

## CARUBE COPPER CORP.

Suite 400, 365 Bay Street  
Toronto, Ontario M5H 2V1

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of shareholders of **Carube Copper Corp.** (the "**Company**") will be held on **Thursday, May 24, 2018**, at the hour of 12:00 p.m. (Eastern time), at the National Club, 303 Bay Street, Toronto, Ontario M5H 2R1 for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the year ended August 31, 2017, and the report of the auditors thereon;
2. to consider and, if deemed advisable, pass, with or without variation, a special resolution to determine the number of directors of the Company and the number of directors to be elected at the Meeting to be six and to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number set out in the articles of amalgamation of the Company;
3. to elect the directors of the Company;
4. to confirm the appointment by the board of directors of, and to appoint, the auditors of the Company and to authorize the directors to fix their remuneration;
5. to consider and, if deemed advisable, pass, with or without variation, a resolution to confirm the repeal of all existing by-laws of the Company and to enact a new by-law no. 1 of the Company;
6. to consider and, if deemed advisable, pass, with or without variation a resolution to confirm and approve the stock option plan of the Company; and
7. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The full text of the special resolution referred to in item 2 above is attached to this notice of the Meeting as exhibit A. A copy of the new by-law no. 1 referred to in item 5 above is attached as schedule B to the accompanying management information circular dated April 24, 2018 of the Company.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, TSX Trust Company, at Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1 not later than 12:00 p.m. (Eastern time) on Tuesday, May 22, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

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

The board of directors of the Company has by resolution fixed the close of business on Tuesday, April 17, 2018 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.



The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of the Meeting. Additional information about the Company and its consolidated financial statements are also available on the Company's profile at [www.sedar.com](http://www.sedar.com).

**DATED** at Toronto, Ontario this 24<sup>th</sup> day of April, 2018.

**BY ORDER OF THE BOARD**

*"Alar Soever"* (signed)  
Chairman of the Board

**EXHIBIT A**

**SPECIAL RESOLUTION OF THE SHAREHOLDERS**

**OF**

**CARUBE COPPER CORP.**

**NUMBER OF DIRECTORS**

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the number of directors of the Company and the number of directors to be elected at the annual and special meeting of the shareholders of the Company to be held on May 24, 2018, within the minimum and maximum number of directors of the Company provided for in the articles of amalgamation of the Company, is hereby determined to be six;
2. the directors of the Company be and they are hereby empowered, by resolution of the directors, to determine, from time to time, the number of directors of the Company and the number of directors to be elected at meetings of the shareholders of the Company subsequent to May 24, 2018, within the minimum and maximum number of directors of the Company provided for in the articles of amalgamation of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

## CARUBE COPPER CORP.

Suite 400, 365 Bay Street  
Toronto, Ontario M5H 2V1

### MANAGEMENT INFORMATION CIRCULAR

As at April 17, 2018

### SOLICITATION OF PROXIES

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF CARUBE COPPER CORP.** (the "**Company**") of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Thursday, May 24, 2018 at the National Club, 303 Bay Street, Toronto, Ontario M5H 2R1 at 12:00 p.m.(Eastern time), and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the accompanying notice of meeting (the "**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 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting, this management information circular ("**Circular**"), the annual consolidated financial statements of the Company for the financial year ended August 31, 2017 and related management's discussion and analysis and other meeting materials, if applicable (collectively the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

### APPOINTMENT AND REVOCATION OF PROXIES

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company's transfer agent and registrar, TSX Trust Company (the "**Transfer Agent**"), not later than 12:00 p.m. (Eastern time) on Tuesday, May 22, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

<b>By Mail or Hand Delivery:</b>	TSX Trust Company Suite 301 100 Adelaide Street West Toronto, Ontario M5H 4H1
<b>By Fax:</b>	416-595-9593
<b>By Internet:</b>	www.voteproxyonline.com  You will need to provide your 12 digit control number (located on the form of proxy accompanying this Circular)

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, subject to the provisions of the *Business Corporations Act* (Ontario), to (i) the registered office of the Company, located at Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

#### **EXERCISE OF DISCRETION BY PROXIES**

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

#### **ADVICE TO NON-REGISTERED SHAREHOLDERS**

**The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Transfer Agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (each a "**Clearing Agency**") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company and its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

*Voting Instruction Form.* In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

*Form of Proxy.* Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominee's name in the blank space provided. Non-Registered

Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of April 17, 2018 (the "**Record Date**"), there were an aggregate of 167,724,229 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Wallbridge Mining Company Limited <sup>(2)</sup>	19,235,911	11.47%

Notes:

- (1) *The above information is based upon information supplied by the Transfer Agent and the Company's management.*
- (2) *Alar Soever, the Chairman and a director of the Company, is the Executive Chairman and a director of Wallbridge Mining Company Limited.*

### INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Other than as otherwise already disclosed in this Circular, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the "**Board**"), the matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

#### 1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended August 31, 2017 and the report of the auditors thereon will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The consolidated financial statements and additional information concerning the Company are available under the Company's profile at [www.sedar.com](http://www.sedar.com).

## 2. NUMBER OF DIRECTORS

The *Business Corporations Act* (Ontario) provides that where a minimum and maximum number of directors of a corporation is provided for in its articles of amalgamation, the number of directors of the corporation and the number of directors to be elected at the annual meeting of shareholders shall be such number as shall be determined from time to time by special resolution of the shareholders. Alternatively, if the shareholders empower the directors by special resolution to determine the number of directors, the number of directors shall be such number within the minimum and maximum number of directors set out in the articles of amalgamation of a corporation as determined by resolution of the directors.

The articles of amalgamation of the Company (the "**Articles**") provide that the minimum number of directors of the Company be one and the maximum number of directors of the Company be 10. At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit A to the Notice of Meeting (the "**Number of Directors Resolution**"), to determine the number of directors of the Company and the number of directors to be elected at the Meeting to be six and to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number of directors set out in the Articles.

Empowering the directors to determine the number of directors within the minimum and maximum range will permit management of the Company and the Board to offer seats on the Board to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the Board or alternatively without requesting an incumbent director to resign in order to create a vacancy.

In order to pass the Number of Directors Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Number of Directors Resolution. If the Number of Directors Resolution does not receive the requisite shareholder approval, the number of directors will be six until otherwise determined in accordance with the provisions of the *Business Corporations Act* (Ontario).

The Board recommends that shareholders vote in favour of the Number of Directors Resolution as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NUMBER OF DIRECTORS RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## 3. ELECTION OF DIRECTORS

The Board currently consists of seven directors. The term of office of each of the present directors expires at the Meeting. It is proposed that the number of directors be decreased and fixed at six at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Each director elected at the Meeting will hold office until the next annual meeting of the shareholders of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles, the by-laws of the Company or the provisions of the *Business Corporations Act* (Ontario).

The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by them as of the date hereof.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>	Percentage of Voting Shares Owned or Controlled
Antony Manini, BSc, FAusIMM, FSEG <sup>(2)(4)</sup> Director Melbourne, Victoria, Australia	Executive Chairman of Asiamet Resources Limited; Executive Director of EMR Capital; Chief Executive Officer of Tigers Realm Minerals Group.	June 16, 2017	5,875,000	3.50% <sup>(5)</sup>
Yale Simpson, BAPSc. <sup>(4)</sup> Director West Vancouver, British Columbia, Canada	Chairman Adamera Minerals Corp; Director Rugby Mining Limited; Co-Chairman Exeter Resource Corp. (from February 2013 to June 2017), President Canaust Resource Consultants Ltd.	June 16, 2017	415,000	0.25%
Alar Soever, P. Geo. <sup>(2)(3)</sup> Chairman and Director Thornbury, Ontario, Canada	Executive Chairman and Director of Wallbridge Mining Company Limited	May 3, 2010	1,817,505	1.08%
Zimi Meka Proposed New Nominee Brisbane, Queensland, Australia	Chief Executive Officer/Managing Director of Ausenco Limited	Proposed New Nominee	3,541,666	2.11% <sup>(6)</sup>
T. Sean Harvey Proposed New Nominee Port Carling, Ontario, Canada	Director of Victoria Gold Corp., Perseus Mining Ltd., Serabi Gold PLC, Sarama Resources Inc. and Abacus Mining and Exploration	Proposed New Nominee	1,000,000	0.60%
Stephen Hughes Proposed New Nominee Westville, Nova Scotia, Canada	VP – Exploration, Asiamet Resources, Indonesia	Proposed New Nominee	570,000	0.34%

*Notes:*

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the Corporate Governance and Nominating Committee.*
- (3) *Member of the Corporate Social Responsibility and Disclosure Committee.*
- (4) *Member of the Compensation Committee.*
- (5) *Mr. Manini holds such Common Shares through two companies controlled by Mr. Manini.*
- (6) *Mr. Meka holds such Common Shares through a company controlled by Mr. Meka.*

***Nominees Principal Occupations***

The principal occupations during the past five years of the director nominees who were not elected as directors of the Company at the last annual meeting of the shareholders of the Company are as follows:

***Zimi Meka:*** Mr. Meka is one of the founding directors of Ausenco Limited and was appointed as Chief Executive Officer/Managing Director of Ausenco Limited in 1999. Mr. Meka's background includes senior roles in engineering and operations companies prior to the formation of Ausenco Limited in 1991. He has over 25 years of experience in the design, construction and operation of a wide range of processing plants and infrastructure in the minerals industry in Australia and internationally. He is the Queensland University of Technology's 2008 Alumnus of the Year, was awarded the Australian Institute of Mining and Metallurgy's 2009 Institute Medal and is one of Australia's top 100 most influential engineers as awarded by Engineers Australia. He is a Fellow of Engineers Australia, a Fellow of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Company Directors.

***T. Sean Harvey:*** Mr. Harvey has over 25 years of experience in the mining sector, including 10 years working in senior investment banking roles with Nesbitt Burns (BMO) and Deutsche Bank. In addition to co-founding two TSX Venture Exchange-listed companies, he was president and chief executive officer of TVX Gold at the time of its sale to Kinross Gold in 2003. Subsequently, he was president and chief executive officer of Atlantico Gold Corp., a private

company involved in the development of the Amapari project in Brazil that was sold to Wheaton River Minerals (acquired by Goldcorp). Mr. Harvey was also president and chief executive officer of Orvana Minerals Corp. from 2005 to 2006. More recently he has held board positions with various mining companies and is currently a director of Victoria Gold Corp., Perseus Mining Ltd., Serabi Gold PLC, Sarama Resources Inc. and Abacus Mining and Exploration. Mr. Harvey holds an honours BA degree in economics and geography from Carleton University, an MA in economics from Carleton University, an LLB from the University of Western Ontario and an MBA from the University of Toronto. He is also a member of the Law Society of Upper Canada.

*Stephen Hughes:* Mr. Hughes is an economic geologist with over 20 years technical and management experience covering exploration, development and mine geology. Specializing in porphyry copper-gold, skarn and epithermal systems he has lead the discovery-delineation and development of more than two billion tonnes of copper-gold resources in the Asia-Pacific region since 1999. Mr. Hughes experience includes 12 years with PT Freeport Indonesia at the giant Grasberg mine, both in the open pit and as manager of the underground mine geology and exploration groups and 14 years as Exploration Manager - Indonesia for Oxiana Limited and VP - Exploration for Tigers Realm/Asiamet Resources where his roles have focused on managing the acquisition, exploration and development of Company making Cu-Au opportunities. Recent successes include the acquisition and development of the Beutong porphyry Cu-Au deposit and discovery and development of the BKM copper and BKZ polymetallic deposits in Indonesia, all of which are currently being advanced through resource delineation and/or feasibility studies. Mr. Hughes holds an honours degree in geology from Saint Mary's University in Nova Scotia.

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

#### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as set forth below, no proposed director, within 10 years before the date of this 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") and 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.

No proposed director, within 10 years before the date of this 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***

None of the directors of the Company have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

## *Penalties and Sanctions*

None of the directors of the Company have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **4. APPOINTMENT OF AUDITORS**

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.** PricewaterhouseCoopers LLP were first appointed as the auditors of the Company on June 18, 2015.

## **5. ADOPTION OF NEW GENERAL BY-LAW NO. 1**

The Company has recently undertaken a review of the of the old by-laws of the Company (the "**Old By-Laws**"), particularly in light of evolving corporate governance best practices, and determined that it would be in the best interests of the Company to implement a new by-law no. 1 (the "**New By-Law No. 1**") in order to incorporate such best practices and implement certain other desirable changes to update the Old By-Laws.

The New By-Law No. 1 is standard in its form and governs all aspects of the business and affairs of the Company, such as the establishment of a quorum for meetings of directors and shareholders, the conduct of such meetings, signing authorities, the appointment of officers, the description of the officers' duties, the establishment of committees of the board of directors, the authority of persons to contract on behalf of the Company and similar matters. A copy of the New By-Law No. 1 is attached hereto as schedule B.

At the Meeting, shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, the following resolution authorizing the repeal of the Old By-Laws and the replacement of the Old By-Laws with the New By-Law No. 1 (the "**By-Law No. 1 Resolution**"):

### **"BE IT RESOLVED THAT:**

1. any existing by-laws of the Company be repealed and by-law no. 1, being a general by-law in the form attached to the management information circular dated April 24, 2018 of the Company as schedule B, be and is hereby confirmed as a by-law of the Company; and
2. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

In order to pass the By-Law No. 1 Resolution, at least a majority of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the By-Law No. 1 Resolution. If the By-Law No. 1 Resolution does not receive the requisite shareholder approval, the Old By-Laws will continue to be in effect.

The Board recommends that shareholders vote in favour of the By-Law No. 1 Resolution to approve the repeal of the Old By-Laws as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BY-LAW NO. 1 RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## 6. APPROVAL OF STOCK OPTION PLAN

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

The Stock Option Plan was most recently approved by the shareholders at the last annual and special meeting of the shareholders of the Company held on June 16, 2017. The Stock Option Plan is a "rolling" stock option plan and, under Policy 4.4 of the TSX Venture Exchange ("**TSXV**"), a company which has its Common Shares listed on the TSXV is required to obtain the approval of its shareholders for a "rolling" stock option plan at each annual meeting of shareholders. Accordingly, shareholders will be asked to approve the following resolution (the "**Stock Option Plan Resolution**"):

### "BE IT RESOLVED THAT:

1. the stock option plan of the Company as described in the management information circular dated April 24, 2018 of the Company (the "**Stock Option Plan**"), be and it is hereby approved;
2. the directors of the Company be authorized to grant stock options under, and subject to the terms and conditions of, the Stock Option Plan, which may be exercised to purchase up to 10% of the issued and outstanding number of common shares of the Company at the date of the grant of the stock options; and
3. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Company may be necessary or desirable to carry out the terms of the foregoing resolutions."

In order to pass the Stock Option Resolution, at least a majority of the votes cast by the disinterested shareholders present at the Meeting in person or by proxy must be voted in favour of the Stock Option Resolution.

The Board recommends that shareholders vote in favour of the Stock Option Resolution to approve and confirm the Stock Option Plan as set out above.

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

## STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at August 31, 2017 whose total compensation was more than \$150,000 for the financial year of the Company ended August 31, 2017 (collectively the "**Named Executive Officers**") and for the directors of the Company.

### Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years of the Company to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeffrey Ackert <sup>(2)(3)</sup> Director and former President and Chief Executive Officer	2017 2016	80,100 72,000	nil nil	nil nil	nil nil	nil nil	80,100 72,000
John McNeice <sup>(4)</sup> Chief Financial Officer	2017 2016	57,139 87,243	nil nil	nil nil	nil nil	nil nil	57,139 87,243
Antony Manini Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Yale Simpson Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Alar Soever Chairman and Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Gregory LeBlanc Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Mark Pfau Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Dr. Vern Rampton <sup>(5)</sup> Director and former Executive Vice- President	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Marz Kord <sup>(6)</sup> Former Director	2017 2016	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Mr. Ackert was appointed as the President and Chief Executive Officer of the Company effective September 1, 2015. Mr. Ackert resigned as the President and Chief Executive Officer of the Company effective March 12, 2018 and was replaced by Tony Houston as Interim President and Chief Executive Officer. Mr. Ackert will continue with the Company as Vice President, Corporate Development. Mr. Ackert's services for the Company are provided by JSA International Geoconsulting Inc., an external management company, of which Mr. Ackert is a principal.
- (3) Mr. Ackert did not receive any cash compensation in his position as a director of the Company.
- (4) Mr. McNeice's services for the Company are provided by 6905498 Canada Inc., an external management company, of which Mr. McNeice is a principal.
- (5) Dr. Rampton was not a Named Executive Officer during the period. In his capacity as Executive Vice-President, Dr. Rampton was paid by the Company \$84,000.00 in 2016 and \$84,000.00 in 2017.
- (6) Mr. Kord resigned as a director of the Company effective December 1, 2017.

### Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Company during the most recently completed financial year of the Company for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries. For the purposes of the tables below, **RSUs** means the restricted share units and **DSUs** means the deferred share units, in each case issued under the RSU/DSU Plan as defined below in the section entitled "Stock Option Plan and other Incentive Plans".

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and % of class <sup>(4)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry or vesting date
Jeffrey Ackert <sup>(5)</sup> Director and former President and Chief Executive Officer	RSUs <sup>(1)</sup>	185,625 RSUs exchangeable for 185,625 Common Shares representing 0.11% of the outstanding number of Common Shares	March 20, 2017	0.085	0.085	0.065	March 20, 2018
	RSUs <sup>(1)</sup>	123,757 RSUs exchangeable for 123,757 Common Shares representing 0.07% of the outstanding number of Common Shares	October 31, 2017	0.13	0.13	0.065	October 31, 2018
	RSUs <sup>(1)</sup>	200,000 RSUs exchangeable for 200,000 Common Shares representing 0.12% of the outstanding number of Common Shares	December 1, 2017	0.08	0.08	0.065	December 1, 2018
Antony Manini <sup>(6)</sup> Director	Stock Options <sup>(2)</sup>	2,085,000 Stock Options exercisable for 2,085,000 Common Shares representing 1.23% of the outstanding number of Common Shares	June 15, 2017	0.10	0.12	0.065	April 30, 2022
	Stock Options <sup>(2)</sup>	250,000 Stock Options exercisable for 250,000 Common Shares representing 0.15% of the outstanding number of Common Shares	June 22, 2017	0.10	0.11	0.065	June 22, 2022
Yale Simpson <sup>(7)</sup> Director	Stock Options <sup>(1)</sup>	250,000 Stock Options exercisable for 250,000 Common Shares representing 0.15% of the outstanding number of Common Shares	June 22, 2017	0.10	0.11	0.065	June 22, 2022
Alar Soever <sup>(8)</sup> Chairman and Director	DSUs <sup>(3)</sup>	294,760 DSUs exchangeable for 294,760 Common Shares representing 0.18% of the outstanding number of Common Shares	October 31, 2016	0.09	0.095	0.065	n/a
Gregory LeBlanc <sup>(9)</sup> Director	DSUs <sup>(3)</sup>	252,067 DSUs exchangeable for 252,067 Common Shares representing 0.15% of the outstanding number of Common Shares	October 31, 2016	0.09	0.095	0.065	n/a

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and % of class <sup>(4)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry or vesting date
Mark Pfau <sup>(10)</sup> Director	DSUs <sup>(3)</sup>	154,231 DSUs exchangeable for 154,231 Common Shares representing 0.09% of the outstanding number of Common Shares	October 31, 2016	0.09	0.095	0.065	n/a
Dr. Vern Rampton <sup>(11)</sup> Director and former Executive Vice-President	RSUs <sup>(1)</sup>	139,219 RSUs exchangeable for 139,219 Common Shares representing 0.08% of the outstanding number of Common Shares	March 20, 2017	0.085	0.085	0.065	March 20, 2018
	RSUs <sup>(1)</sup>	92,818 RSUs exchangeable for 92,818 Common Shares representing 0.06% of the outstanding number of Common Shares	October 31, 2017	0.13	0.13	0.065	October 31, 2018
	RSUs <sup>(1)</sup>	150,000 RSUs exchangeable for 150,000 Common Shares representing 0.09% of the outstanding number of Common Shares	December 1, 2017	0.08	0.08	0.065	December 1, 2018
Marz Kord <sup>(12)</sup> Former Director	DSUs <sup>(3)</sup>	188,029 DSUs exchangeable for 188,029 Common Shares representing 0.11% of the outstanding number of Common Shares	October 31, 2016	0.09	0.095	0.065	December 1, 2017 <sup>(13)</sup>

Notes:

- (1) RSUs vest over a one year period following each respective grant date after which they are exchangeable for Common Shares.
- (2) The fair value of these options, at the date of grant, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: share price \$0.10, dividend yield nil, expected volatility 72% to 76% (based on the historical price history of the Common Shares), risk-free interest rate 0.56% and an expected life of five years.
- (3) DSU awards granted to directors are exchangeable for Common Shares at the time a director ceases to be a member of the Board.
- (4) Calculated on a partially diluted basis as at August 31, 2017.
- (5) As at August 31, 2017, Mr. Ackert held 500,000 stock options exercisable to purchase 500,000 Common Shares, 648,512 RSUs exchangeable for 648,512 Common Shares and 65,000 DSUs exchangeable for 65,000 Common Shares.
- (6) As at August 31, 2017, Mr. Manini held 2,335,000 stock options exercisable to purchase 2,335,000 Common Shares.
- (7) As at August 31, 2017, Mr. Simpson held 250,000 stock options exercisable to purchase 250,000 Common Shares.
- (8) As at August 31, 2017, Mr. Soever held 450,000 stock options exercisable to purchase 450,000 Common Shares and 342,773 DSUs exchangeable for 342,773 Common Shares.
- (9) As at August 31, 2017, Mr. LeBlanc held 250,000 stock options exercisable to purchase 250,000 Common Shares and 401,234 DSUs exchangeable for 401,234 Common Shares.
- (10) As at August 31, 2017, Mr. Pfau held 250,000 stock options exercisable to purchase 250,000 Common Shares and 254,936 DSUs exchangeable for 254,936 Common Shares.
- (11) As at August 31, 2017, Dr. Rampton held 450,000 stock options exercisable to purchase 450,000 Common Shares, 486,385 RSUs exchangeable for 486,385 Common Shares and 67,500 DSUs exchangeable for 67,500 Common Shares.
- (12) As at August 31, 2017, Mr. Kord held 250,000 stock options exercisable to purchase 250,000 Common Share, and 302,067 DSUs exchangeable for 302,067 Common Shares.
- (13) Mr. Kord resigned as a director of the Company effective December 1, 2017.
- (14) As at August 31, 2017, Mr. McNeice, the Chief Financial Officer of the Company, held 350,000 options exercisable to purchase 350,000 Common Shares.

The following table provides a summary of all compensation securities exercised by each Named Executive Officer and each director of the Company during the most recently completed financial year of the Company:

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NAMED EXECUTIVES OFFICERS							
Name and position	Type of compensation security	Number of underlying securities exercised or exchanged	Exercise or issue price per security (\$)	Date of exercise or exchange	Closing price per security on date of exercise or exchange (\$)	Difference between exercise or issue price and closing price on date of exercise or exchange (\$)	Total value on exercise or exchange date (\$)
Jeffrey Ackert Director and former President and Chief Executive Officer	RSUs <sup>(1)</sup>	460,295 Common Shares	0.09	March 30, 2017	0.10	0.01	46,029.50
	RSUs <sup>(1)</sup>	160,000 Common Shares	0.09	June 22, 2017	0.11	0.02	17,600.00
Dr. Vern Rampton Director and former Executive Vice-President	RSUs <sup>(1)</sup>	380,393 Common Shares	0.09	March 30, 2017	0.10	0.01	38,039.30
	RSUs <sup>(1)</sup>	120,000 Common Shares	0.09	June 22, 2017	0.11	0.02	13,200.00

Notes:

(1) RSUs vest over a one year period following each respective grant date after which they are exchangeable for Common Shares.

### Stock Option Plan and other Incentive Plans

The Company has adopted the Stock Option Plan and a restricted share unit ("RSU") and deferred share unit ("DSU") compensation plan (the "RSU/DSU Plan") pursuant to which stock options and RSUs and DSUs, respectively, may be granted to directors, officers, employees and consultants of the Company. The Stock Option Plan and the RSU/DSU Plan are designed to provide a long-term incentive and to reward key individuals of the Company. The Stock Option Plan and the RSU/DSU Plan are integral components of the Company's total compensation program in terms of attracting and retaining key employees and enhancing shareholder value by aligning the interests of executives, directors and employees with the growth and profitability of the Company. The longer-term focus of each of the Stock Option Plan and the RSU/DSU Plan complements and balances the short-term elements of the compensation policies of the Company.

Pursuant to the Stock Option Plan and the RSU/DSU Plan, the Board may, on the recommendation of the Compensation Committee, grant from time to time to directors, officers, employees and consultants of the Company stock options to purchase Common Shares, RSUs and DSUs that entitle holders to receive Common Shares upon vesting conditions being satisfied. In determining the number of stock options, RSUs and DSUs to be granted to eligible persons, the Compensation Committee considers the amount, terms and vesting levels of existing stock options, RSUs and DSUs held by the eligible persons and also the number remaining available for grant by the Company in the future under the Stock Option Plan and the RSU/DSU Plan to attract and retain qualified key individuals.

#### Stock Option Plan

In order to ensure the alignment of employees with the Company's long-term interests, the Company currently has in place a "rolling" Stock Option Plan which was last approved by the shareholders at the last annual and special meeting of the shareholders of the Company held on June 16, 2017. The Board, on the recommendation of the Compensation Committee, may periodically grant stock options to directors, officers, employees and consultants of the Company and its subsidiaries and other persons as designated from time to time by the Board. In determining whether and how many new stock options will be granted, the Company does not use any formal objectives, criteria or analyses in reaching such determinations, however, consideration is given to the amount and terms of outstanding stock options. As a junior exploration company, qualitative measures of the Company's performance have been favoured over

quantitative measures. The Compensation Committee has considered qualitative measures such as work effort, exploration activities, project advancement, property acquisitions and achievement of certain target goals and milestones in evaluating performance and considers the compensation which comparable companies make available to their directors, officers, employees and consultants.

The purpose of the Stock Option Plan is to encourage Common Share ownership in the Company by directors, officers, employees and consultants of the Company and its affiliates and other designated persons.

The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 10% of the issued and outstanding number of Common Shares as at the date of the grant of stock options. As at the date hereof, 16,772,423 stock options may be reserved for issue pursuant to the Stock Option Plan, 6,485,000 stock options have been issued and 10,287,423 stock options are still available for issue.

The term of any stock options granted under the Stock Option Plan will be fixed by the Board at the time such stock options are granted, provided that stock options will not be permitted to exceed a term of 10 years. The maximum number of Common Shares which may be reserved for issue to any one individual during any 12 month period under the Stock Option Plan is 5% of the stock options available for issue under the Stock Option Plan. In addition, the maximum number of Common Shares which may be reserved for issue to any consultant of the Company during any 12 month period under the Stock Option Plan is 2% of the stock options available for issue under the Stock Option Plan. The maximum number of Common Shares which may be reserved for issue to employees conducting investor relations activities during any 12 month period under the Stock Option Plan is 2% of the aggregate number of stock options available for issue under the Stock Option Plan. Any Common Shares subject to a stock option which for any reason is cancelled or terminated prior to exercise will be available for a subsequent grant under the Stock Option Plan. The exercise price of any stock option cannot be less than the closing price of the Common Shares on the day immediately preceding the day upon which the stock option is granted, less any discount permitted by the policies of the TSXV. The stock options are non-assignable and non-transferable. Stock options granted under the Stock Option Plan can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Stock Option Plan or within a reasonable period (set by the Board in each case) after ceasing to be an eligible optionee, or, if the optionee dies, within one year after the date of the optionee's death. On the occurrence of a takeover bid, issuer bid or going private transaction, the Board will have the right to accelerate the date on which any stock option becomes exercisable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Company's capitalization.

#### *RSU/DSU Plan*

The Company has in place the RSU/DSU Plan which was most recently approved by the shareholders at the last annual and special meeting of the shareholders of the Company held on June 16, 2017.

Under the RSU/DSU Plan, awards may be granted to any non-employee director, officer, employee or consultant, or any of its designated affiliates. RSUs are performance based share units which will be granted to participants in the RSU/DSU Plan based on criteria as determined by the Board. The RSUs are paid out to the participant at no later than three years from the year in which the RSUs were granted. Non-vested RSUs are forfeited if the participant voluntarily leaves his or her employment with the Company. RSUs provide the Company with a more transparent and objective tool for rewarding performance, while providing the participant with a better-defined incentive award.

The RSU/DSU Plan also makes provision for the granting of DSUs for payment of directors' fees. A DSU is a notional share that has the same value as one Common Share as at the grant date. Under the RSU/DSU Plan, directors may choose, with the consent of the Company, to take all or part of their fees in DSUs. DSUs are paid out to directors as Common Shares when they retire from the Board. A retiring director can defer the payout of his or her DSUs to the year following his or her departure from the Company.

The use of DSUs has the advantage of encouraging higher levels of share ownership by the directors, thereby aligning their interests more closely with that of the Company while also preserving cash for the Company.

## **Employment, Consulting and Management Agreements**

The Company has in place the following consulting agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers and directors:

### ***John McNeice – Chief Financial Officer***

On July 1, 2015 the Company entered into a services agreement with Mr. McNeice and 6905498 Canada Inc., a corporation controlled by Mr. McNeice, for Mr. Neice's services as the Chief Financial Officer of the Company (the "**McNeice Agreement**"). Pursuant to the McNeice Agreement, Mr. McNeice, receives remuneration in the amount of \$135.00 per hour. The McNeice Agreement may be terminated by the Company without cause for a lump-sum payment equivalent to 18 months' compensation. The McNeice Agreement also provides that, should a change in control event occur, Mr. McNeice is entitled to a lump sum payment equivalent to 24 months' compensation irrespective of whether his services are retained subsequent to the change in control. For the purposes of the McNeice Agreement, a month's compensation represents the average monthly compensation of the 6 months immediately preceding the effective date of termination.

### ***Antony Manini – Director***

On May 1, 2017 the Company entered into a corporate advisory consulting agreement for the provision of corporate advisory services with Antman Holdings Pty. Ltd., a corporation controlled by Mr. Manini (the "**Manini Agreement**"). The Manini Agreement has a two-year term and terminates on May 1, 2019. As compensation for the services to be rendered by Antman Holdings Pty. Ltd. under the Manini Agreement, on June 15, 2017, the Company granted Antman Holdings Pty. Ltd. 2,085,000 stock options issued under the Stock Option Plan. Mr. Manini was subsequently elected by as a director of the Company at the annual and special meeting of the shareholders of the Company held on June 16, 2017.

### ***Jeffrey Ackert – Director and Former President and Chief Executive Officer***

On September 18, 2015 the Company entered into a services agreement with JSA International Consulting Ltd., a company controlled by Jeffrey Ackert, for his services as the President and Chief Executive Officer of the Company (the "**Akert Agreement**"). The Ackert Agreement was terminated effective March 12, 2018. Mr. Ackert will not stand for re-election as a director of the Company at the Meeting.

### ***Dr. Vern Rampton – Director and Former Executive Vice-President***

Pursuant to a resignation agreement dated November 27, 2017 (the "**Rampton Resignation Agreement**"), Dr. Rampton resigned from all of his positions with the Company, including his then most recent position as Executive Vice-President, effective as of August 31, 2017. In connection with the Rampton Resignation Agreement, the Company paid Dr. Rampton an amount of \$42,000.00 on March 23, 2018. Dr. Rampton will not stand for re-election as a director of the Company at the Meeting.

There are no employment agreements in place with any of the other directors of the Company.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### ***Compensation of Directors***

The Board, at the recommendation of the Compensation Committee, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. In addition, the directors of the Company are reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings. For their role as directors of the Company, each director of the Company may, from time to time, be awarded stock options under the provisions of the Stock Option Plan and are eligible to participate in the RSU/DSU Plan. It is intended that the fees payable to directors and Chairs of the committees of the Board will be settled in the form of share-based compensation through the issue of DSUs under the Company's RSU/DSU Plan.

## *Compensation of Named Executive Officers*

### *Principles of Executive Compensation*

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and stock option or share-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

Management has direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Company. The Chief Executive Officer makes recommendations to the Board regarding the amount and type of compensation awards for other members of executive management. The Chief Executive Officer does not engage in discussions with the Board regarding his own compensation.

The Board approves, or recommends for approval, all compensation to be awarded to the Named Executive Officers. The Board may direct the Compensation Committee and management to gather information on its behalf and provide initial analysis and commentary. The Board reviews this material along with other information received from any external advisors which may be retained in its deliberations before considering or making decisions. The Board has full discretion to adopt or alter management recommendations.

### *Base Salary*

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. No specific weightings are assigned to each factor, but rather, a subjective determination is made based on a general assessment of the performance of the individual relative to such factors. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants.

### *Annual Incentives*

The Named Executive Officers have an opportunity to earn annual incentive compensation payable as a cash bonus, however the Company is not currently awarding any such annual incentives. The annual incentive compensation is intended to link pay to annual performance that will drive shareholder value so the Company may, in its discretion, award such incentives in the future in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her position and contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. Annual incentive compensation is tied to corporate and individual performance. This assessment is used by the Board in

developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

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

Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan and the RSU/DSU Plan.

**Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

**Termination and Change of Control Benefits**

Except as otherwise disclosed in this Circular, the Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates.

**SECURITIES AUTHORIZED FOR ISSUE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of August 31, 2017:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issue under equity compensation plans (#)
Equity compensation plans approved by securityholders (Stock Option Plan <sup>(1)</sup> )	6,735,000	0.09	4,215,347
Equity compensation plans approved by securityholders (RSU/DSU Plan <sup>(2)</sup> )	2,568,408	n/a	6,558,043
Equity compensation plans not approved by securityholders	nil	nil	nil
<b>Total</b>	9,303,408	0.09	10,773,390

Notes:

- (1) *The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 10% of the outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, 16,772,423 stock options may be issued under the Stock Option Plan, 6,485,000 stock options are outstanding and an additional 10,287,423 Common Shares are reserved for issue and remain available for future issue under the Stock Option Plan.*
- (2) *Based on the terms of the RSU/DSU Plan as approved by shareholders on June 16, 2017, the Company is authorized to issue RSUs and DSUs of up to a total of 9,126,451.*

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed in this Circular, no informed person or proposed director of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the most recently completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## **AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER**

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

### **Audit Committee Charter**

The full text of the charter of the Audit Committee of the Company is attached hereto as schedule A.

### **Composition of the Audit Committee**

The Audit Committee members are currently Greg LeBlanc (Chair), Dr. Vern Rampton and Mark Pfau, each of whom is financially literate and independent in accordance with NI 52-110.

### **Relevant Education and Experience**

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating 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, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

### **Members of the Current Audit Committee**

**Greg LeBlanc, Director** – Mr. LeBlanc, B.A., M.A., has over 35 years' experience in the currency and financial industry sectors. He began his career on the money market desk at the Bank of Canada in 1973. In 1977, he moved to Export Development Canada as an International Economist. In 1984, he was hired by McLeod Young Weir, a Canadian investment dealer and in 1992 he joined Richardson Greenshields who were then acquired by RBC Dominion Securities. At RBC he was named a Vice-President in 1996, holding this position until he retired in 2009. He specialized in commodity and currency trading during his tenure with these investment dealers. He is currently a director of Auropean Ventures Inc. and Mayo Lake Minerals Inc. which are private junior resource companies and since 2009 he has been active in commercial real estate development. He also holds director positions on the boards of several public sector and private companies.

**Mark Pfau, Director** – Mr. Pfau is a career international economic geologist with 30 years of experience in base and precious metals exploration and mine development. He has held several Chief Geologist, Exploration Manager, and V.P. Exploration positions and focuses on advanced project management, resource and reserve expansion and related issues. Mr. Pfau's experience includes work throughout Latin America and Mexico, central and south-east Asia, and South Africa. His skills bridge the gap between exploration and production and he is a recognized Qualified Person under Geology and Ore Reserves with the Mining and Metallurgical Society of America.

**Dr. Vern Rampton, Director** – Dr. Rampton is an experienced businessman and has been an executive of numerous private companies and partnerships in the mining and real estate sectors where for over 40 years he has held the prime responsibility for funding, expenditures and monitoring of finances. From 1984 until 2009, he was either partly or primarily responsible, as President and CEO of publicly-listed Kinbauri Gold Corp. for the determination and oversight of its financial strategy.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Exemptions in NI 52-110 regarding**

#### ***De Minimis* Non-audit Services or on a Regulatory Order Generally**

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

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

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

### **Audit Fees**

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended August 31, 2017 and August 31, 2016:

	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees (\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>
<b>Year ended August 31, 2017</b>	37,500	nil	nil	nil
<b>Year ended August 31, 2016</b>	35,000	nil	nil	nil

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

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

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

All Other Fees – aggregate fees billed for professional services which included accounting advice.

## **REPORT ON CORPORATE GOVERNANCE**

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company's approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

### **Board of Directors**

The Board is currently composed of seven directors. It is proposed that at the Meeting the size of the Board be reduced to six directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, all of the proposed director nominees are considered by the Board to be "independent" within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

### **Directorships**

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

<b>Name of Director or Proposed Director</b>	<b>Reporting Issuers</b>
Anthony Manini	Asiamet Resources Limited

Name of Director or Proposed Director	Reporting Issuers
Yale Simpson	Adamera Minerals Corp. and Rugby Mining Limited
Alar Soever	Wallbridge Mining Company Limited
T. Sean Harvey	Abacus Mining and Exploration, Perseus Mining Ltd., Serabi Gold plc., and Victoria Gold Corp.
Stephen Hughes	Asiamet Resources Limited
Jeffrey Ackert	Advance Gold Corp. and Altai Resources Inc.

## Board Committees

The Board has constituted four committees. The following directors are the current members of the following committees:

- *Audit Committee:* Gregory LeBlanc (Chair), Mark Pfau and Dr. Vern Rampton.
- *Corporate Governance and Nominating Committee:* Alar Soever (Chair), Antony Manini and Mark Pfau.
- *Compensation Committee:* Gregory LeBlanc (Chair), Antony Manini and Yale Simpson.
- *Corporate Social Responsibility and Disclosure Committee:* Jeff Ackert (Chair), Dr. Vern Rampton and Alar Soever.

Members of these committees are appointed annually to hold office until the next annual meeting of the shareholders of the Company or until their successors are appointed. Messrs. LeBlanc, Pfau, Ackert and Dr. Rampton are not standing for re-election at the Meeting, accordingly, the composition of each committee will change following the completion of the Meeting.

### Audit Committee

The Audit Committee is composed of three directors as named above, each of whom is "independent". The operation of the Audit Committee is described in the section titled "*Audit Committee Information Required in The Information Circular of a Venture Issuer*" in this Circular.

### Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is composed of not less than three directors, the majority of whom are "independent". The mandate of the Corporate Governance and Nominating Committee includes, among other things: (i) reviewing and developing specific matters of corporate governance as they may pertain to the Board, including the effectiveness of the Company's system of corporate governance with respect to the discharge of the Company's obligations to its shareholders, customers and employees, other stakeholders and the public; and, reporting and making recommendations to the Board with respect thereto; (ii) reviewing with the Chairman of the Board, on a regular basis but not less frequently than annually, the role and conduct of the Board and its committees and the methods and processes by which the Board fulfills its duties and responsibilities, including the number and content of meetings; an annual schedule of issues to be presented to the Board and its committees at their meetings; material which is to be provided to directors generally and with respect to meetings of the Board of Directors and its committees; resources available to directors; and the communication process between the Board of Directors and management; (iii) assisting the Chairman of the Board in reviewing at least annually the composition, needs and performance of the Board, establishing the qualifications for members of the Board, determining the skills, expertise and experience required of directors and developing an appropriate succession plan for directors; (iv) assisting the Chairman of the Board in establishing criteria for the selection of directors and procedures for identifying possible nominees who meet these criteria; retaining any search firm engaged to assist in identifying director candidates, and retaining outside counsel and any other advisors as deemed appropriate; approving related fees and retention terms; (v) assisting the Chairman of the Board in reviewing and assessing the qualifications of persons proposed for appointment or election to the Board; (vi) submitting to the Board for consideration and decision, the names of persons to be nominated for election as directors at the annual meeting of shareholders, or to be appointed to fill vacancies between annual meetings; (vii) ensuring management develops an orientation and education program for new members of the Board and an education program for all members of the Board; (viii) assisting the Disclosure Committee in establishing a communication and disclosure policy for the Corporation that addresses continuous and period disclosure, how the Company interacts with analysts and the public and how the Company can avoid selective

disclosure; and (ix) developing a code of business conduct and ethics that governs the Company and the behavior of its directors, officers and employees; (x) making recommendations relative to the composition of the various committees of the Board; reviewing and recommending committee slates annually and recommending additional committee members to fill vacancies as needed; and (xi) monitoring and reviewing all of the foregoing regularly and making changes to same as circumstances require.

In connection with the Corporate Governance and Nominating Committee's responsibility for proposing new nominees to the Board it also provides an orientation and education program for new Board recruits and continuing education for Board members. New recruits to the Board receive a full program of orientation and education on: (i) the background of the business operations of the Company; (ii) copies of the articles and by-laws of the Company; (iii) information relative to recent Board and shareholder matters; (iv) details of policy and corporate practice guidelines; and, (v) information detailing corporate and regulatory requirements and procedures. It is the personal responsibility and duty of directors to become familiar with the above noted matters and to monitor same as they may change over time.

#### Compensation Committee

The Compensation Committee is composed of not less than three directors, all of whom are "independent". The Compensation Committee is responsible for: (i) reviewing and approving corporate goals and objectives relevant to the compensation of the chief executive officer of the Company, evaluating the performance of the chief executive officer of the Company in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to the compensation level of the chief executive officer of the Company based on this evaluation); (ii) making recommendations to the Board with respect to other officers and directors compensation and incentive-compensation plans; and, (iii) reviewing the executive compensation disclosure before the Company publicly discloses this information.

#### Corporate Social Responsibility and Disclosure Committee

The Company's corporate social responsibilities ("CSR") are overseen by the CSR and Disclosure Committee which makes recommendations to the Board with respect to: sustainable development, environmental, health and safety policies, operating principles, practices and processes, including: (i) current and future regulatory issues relating to sustainable development, environmental, health and safety; and (ii) corporate social responsibility performance at all of the Company's projects and properties in all communities where the Company operates.

The Company's disclosure responsibilities are overseen by the CSR and Disclosure Committee which makes recommendations to the Board regarding the Company's communication and disclosure policies including procedural matters with respect to regulatory filings, press releases and corporate communications in general.

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

Corporate Governance and Nominating Committee has the responsibility to provide an orientation and education program for new Board recruits and continuing education for Board members. For a more detailed description see "*Corporate Governance and Nominating Committee*" above.

#### **Ethical Business Conduct**

The Company has developed a formal code of ethical business conduct (the "**Code**"), which is designed to assist the Company's directors, officers and employees to better understand their expectations and responsibilities in the discharge of their duties. The Code provides a general framework of how to approach, resolve and report ethical and legal issues encountered by the Company's directors, officers and employees in carrying out their business functions. As articulated in the Code, directors, officers and employees of the Company are expected to act with the utmost integrity in all of their duties.

The Company also has in place a Whistleblower Policy, which contains procedures that allow employees of the Company to confidentially and anonymously submit their concerns to the Chair of the Audit Committee (or such other applicable officer of the Company) regarding questionable, accounting, internal accounting controls, auditing matters or other business conduct in general. The Whistleblower Policy is designed and intended to encourage reporting of wrongdoing by the Company's employees. The Whistleblower Policy is expressly referenced in the Code.

The Code and the Whistleblower Policy together with the disclosure policy of the Company are reproduced and discussed in the Company's Employee Handbook which is, together with the Company's Safety Health Environmental and Community Relations Manual, provided to each employee upon joining the Company.

#### **Other Board Committees**

The Board currently does not have any standing committees other than as set out under "*Board Committees*" above.

#### **Assessments**

The Board monitors but does not formally assess the effectiveness and contribution of the Board, its committees and individual Board members. To date, the Board has satisfied itself, through informal discussions that the Board, its committees and individual Board members are performing effectively.

#### **OTHER MATTERS**

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its registered office at 365 Bay Street, Suite 400, Toronto, Ontario M5H 2V1 to request copies of: (i) this Circular; and (ii) the Company's consolidated financial statements and the related management's discussion and analysis (the "**MD&A**") which will be sent to the shareholder without charge upon request. Financial information is provided in the Company's consolidated financial statements and MD&A for the financial year ended August 31, 2017 of the Company.

#### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

**DATED** at Toronto, Ontario, on the 24<sup>th</sup> day of April, 2018.

#### **BY ORDER OF THE BOARD**

*"Alar Soever" (signed)*  
Chairman of the Board

## SCHEDULE A

### CARUBE COPPER CORP.

#### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

##### *Purpose of the Committee*

The purpose of the audit committee (the "**Committee**") of the board of directors (the "**Board**") of Carube Copper Corp. (the "**Corporation**") is to provide an open avenue of communication between management, the Corporation's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation's independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Corporation's articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman. A majority of the members of the Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation. The quorum for a meeting of the Committee is comprised of a majority of the Committee members. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Corporation's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (IFRS). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Corporation's financial statements and to provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material aspects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Corporation's financial statements, preparing or issuing an auditor's report or performing other audit, review or attestation services for the Corporation; and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of the oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

##### *Authority and Responsibility*

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.

2. Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditor's judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Corporation and all non-audit work performed for the Corporation by the independent auditor.
11. Establish and review the Corporation's procedures for the:
  - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors as the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110, the *Business Corporations Act* (Ontario) and the articles of the Corporation.

## SCHEDULE B

### BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of

**CARUBE COPPER CORP.**  
(hereinafter called the "**Corporation**")

**BE IT ENACTED** as a by-law of the Corporation as follows:

#### INTERPRETATION

##### 1.1 Definitions.

In this By-law No.1, unless the context otherwise requires:

"**Act**" means the *Business Corporations Act*, R.S.O. 1990, c. B.16 and the regulations made thereunder, as from time to time amended, and every statute or regulation that may be substituted therefor;

"**appointed**" includes "**elected**" and vice versa;

"**articles**" means the articles of the Corporation as from time to time amended or restated;

"**board**" means the board of directors of the Corporation and "**director**" means a member of the board;

"**by-laws**" means this By-law No.1 and all other by-laws of the Corporation from time to time in force and effect;

"**By-law No 1**" means this by-law no. 1;

"**meeting of shareholders**" includes an annual meeting of shareholders and a special meeting of shareholders;

"**non-business day**" means Saturday, Sunday and any other day that is a holiday;

"**offering corporation**" means a corporation as defined in the Act;

"**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com);

"**special meeting of shareholders**" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

"**recorded address**" means, in the case of a shareholder, the shareholder's address as recorded in the securities register; and in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and, in the case of a director, officer, auditor or member of a committee of the board, the latest address of such person as shown in the records of the Corporation or in the most recent notice filed under the *Corporations Information Act* (Ontario) or any statute that may be substituted for it, whichever, to the knowledge of the Corporation, is the more current; and

"**signing officer**" means, in relation to any instrument, any person authorized to sign on behalf of the Corporation by section 2.4 of this By-law No.1 or by a resolution passed pursuant thereto;

## **1.2 Interpretation.**

Unless defined in section 1.1, words and expressions defined in the Act have the same meanings when used herein. Words importing the singular number include the plural and vice versa. Words importing gender include the feminine, masculine and neuter genders. Words importing a person include an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, trust, unincorporated organization, body corporate and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative.

## **BUSINESS OF THE CORPORATION**

### **2.1 Registered Office.**

The registered office of the Corporation shall be at the location in Ontario initially specified in the articles of the Corporation, and thereafter, provided same is permitted under the Act, from time to time the Corporation may (i) by resolution of the directors change the location of the registered office of the Corporation within a municipality or geographic township, and (ii) by special resolution, change the municipality or geographic township in which its registered office is located to another place in Ontario.

### **2.2 Corporate Seal.**

The Corporation may, but need not, have a corporate seal and if one is adopted it shall be in a form approved from time to time by the board.

### **2.3 Financial Year.**

The board may, by resolution, fix the financial year end of the Corporation, and the board may from time to time, by resolution, change the financial year of the Corporation.

### **2.4 Execution of Instruments.**

Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any one of the following: by any one person who holds the office of chair of the board, chief executive officer, president, chief financial officer, executive vice-president, senior vice-president, secretary, treasurer, assistant secretary or the holder of any other office created from time to time by by-law or the board. In addition, the board may from time to time direct by resolution the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

### **2.5 Banking Arrangements.**

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

### **2.6 Voting Rights in Other Bodies Corporate.**

The signing officers of the Corporation under section 2.4 hereof may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments shall be in favour of such person or persons as may be determined by the officers executing or arranging for them. In addition, the board may from time to time direct the manner in which and the person by whom any particular voting rights or class of voting rights may or shall be exercised.

## **BORROWING AND SECURITY**

### **3.1 Borrowing Power.**

Without limiting the borrowing powers of the Corporation as set forth in the Act, but subject to the articles, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation to secure performance of any obligation of any person;  
and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

### **3.2 Delegation.**

Subject to the Act and the articles, the board may from time to time delegate to a committee of the board, a director or an officer of the Corporation or any other person as may be designated by the board all or any of the powers conferred on the board by section 3.1 hereof or by the Act to such extent and in such manner as the board may determine at the time of each such delegation.

## **DIRECTORS**

### **4.1 Number of Directors.**

Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum number of directors provided in the articles, provided, however, that for so long as the Corporation is an offering corporation, the board shall consist of not fewer than three directors.

### **4.2 Qualification.**

A person shall be disqualified from being a director of the Corporation if such person is less than 18 years of age, has been found under the *Substitute Decisions Act* (Ontario) or under the *Mental Health Act* (Ontario) to be incapable of managing property, has been found to be incapable by a court in Canada or elsewhere, is not an individual, or has the status of a bankrupt. A director need not be a shareholder. The board shall be comprised of the number of Canadian residents as may be prescribed from time to time by the Act.

### **4.3 Election and Term.**

The election of directors shall take place at each annual meeting of shareholders. Subject to the Act, each director shall cease to hold office at the close of the first annual meeting of shareholders following his or her election, but, if qualified, shall be eligible for re-election at such annual meeting. Subject to the Act and section 4.1 hereof, the number of directors to be elected at any such meeting shall be the number of directors determined from time to time by special resolution or, if the special resolution empowers the directors to determine the number, by resolution of the board. The election shall be by ordinary resolution. If directors are not elected at a meeting of shareholders, the incumbent directors shall continue in office until their successors are elected.

#### 4.4

#### Advanced Notice.

- (a) Subject to the provisions of the Act and the articles, a nominee will not be eligible for election as director of the Corporation unless such nomination is made in accordance with the following procedures. Nominations of a person for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a "Nominating Shareholder") (i) who, at the close of business on the date of the giving of the notice provided for below in this section 4.4 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this section 4.4.
- (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 Corporation at the registered office of the Corporation in accordance with this section 4.4.
- (c) To be timely, a Nominating Shareholder's notice to the secretary of the Corporation must be made (i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and (ii) in the case of a special meeting (other than an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.
- (d) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Corporation 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 residence address of the person (B) the principal occupation or employment of the person (C) the class or series and number of shares in the share capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (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 the Act and 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 Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities legislation. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- (e) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this section 4.4; provided, however, that nothing in this section 4.4 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (f) Notwithstanding any other provision of the by-laws, notice given to the secretary of the Corporation pursuant to this section 4.4 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 Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary of the Corporation at the address of the registered office of the Corporation; provided that if such delivery or electronic communication is made on a non-business day or later than 5:00 p.m. (Toronto 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.
- (g) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this section 4.4.

#### **4.5 Removal of Directors.**

Subject to the Act, the shareholders may by ordinary resolution passed at an annual or special meeting of shareholders remove any director from office and the vacancy created by such removal may be filled by the election of any qualified individual at the same meeting, failing which it may be filled by the board.

#### **4.6 Vacation of Office.**

A director ceases to hold office when he or she dies; he or she is removed from office by the shareholders; he or she ceases to be qualified for election as a director, or his or her written resignation is received by the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

#### **4.7 Vacancies.**

Subject to the Act, a quorum of the board may appoint a qualified individual to fill a vacancy in the board.

#### **4.8 Action by the Board.**

The board shall manage or supervise the management of the business and affairs of the Corporation. The powers of the board may be exercised at a meeting (subject to sections 4.9 and 4.10 hereof) at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy or vacancies in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

#### **4.9 Meetings by Telephone.**

If all the directors of the Corporation consent thereto generally or if all the directors of the Corporation present at or participating in the meeting consent, a director may participate in a meeting of the board or a committee of the board by means of telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other, simultaneously and instantaneously, and a director participating in such meeting by such means shall be deemed to be present at the meeting. Any such consent shall be effective whether given before

or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board. If at least one of the directors participating in a meeting held pursuant to this section are then in Canada, the meeting shall be deemed to have been held in Canada.

**4.10 Place of Meeting.**

Meetings of the board shall be held at any place within or outside Ontario.

**4.11 Calling of Meetings.**

Meetings of the board shall be held from time to time at such place (subject to section 4.10 hereof), at such time and on such day as the board, the chair of the board, the president or any two directors may determine.

**4.12 Notice of Meeting.**

Notice of the time and place of each meeting of the board shall be given in the manner provided in section 11 hereof to each director (a) not less than 48 hours before the time when the meeting is to be held if the notice is mailed, or (b) not less than 24 hours before the time when the meeting is to be held if the notice is given personally or is delivered or sent by any means of transmitted or recorded communication; provided that no notice of a meeting shall be necessary if all the directors in office are present or if those absent waive notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business or the general nature thereof to be specified.

**4.13 Attendance of Auditors.**

The auditors of the Corporation shall be entitled to attend and be heard at meetings of the board on matters relating to their duties as auditors.

**4.14 First Meeting of New Board.**

Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

**4.15 Adjourned Meeting.**

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

**4.16 Regular Meetings.**

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

**4.17 Chair.**

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

**4.18 Quorum.**

The quorum for the transaction of business at any meeting of the board shall be two-fifths of the number of directors then in office or such greater number of directors as the board may from time to time determine.

**4.19 Votes to Govern.**

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall be entitled to a second or casting vote.

**4.20 Conflict of Interest.**

A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose to the Corporation the nature and extent of that interest at the time and in the manner provided by the Act. Such a director shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on such a resolution only because a director is not permitted to be present at the meeting, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution.

**4.21 Remuneration and Expenses.**

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

**4.22 Resolution in Lieu of Meeting.**

A resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board or a committee of the board is as valid as if it had been passed at a meeting of the board or committee of the board. A resolution in writing takes effect on the day on which the last director who is entitled and required to sign the resolution signs it. A resolution in writing may be signed in one or more counterparts and such counterparts taken together shall constitute the same resolution. A counterpart signed by a director and transmitted by facsimile or other device capable of transmitting a printed message is as valid as an originally signed counterpart.

**COMMITTEES**

**5.1 Committees of the Board.**

The board may appoint from its number one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of the board has no authority to exercise.

**5.2 Transaction of Business.**

The powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Ontario.

### **5.3 Audit Committee.**

If the Corporation is an offering corporation the board shall elect annually from among its number an audit committee to be composed of not fewer than three directors, each of whom shall be eligible to serve as a member of an audit committee under the Act, applicable securities legislation and applicable stock exchange rules. The audit committee shall have the powers and duties provided in the Act and in any committee charter as may be adopted by the board from time to time.

### **5.4 Advisory Bodies.**

The board may from time to time appoint such advisory bodies as it may deem advisable.

### **5.5 Procedure.**

Unless otherwise determined by the board, each committee of the board and each advisory board shall have power to fix its quorum at not less than two-fifths of its members, to elect its chair and to regulate its procedure.

## **OFFICERS**

### **6.1 Appointment.**

The board may from time to time appoint a chief executive officer, president, one or more senior or executive vice-presidents (to which title may be added words indicating function), a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. One person may hold more than one office. The board may specify the duties of and, in accordance with this By-law No.1 and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to section 6.4 hereof, an officer of the Corporation may but need not be a director.

### **6.2 Chief Executive Officer.**

The board may designate one of its officers of the Corporation as chief executive officer of the Corporation and may from time to time revoke any such designation and designate another officer of the Corporation as chief executive officer of the Corporation. The officer designated as chief executive officer shall, subject to the authority of the board, have general supervision and control of the affairs of the Corporation.

### **6.3 Chief Financial Officer.**

The board may designate one of the officers of the Corporation as chief financial officer of the Corporation and may from time to time revoke any such designation and designate another officer of the Corporation as chief financial officer of the Corporation. The officer designated as chief financial officer shall have such duties and exercise such powers as the board may from time to time prescribe.

### **6.4 Chair of the Board.**

The board may from time to time also appoint a chair of the board who shall be a director. If appointed, the chair of the board shall, if present, preside at all meetings of the board and shareholders. In addition, he or she shall have such other powers and duties as the board may specify by resolution or as are incident to his or her office.

### **6.5 Vice Chair of the Board.**

The board may from time to time also appoint a vice chair of the board who shall be a director. If appointed, he or she shall have such powers and duties as the board may specify by resolution or as are incident to his or her office.

**6.6 President.**

Unless otherwise designated by the board in accordance with section 6.2 hereof, the president shall be the chief executive officer of the Corporation and, subject to the authority of the board and the powers designated to the chief executive officer (if the chief executive officer is not also the president), shall have general supervision of the affairs and business of the Corporation. During the absence or disability of the president, his or her duties shall be performed and his or her powers exercised by the officer or officers of the Corporation designated from time to time by the board.

**6.7 Executive or Senior Vice-President.**

An executive or senior vice-president shall have such powers and duties as the board or the president may prescribe.

**6.8 Secretary.**

Unless otherwise determined by the board, the secretary shall attend, and be the secretary of, all meetings of the board, shareholders and committees of the board. The secretary shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at meetings of the board, the shareholders and committees of the board, whether or not he or she attends such meetings. He or she shall give or cause to be given, as and when instructed, all notices to directors, shareholders, auditors and members of committees of the board. He or she shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and he shall have such other powers and duties as otherwise may be specified.

**6.9 Treasurer.**

The board may designate a treasurer who, subject to any resolution of the board and under the direction of the board, shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. Subject to any resolution of the board, he or she shall render to the board whenever required an account of all his or her transactions as treasurer and of the financial position of the Corporation and he or she shall have such other powers and duties as otherwise may be specified.

**6.10 Powers and Duties of Officers.**

The powers and duties of all officers shall be such as the terms of their engagement call for or as the board or (except for those whose powers and duties are to be specified only by the board) the chief executive officer may specify. The board and (except as aforesaid) the chief executive officer may, from time to time and subject to the Act, vary, add to or limit the powers and duties of an officer. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

**6.11 Term of Office.**

The board, in its discretion, or the president may remove any officer of the Corporation without prejudice to any officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his or her successor is appointed or until his or her earlier resignation.

**6.12 Terms of Employment and Remuneration.**

The terms of employment and the remuneration of officers elected or appointed by the board shall be settled by it from time to time.

**6.13 Agents and Attorneys.**

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

**6.14 Fidelity Bonds.**

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

**PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

**7.1 Limitation of Liability.**

Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall 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. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his or her part, or for any other loss, damage or misfortune which shall happen in the execution of the duties of his or her office or in relation thereto, unless the same are occasioned by his or her own willful neglect or default, provided that nothing herein shall relieve any director or officer of any liability imposed upon him or her by the Act.

**7.2 Indemnity.**

Subject to the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his or her heirs, executors, administrators and other legal personal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of having been a director or officer of the Corporation or body corporate of which the Corporation is or was a shareholder or creditor, if (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and (b) in the case of a criminal or administrative action or proceeding enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful. The Corporation may also indemnify that person in such other circumstances as the Act or law permits or requires. Nothing in this By-law No.1 shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this By-law No.1.

**7.3 Advance of Costs.**

The Corporation shall advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in section 7.2 hereof. The individual shall repay the moneys if the individual does not fulfil the conditions of section 7.2 hereof.

#### **7.4 Insurance.**

Subject to the Act, the Corporation may purchase and maintain such insurance for the benefit of its directors and officers as the board may from time to time determine.

### **SHARES**

#### **8.1 Allotment of Shares.**

Subject to the Act and the articles, the board may from time to time allot or grant compensation securities to purchase the whole or any part of the authorized and unissued shares of the Corporation in such manner and to such persons or class of persons as the board shall by resolution determine, provided that no share shall be issued until it is fully paid as provided by the Act.

#### **8.2 Commissions.**

The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

#### **8.3 Transfer Agents and Registrars.**

The board may from time to time by resolution appoint a registrar to keep the register of security holders and a transfer agent to keep the register of transfers and may also appoint one or more branch registrars to keep branch registers of security holders and one or more branch transfer agents to keep branch registers of transfers, but one person may be appointed both registrar and transfer agent. The board may at any time terminate any such appointment.

#### **8.4 Registration of Transfer.**

Subject to the Act, no transfer of shares shall be registered in a register of transfers or branch register of transfers except upon presentation of the certificate representing the share endorsement made on or delivered with it which complies with the Act, duly executed by the appropriate person as provided by the Act, together with such reasonable assurance or evidence of signature, identification and authority to transfer as the board may from time to time prescribe, and on payment of all applicable taxes and any reasonable fees prescribed by the board, and compliance with such restrictions on transfer as are authorized by the articles, if any, and on satisfaction of any lien referred to in section 8.5 hereof.

#### **8.5 Lien for Indebtedness.**

The Corporation shall have a lien on the shares registered in the name of a shareholder who is indebted to the Corporation except where such class or series of shares of the Corporation is listed on a stock exchange, and the lien may be enforced, subject to the articles, by the sale of the shares affected by it or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending enforcement, the Corporation may refuse to register a transfer of the whole or any part of those shares.

#### **8.6 Non-Recognition of Trusts.**

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

## **8.7 Share Certificates.**

Every holder of one or more fully paid shares of the Corporation shall be entitled, at his or her option, to a share certificate, or to a non-transferable written certificate of acknowledgement of his or her right to obtain a share certificate, stating the number and class or series of shares held by him or her as shown on the securities register, and stating that such shares are fully paid. Share certificates shall be in such form as the board shall from time to time approve and shall be signed in accordance with section 2.4 hereof and need not be under the corporate seal; provided that, unless the board otherwise orders, certificates representing shares in respect of which a transfer agent, registrar, or both has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent or registrar, the signatures of both signing officers may be mechanically reproduced upon share certificates and every such signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose signature appears thereon no longer holds office at the date of issue or delivery of the certificate.

## **8.8 Replacement of Share Certificates.**

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

## **8.9 Joint Shareholders.**

If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect of that share, and delivery of the certificate to one of those persons shall be sufficient delivery to all of them. Any one of those persons may give effectual receipts for the certificate issued in respect of it or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of that share.

## **8.10 Deceased Shareholders.**

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

# **DIVIDENDS AND RIGHTS**

## **9.1 Dividends.**

Subject to the Act and the articles, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by the issue of fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation. Any dividend unclaimed after a period of two years from the date on which it has been declared to be payable shall be forfeited and shall revert to the Corporation.

## **9.2 Dividend Cheques.**

A dividend payable in money shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his or her address appearing on the securities register, unless such holder otherwise directs. In the case of joint holders, the cheque shall, unless such joint holders otherwise jointly direct, be

made payable to the order of all the joint holders and mailed to them at the address appearing on the register of shareholders in respect of such joint holding, or to the first address so appearing if there are more than one. The mailing of such cheque, unless it is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented by it plus the amount of any tax which the Corporation is required to and does withhold.

### **9.3 Non-Receipt of Cheques.**

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

### **9.4 Record Date for Dividends and Rights.**

The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of the dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before the record date in the manner provided by the Act. In every such case, only persons who are shareholders of record at the close of business on the record date so fixed shall be entitled to receive payment of such dividend or to exercise the right to subscribe for such securities and to receive the warrant or other evidence in respect of such right, notwithstanding the transfer or issue of any shares after the record date is fixed.

## **MEETINGS OF SHAREHOLDERS**

### **10.1 Annual Meetings.**

The annual meeting of shareholders shall be held at such time in each year and, subject to section 10.3 hereof, at such place as the board, the chair of the board may from time to time determine, for the purpose of receiving the reports and statements required by the Act to be laid before the annual meeting, electing directors, appointing auditors and fixing or authorizing the board to fix the remuneration of the auditors, and for the transaction of such other business as may properly be brought before the meeting.

### **10.2 Special Meetings.**

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

### **10.3 Place of Meetings.**

Meetings of shareholders shall be held at such place within or outside Ontario as the directors determine or, in the absence of such determination, at the place where the registered office of the Corporation is located.

### **10.4 Participation in Meeting by Electronic Means.**

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

### **10.5 Meeting held by Electronic Means.**

If the directors or the shareholders of the Corporation call a meeting of shareholders pursuant to the Act, those directors or shareholders, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely

by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

#### **10.6 Notice of Meetings.**

Notice of the time and place of each meeting of shareholders shall be sent in the manner provided in section 11 hereof not less than 10 days, or if the Corporation is an offering corporation not less than 21 days, but in either case not more than 50 days before the date of the meeting to each director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a special meeting of shareholders shall state the nature of the business in sufficient detail to permit the shareholder to form a reasoned judgement on it and shall give the text of any ordinary resolution, special resolution, or by-law to be submitted to the special meeting.

#### **10.7 List of Shareholders Entitled to Notice.**

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting. The list shall be arranged in alphabetical order and show the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 10.8 hereof, the shareholders listed shall be those registered at the close of business on that record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared.

#### **10.8 Record Date for Notice.**

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as a record date for the determination of the shareholders entitled to notice of the meeting, and notice of any such record date shall be given not less than seven days before such record date, by newspaper advertisement in the manner provided in the Act and by written notice to each stock exchange in Canada on which the shares of the Corporation are listed for trading. If no such record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, shall be the day on which the meeting is held.

#### **10.9 Meetings Without Notice.**

A meeting of shareholders may be held without notice at any time and at any place permitted by the Act or the articles (a) if all the shareholders entitled to vote thereat are present in person or duly represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held, and (b) if the auditors and the directors are present or waive notice, or otherwise consent to the meeting being held; so long as the shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting, any business may be transacted which the Corporation may transact at a meeting of shareholders.

#### **10.10 Chair, Secretary and Scrutineers.**

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

**10.11 Persons Entitled to be Present.**

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

**10.12 Quorum.**

A quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a shareholder so entitled. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

If a quorum is not present at the time appointed for the meeting or within a reasonable time after that which the shareholders may determine, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

**10.13 Right to Vote.**

Every person named in the list referred to in section 10.7 hereof shall be entitled to vote the shares shown on the list opposite his or her name at the meeting to which the list relates.

**10.14 Proxyholders and Representatives.**

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, as his or her nominee to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his or her attorney and shall conform to the requirements of the Act. Alternatively, every shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a meeting of shareholders and that individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of the resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chair of the meeting. Any such proxyholder or representative need not be a shareholder.

**10.15 Time for Deposit of Proxies.**

The board may fix a time, not exceeding 48 hours, excluding non-business days, preceeding any meeting or adjourned meeting of shareholders before which time proxies to be used at the meeting must be deposited with the Corporation or its agent, and any time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted on only if, prior to the time so fixed and specified in the notice calling the meeting, it has been deposited with the Corporation or its agent or, if no such time is specified in the notice, it has been received by the secretary of the Corporation or by the chair of the meeting or any adjournment thereof before the time of voting.

**10.16 Personal Representative.**

If the shareholder of record is deceased, his or her personal representative, upon filing with the secretary of the meeting sufficient proof of his or her appointment, shall be entitled to exercise the same voting rights at any meeting of shareholders as the shareholder of record would have been entitled to exercise if he or she were living, and for the purposes of the meeting shall be considered a shareholder. If there is more than one personal representative, the provisions of section 10.17 hereof shall apply.

**10.17 Joint Shareholders.**

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

**10.18 Votes to Govern.**

At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by applicable law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote.

**10.19 Show of Hands.**

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

**10.20 Ballots.**

On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chair may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which such person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

**10.21 Adjournment.**

The chair at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it will not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

**NOTICES**

**11.1 Method of Giving Notices.**

Any notice (which term includes any communication or document) to be given (which term includes sent, transmitted, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given, if mailed to such person at the person's recorded address by prepaid mail, or if transmitted by telephone, facsimile or other electronic means in accordance with the *Electronic Commerce Act* (Ontario). A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to

have been given when dispatched or delivered by dispatch. A notice so delivered shall be deemed to have been received when it is delivered personally, a notice so mailed shall be deemed to have been received at the time it would be delivered in the ordinary course of mail, and a notice so transmitted shall be deemed to have been received on the day it is transmitted. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by the secretary to be reliable.

#### **11.2 Notice to Joint Shareholders.**

If two or more persons are registered as joint holders of any share, notice to one of such persons shall be sufficient notice to all of them. Any notice shall be addressed to all of such joint holders and the address to be used for the purposes of section 11.1 hereof shall be the address appearing on the securities register in respect of such joint holding, or the first address so appearing if there are more than one.

#### **11.3 Computation of Time.**

In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

#### **11.4 Undelivered Notices.**

If any notice given to a shareholder pursuant to section 11.1 hereof is returned on three consecutive occasions because he or she cannot be found, the Corporation shall not be required to give any further notices to that shareholder until he or she informs the Corporation in writing of his or her new address.

#### **11.5 Omissions and Errors.**

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

#### **11.6 Persons Entitled by Death or Operation of Law.**

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

#### **11.7 Waiver of Notice.**

Any shareholder, proxyholder or other person entitled to attend a meeting of shareholders, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice required to be given to him or her under the Act, the regulations, the articles, the by-laws or otherwise, and that waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of the notice, as the case may be. Any such waiver or abridgement shall be in writing, except a waiver of notice of a meeting of shareholders or of the board or a committee of the board, which may be given in any manner.

**11.8 Electronic Documents.**

A requirement under these by-laws that a notice, document or other information be provided in writing may be satisfied by providing an electronic document and a requirement under these by-laws for a signature or that a document be executed, in relation to an electronic document, may be satisfied, in each case, if the requirements in the Act in respect thereof are met.

**EFFECTIVE DATE**

**12.1 Amendment and Restatement.**

This By-law No. 1 amends, restates and supercedes all of the previous by-laws of the Corporation. The amendment and restatement shall not affect the previous operation of any by-law so amended and restated or repealed, or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles or predecessor charter documents of the Corporation obtained pursuant to, any such by-law before its amendment and restatement or repeal. All officers and persons acting under any by-law so amended and restated or repealed shall continue to act as if appointed under the provisions of this By-law No.1 and all resolutions of the board, the shareholders or committees of the board with continuing effect passed under any amended and restated or repealed by-law shall continue to be good and valid except to the extent inconsistent with this By-law No.1 and until amended or repealed.

**12.2 Effective Date.**

This By-law No.1 shall come into force upon being passed by the board except with respect to those provisions, if any, which may require the prior approval of shareholders in which event those portions of this By-law No.1 shall come into effect upon having been approved by the shareholders.

**ENACTED** this ● day of ●, ●.

**WITNESS** the corporate seal of the Corporation.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

**CONFIRMED** by the shareholders in accordance with the Act the ● day of ●, ●.

\_\_\_\_\_  
Secretary

