) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments,
- (o) review the opportunities and risks inherent in the Company's financial management and the effectiveness of the controls thereon; and
- (p) review major transactions (acquisitions, divestitures and funding).

Composition of the Committee

The Committee shall be comprised of at least three directors as determined by resolution of the Board from time to time, all of which members will be independent (within the meaning of National Instrument 52-110 *Audit Committees* "NI 52-110") unless the Board determines to rely on an exemption in NI 52-110. "Independent" generally means free from any business or other direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

All of the members must be financially literate within the meaning of NI 52-110 unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members have 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 issues that can reasonably be expected to be raised by the Company's financial statements. For the purposes of this audit committee charter (the "**Charter**"), the definition of "financially literate" is the ability to read and understand a set of financial reports that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial reports.

Meetings

The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee

Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

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

The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

Reporting

The reporting obligations of the committee will include:

- (i) reporting to the Board on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors meeting; and
- (ii) reviewing, and reporting to the Board on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

The Committee shall have the authority to investigate any financial activity of the Company and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Company.