

COLOURED TIES CAPITAL INC.
c/o Suite 1500, 1055 West Georgia Street
Vancouver, British Columbia Canada V6H 1C3
Tel: 604 805-4602

INFORMATION CIRCULAR
as at August 23, 2023
(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the Management of COLOURED TIES CAPITAL INC. (the “Company”) for use at the in person / teleconference call annual general and special meeting (the “Meeting”) of its Shareholders to be held on Monday, October 16, 2023 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Information Circular, references to “the Company”, “Coloured Ties”, “we” and “our” refer to COLOURED TIES CAPITAL INC. “Common Shares” or “Shares” means common shares without par value in the share capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. “Registered Shareholders” means shareholders who hold Common Shares in their own name. “Shareholders” means Beneficial Shareholders and Registered Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, subject to the use of Notice-and-Access Provisions in relation to delivery of the Information Circular, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Notice-and-Access

Notice-and-Access means provisions concerning the delivery of proxy-related materials to Shareholders found in section 9.1.1. of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), in the case of registered Shareholders, and section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), in the case of beneficial Shareholders (“**Notice-and-Access Provisions**”), which allow an issuer to deliver an information circular forming part of proxy-related materials to Shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

Notice-and-Access Provisions allow reporting issuers, other than investment funds, to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR+ website (usually the reporting issuer’s website and sometimes the transfer agent’s website) rather than by delivering such materials by mail. Notice-and-Access Provisions can be used to deliver materials for both general and special meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer’s expense.

Use of Notice-and-Access Provisions reduces paper, printing and mailing costs incurred by the issuer. In order for the Company to utilize Notice-and-Access Provisions the Company must send a notice to Shareholders, including Non-Registered Holders, indicating that the proxy-related materials have been posted and explaining how a Shareholder can access them or obtain from the Company, a paper copy of those materials. This Information Circular has been posted in full at www.colouredtiescapital.com and on SEDAR +under the Company’s corporate profile at www.sedarplus.ca.

In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to Shareholders. The requirements of that notice, which require the Company to provide basic information about the Meeting and the matters to be voted on, explain how a Shareholder can obtain a paper copy of the Information Circular and any related financial statements and related management discussion and analysis, and explain the Notice-and-Access Provisions process, have been built into the Notice of Meeting. The Notice of Meeting has been delivered to Shareholders by the Company, along with the applicable voting document (a form of Proxy in the case of registered Shareholders or a Voting Instruction Form in the case of Non-Registered Holders).

The Company will not rely upon the use of ‘stratification’. Stratification occurs when a reporting issuer using Notice-and-Access Provisions provides a paper copy of the information circular with the notice to some Shareholders. In relation to the Meeting, all Shareholders will have received the required documentation under the Notice-and-Access Provisions and all documents required to vote in respect of all matters to be voted on at the Meeting. No Shareholder will receive a paper copy of the information circular from the Company or any intermediary unless such Shareholder specifically requests same.

The Company will pay intermediaries, including Broadridge Financial Solutions (“**Broadridge**”), to deliver proxy-related materials to NOBOs and OBOs.

Copies of this Information Circular, the Notice of Meeting, the Proxy and the annual financials (together “Proxy Materials”), are posted online at www.colouredtiescapitalc.com and are filed on SEDAR+ under the Company’s corporate profile at www.sedarplus.ca. Any Shareholder who wishes to receive a paper copy of the Circular may call the following toll-free numbers **English** Toll Free Number: 1-844-916-0609 or **French** Toll Free Number: 1-844-973-0593 providing your name and mailing address. A Shareholder may also use the toll-free numbers noted to obtain additional information about the Notice-and-Access Provisions.

Any Shareholder wishing to request a paper copy of the Information Circular as described above, should ensure such request is received by **Monday, October 2, 2023**. Under Notice-and-Access Provisions, Proxy Materials will be available for viewing for up to one year from the date of posting and a paper copy of the materials can be requested at any time during this period. All Shareholders may call the following toll-free numbers in order to obtain additional information relating to the Notice-and-Access Provisions or to obtain a paper copy of the Information Circular, up to and including the date of the Meeting, including any adjournment of the Meeting: **English** Toll Free Number: 1-844-916-0609 or **French** Toll Free Number: 1-844-973-0593.

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors and/or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9 or by hand delivery at any Computershare office in Canada;

- (b) use a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the control number; or
- (c) use the internet through the website of the Company's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing process and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("**OBOs**") who object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("**NOBOs**") who do not object to the issuers of the securities they own knowing who they are.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") the Company distributes copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the "**Meeting materials**") to the Depository and Intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a beneficial owner, and the Company or its agent sent these materials to you directly, your name, address and information about your holdings of securities were obtained in accordance with applicable securities regulatory requirements by the intermediary holding securities on your behalf.

If you are a Beneficial Shareholder:

If you are a Beneficial Shareholder you should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The proxy form supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of the proxy provided by the Company. The VIF will name the same persons as are named on the Company's form of Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), who is different from any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, insert the name of the desired representative, which may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. Broadridge will then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting to vote your Common Shares.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the *Business Corporations Act* (British Columbia) (the “BCBCA”) and Canadian provincial securities laws. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this Information Circular has been prepared in accordance with the disclosure requirements of applicable Canadian provincial securities laws which differ from the disclosure requirements of United States federal securities laws.

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

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a Company, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Trust Company of Canada, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

Except as otherwise disclosed in this Information Circular, no director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of auditor, the approval of the Company’s Share Option Plan, as amended, the approval of the Fixed Restricted Share Unit Plan, as amended, the approval to the 10% limits under the Share Option Plan and the Fixed Restricted Share Unit Plan, the approval of the over grant of restricted share units under the Fixed Restricted Share Unit Plan, the approval the Company’s New Articles, and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed August 23, 2023, at the close of business, as the record date for the Meeting (the “**Record Date**”) for the determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company’s Common Shares are listed for trading on the TSX Venture Exchange under stock symbol “TIE”.

The Company is authorized to issue an unlimited number of Common Shares without par value with special rights and restrictions attached, and an unlimited number of Preferred Shares with special rights and restrictions attached.

The Common Shares are the only issued and outstanding voting securities of the Company and the holders thereof being entitled to one vote for each Common Share held. As of the Record Date a total of 17,369,552 Common Shares were issued and outstanding. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

Principal Holders of Common Shares of the Company

To the knowledge of the directors and executive officers of the Company, as at the Record Date August 23, 2023, the following company beneficially owns, or controls or directly or indirectly holds Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of Company:

Name	Number Common Shares Held and Percentage of Shares
CDS Inc.	16,219,769 (93.38%)
Rauni Malhi	2,508,417 (14.44%)

Notes:

- (1) The information is based on information provided by the Company's transfer agent, Computershare Trust Company of Canada. CDS & Co. is a share depository, the beneficial ownership of which is unknown to the Company.
- (2) The information is based on information provided by the shareholder.

There are no Preferred Shares outstanding as of Record Date.

Substantial Issuer Bid

On August 28, 2023, the Company's Substantial Issuer Bid (the "SIB") expired and the Company expects to repurchase 2,502,061 Common Shares for an aggregate purchase price of approximately \$3 million.

As a result of the SIB the issued and outstanding share capital of the Company as of August 28, 2023 shall be reduced to approximately 15,167,491 Common Shares, which has resulted in an over grant of restricted share units that the Company has awarded under its current fixed restricted share unit plan, prior to the closing of the SIB. The TSX Venture Exchange has conditionally approved the over grant of the restricted share units, and has requested that the Company amend its 10% rolling Fixed Restricted Share Unit Plan, subject to shareholder approval at the Meeting. The Company is seeking shareholder approval at the Meeting to approve by an ordinary resolution the adoption of the Fixed Restricted Share Unit Plan, as amended, and to approve an ordinary resolution of disinterested shareholders, the over grant to Insiders of the Company of Common Shares that were awarded to Insiders prior to the completion of the SIB. These over grant of restricted share units to Insiders are not to be exercised until such time as the 10% limit to Insiders under the Fixed Restricted Share Unit Plan, as amended, has been reached.

A description of the amendments to the Fixed Restricted Share Unit Plan are detailed under heading Fixed Restricted Share Unit Plan, as Amended below. The Fixed Restricted Share Unit Plan, as Amended, is attached as Schedule C to this Information Circular, is a copy of the Fixed Restricted Share Unit Plan, as Amended.

Please refer to heading below Over Grant of Restricted Share Units.

FINANCIAL STATEMENTS

The consolidated audited annual financial statements of the Company for the financial years ended September 30, 2022 and September 30, 2021, the report of the auditor thereon and the related management's discussion and analysis were filed on SEDAR+ under the Company's corporate website at www.sedarplus.ca (the "Financials") on January 30, 2023. The Financials will be tabled at the Meeting and copies of the Financials will be available at the Meeting.

ELECTION OF DIRECTORS

There are currently four directors of the Company. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected at the Meeting will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The Board has determined the number of directors to be elected to the Board at four. The following disclosure sets out the names of management's four nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at August 23, 2023:

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Principal Occupation	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Kulwant Malhi ⁽³⁾⁽⁴⁾ Chairman, Chief Executive Officer and Director British Columbia, Canada	<ul style="list-style-type: none"> • Founder and Chairman of BullRun Capital Inc., Vancouver BC (Present) • CEO Beyond Medical Technologies Inc. (2017 to Present) • Chairman at Micron Waste Technologies Inc. (Present) • President of Cannabix Technologies Inc. (2014 – Present) • Chairman Moneyline Sportsbook (2020 to Present) • President Algernon Pharmaceuticals (2014 to 2015) <p><i>Also See Director Biographies below.</i></p>	<p>Director Since March 8, 2019</p> <p>Officer Since March 20, 2019</p>	1,647,285 ⁽²⁾
Bala Pratap Reddy Udumala ⁽³⁾⁽⁴⁾ Director British Columbia, Canada	<ul style="list-style-type: none"> • Strategic Consultant for International Zeolite Corp. (TSXV) (Present) • Chief Executive Officer of Ichaana Indo-Can Zeolite Private Limited (Present) <p><i>Also see Director Biographies below.</i></p>	Since March 8, 2019	Nil ⁽⁵⁾
Desmond M. Balakrishnan Director British Columbia, Canada	<p>Corporate Securities Lawyer (1997 to present), Partner at McMillan LLP (formerly Lang Michener LLP) (2004 to present)</p> <p><i>Also see Director Biographies below.</i></p>	Since April 29, 2020	Nil
Christopher R. Cooper ⁽³⁾⁽⁴⁾ Director British Columbia, Canada	<p>Founder, President & CEO of Canadian Towers & Fiber Optics Inc.</p> <p><i>Also see Director Biographies below.</i></p>	Since April 29, 2020	250,000

Notes:

- (1) Information as to number of Common Shares beneficially owned or over which direction is exercised has been provided by the respective individuals named therein.
- (2) Of these Common Shares, 73,000 Common Shares are registered to BullRun Capital Inc., a private company owned and controlled by Mr. Malhi. Mr. Malhi also holds a total of 1,113,384 warrants at a warrant exercise price of 0.80, expiring on July 23, 2026, a total of 700,000 options at an exercise price of \$0.31 per share expiring on September 1, 2025, and 1,280,000 restricted share units.
- (3) Member of Audit Committee.
- (4) Member of Compensation Committee.
- (5) Mr. Udumala holds a total of 200,000 options, at an exercise price of \$0.31 per share expiring on September 1, 2025.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company. At the Meeting the above persons will be nominated for election as director as well as any person nominated pursuant to the Advance Notice Provision (see below). Only persons nominated by management pursuant to this Information Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

Advance Notice Provision

At the Company's annual and special meeting held August 7, 2019, shareholders approved the Company's *Business Corporations Act* (British Columbia) Articles that provide for advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board of directors of the Company are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision that is available under the Company's profile on SEDAR at www.sedarplus.ca.

The Company did not receive notice of a nomination in compliance with the Advance Notice Provision, and as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

Director Biographies

Kulwant Malhi, Chairman, Chief Executive Officer and Director

Kulwant Malhi is a Canadian entrepreneur and businessman. He is a retired member of the Royal Canadian Mounted Police where he completed his duties in the drug enforcement and organized crime divisions. He is the founder and chairman of Bullrun Capital and is deeply involved in the financial markets. Mr. Malhi has been instrumental in raising capital for various projects totaling in excess of \$150 million dollars since 2008. Mr. Malhi has specialized in working with academia and advances in technology and funded academic research that has potential for commercialization through private and public companies. His extensive network of contacts and personal relationships has enabled him to assemble a growing team aimed at unearthing the potential of technological advancements in the biomedical, agricultural and technology sectors.

Bala Pratap Reddy Udumala, Director

Bala Pratap Reddy Udumala is an experienced professional businessman and a geologist serving in the resource sector for the past 20 years. He is involved in promoting shallow gold resources in Brazil and Africa, developing responsible mining and processing methods eliminating usage of mercury and cyanide. He is also engaged in the agriculture sectors of India and the United Arab Emirates. He is Chief Executive Officer of Crust Resources Corporation involved in exploration and development of precious metal projects and Chief Executive Officer of Ichana-Indocan Zeolite Pty Ltd, India, developing various applications in agricultural sectors, utilizing Zeolite natural minerals.

Christopher R. Cooper, Director

Christopher Cooper has over 20 years of extensive business experience in all facets of corporate development, senior management, finance, and operations in both the private and public sectors. Mr. Cooper's experience includes spearheading growth strategies, financial reporting, quarterly and annual budgets, and overseeing corporate administration – all while achieving company objectives and maintaining internal cost controls. Mr. Cooper has served as a director of several private and public companies over the last 20 years. Mr. Cooper has founded several resource companies active internationally, as well as domestically.

Mr. Cooper received his Bachelor of Business Administration from Hofstra University in Hempstead, N.Y., and his Masters of Business Administration from Dowling College in Oakdale, N.Y.

Mr. Cooper has held senior management and board positions in both the public and private sectors, and currently sits on the boards of multiple public companies.

Desmond M. Balakrishnan, Director

Mr. Balakrishnan is a Vancouver lawyer and has practiced law as a partner at McMillan LLP since January 2002. His areas of practice focus on mergers, acquisitions, international public listings, cannabis law, gaming and entertainment law. He acted as counsel to companies with respect to corporate governance, regulatory compliance, public listing on the Canadian Securities Exchange, the TSX Venture Exchange, the Toronto Stock Exchange, Nasdaq or the New York Stock Exchange, debt or equity financings and strategic acquisitions. Mr. Balakrishnan is now, or has been in the last five years, a director or officer of various public companies or reporting issuers.

Mr. Balakrishnan graduated from Simon Fraser University with a Bachelor of Arts degree in 1994 and from the University of Alberta in 1997 with an LL.B (*with distinction*). Mr. Balakrishnan was called to the bar in British Columbia in 1998. Mr. Balakrishnan is a member of the Vancouver Bar Association, the Canadian Bar Association and the International Masters of Gaming Law.

Cease Trade Orders and Bankruptcy

Except as set out below, within the last 10 years before the date of this Information Circular, no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Christopher R. Cooper

Christopher Cooper, a director of the Company, is also the President and Chief Executive Officer of Aroway Energy Inc., a company trading on the TSXV. A cease trade order was issued by the British Columbia Securities Commission on January 4, 2016 against Aroway Energy Inc. for not having filed its annual audited financial statements for the year ended June 30, 2015

and its interim financial report for the financial period ended September 30, 2015 and its management's discussion and analysis for the periods ended June 30, 2015 and September 30, 2015. The cease trade order remains in effect.

Desmond M. Balakrishnan

Desmond Balakrishnan, a director of the Company, was a director of Aroway Energy Inc., a TSX Venture Exchange listed company at the time a cease trade order was issued by the British Columbia Securities Commission on January 4, 2016 for not having filed its annual financial statements for the year ended June 30, 2015 and its interim financial report for the financial period ended September 30, 2015 and its management's discussion and analysis for the periods ended June 30, 2015 and September 30, 2015. The cease trade order remains in effect.

Desmond Balakrishnan was a director of Hempfusion Wellness Inc., a Toronto Stock Exchange listed Company at the time a cease trade order was issued by the British Columbia Securities Commission and Ontario (Legislation) on July 7, 2022 for not having filed its annual financial statements for the year ended December 31, 2021, its interim financial report for the period ended March 31, 2022, its management's discussion and analysis for the periods ended December 31, 2021 and March 31, 2022, its annual information form for the year ended December 31, 2021 and its certification of annual and interim filings for the periods ended December 31, 2021 and March 31, 2022. The cease trade order remains in effect. Mr. Balakrishnan resigned as a director of Hempfusion Wellness Inc. on July 5, 2023.

Desmond Balakrishnan, is a director of Isracann Biosciences Inc., a Canadian Securities Exchange listed company. The British Columbia Securities Commission and Ontario (Legislation) issued a cease trade order against the Company on April 5, 2023 for not having filed its interim financial report for the period ended November 30, 2022, its interim management's discussion and analysis for the period ended November 30, 2022 and its certification of interim filings for the period ended November 30, 2022. The cease trade order remains in effect.

Conflicts of Interest

Directors and officers of the Company are also directors, officers and/or promoters of other reporting and non-reporting issuers which raises the possibility of future conflicts which they may become aware of and have a duty to disclose to more than the issuer on whose board they serve. This type of conflict is not considered an unusual risk. Conflicts, if any, will be subject to the procedures and remedies provided under the *Business Corporations Act* (British Columbia).

Penalties and Sanctions

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

APPOINTMENT OF AUDITOR

Smythe LLP, Chartered Professional Accountants, resigned as auditor of the Company (effective July 11, 2023) and appointed Reliant CPA PC, Certified Public Accountants, of 895 Dove St. Suite 300 #300180, Newport Beach, California, U.S.A. 92660, to be auditor of the Company. Copies of the Notice of Change of Auditor, a letter from Smythe LLP (former auditor), and a letter from Reliant CPA PC (successor auditor) were filed on SEDAR+ under the Company's corporate profile at www.sedarplus.ca on July 19, 2023 (*Change of Auditor Reporting Package*). A copy of the Change of Auditor Reporting Package is attached as Schedule A to this Information Circular. Reliant CPA PC, Certified Public Accountants, will be nominated at the Meeting for appointment as auditor of the Company, at a remuneration to be set by the Directors.

Unless otherwise instructed, at the Meeting the proxyholders named in the Company's form of Proxy or Voting Instruction Form will vote FOR the appointment of Reliant CPA PC, Certified Public Accountants, as the Company's Auditor.

THE BOARD RECOMMENDS THAT YOU VOTE IN FAVOR OF APPOINTMENT OF RELIANT CPA PC.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its management proxy circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

The Audit Committee’s Charter

The Audit Committee’s charter is attached as Schedule B to this Information Circular.

Composition of the Audit Committee

The Company’s Audit Committee is currently comprised of Christopher Cooper (Chair), Bala Pratap Reddy Udumala and Desmond Balakrishnan. Messrs. Udumala and Cooper are considered to be independent. Desmond M. Balakrishnan is not independent as he is currently a partner in a law firm that provides legal services to the Company.

All members of the Audit Committee are “financially literate”, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

Relevant Education and Experience

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter. Refer to *Director Biographies* above.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

The Company’s auditor, Smythe LLP, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Smythe LLP, Chartered Professional Accountants (former auditor) for financial years ended September 30, 2022 and September 30, 2021. Fees incurred with Smythe LLP for audit and non-audit services are outlined in the following table:

Nature of Services	Fees Paid for year ended September 30, 2022	Fees paid for year ended September 30, 2021
Audit Fees ⁽¹⁾	\$ 57,327	\$ 51,390
Audit-Related Fees ⁽²⁾	\$ 10,500	\$ Nil
Tax Fees ⁽³⁾	\$Nil	\$Nil
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$ 67,827	\$ 51,390

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

Exemption

The Company is a “venture issuer” under NI 52-110 and pursuant to NI 52-110, section 6.1, the Company is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognize the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

The Board facilitates its exercise of independent supervision over management by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board also holds periodic meetings to discuss the operation of the Company.

Bala Pratap Reddy Udumala and Christopher R. Cooper are “independent” in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Company, other than the interests and relationships arising as shareholders. Kulwant Malhi is not “independent” as determined under NI 52-110 (defined below) as Mr. Malhi is Chief Executive Officer of the Company. Desmond M. Balakrishnan is not independent as he is currently a partner in a law firm that provides legal services to the Company.

The directors are responsible for managing and supervising the management of the business and affairs of the Company. Each year, the Board must review the relationship that each director has with the Company in order to satisfy themselves that the relevant independence criteria have been met.

Directorships

Director nominees of the Company who participate as a director for other listed companies is set out below

Name	Name of Reporting Issuer	Name of Exchange or Market
Kulwant Malhi	First Responder Technologies Inc.	CSE
	Hertz Lithium Inc.	CSE
	Beyond Medical Technologies Inc.	CSE

Name	Name of Reporting Issuer	Name of Exchange or Market
Desmond M. Balakrishnan	Axcap Ventures Inc. (formerly Netcoins Holdings Inc.)	CSE
	Basin Uranium Corp. (formerly Black Shield Metals Corp.)	CSE
	Cognetivity Neurosciences Ltd.	CSE
	Contagious Gaming Inc.	TSXV
	Dominus Acquisitions Corp.	TSXV
	Eat Well Investment Group Inc.	CSE
	First Uranium Resources Ltd. (formerly Karam Minerals Inc.)	CSE
	Isracann Biosciences Inc.	CSE
	Northern Dynasty Minerals Ltd.	TSX/NYSE American
	Planet Ventures Inc.	TSXV
	Solution Financial Inc.	TSX
	Strategem Capital Inc.	TSXV
Christopher R. Cooper	Alpha Lithium Corporation	TSXV
	Atco Mining Inc.	CSE
	Global Helium Corp.	CSE
	Level 14 Ventures Ltd.	CSE
	Manning Ventures Inc.	TSXV
	Planet Ventures Inc. (formerly Planet Mining Exploration Inc.)	TSXV
	Reparo Energy Partners Corp.	TSXV
	Spod Lithium Corp.	CSE
	Starlo Ventures Ltd.	CSE
	Sweet Earth Holdings Corporation (formerly Seaway Energy Services Inc.)	CSE
	Xcite Resources Inc.	CSE

Orientation and Continuing Education

While the Company currently has no formal orientation and education program for new Board members, sufficient information (such as recent financial statements, prospectuses, proxy solicitation materials, technical reports and various other operating, and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Company's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Company also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Company.

Ethical Business Conduct

Each director is required to disclose fully to the Board any material interest such director may have in any transaction contemplated by the Company. In the event that a director discloses a material interest in a proposed transaction, the Company's independent directors will review the nature and terms of the proposed transaction in order to ascertain and confirm that it is being considered on commercially reasonable and arm's-length terms. The Board does not currently have any policies and plans to adopt formal policies in the future.

Nomination of Directors

The Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Company's development and given the relatively small size of the Board.

While there are no specific criteria for Board membership, the Company attempts to attract and maintain directors with business knowledge and a particular knowledge of other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Company. As such, nominations tend to be the result of recruitment efforts by management of the Company and discussions among the directors prior to the consideration of the Board as a whole.

Compensation

The board of directors of the Company (the “**Board**” or “**Board of Directors**”) has established a compensation committee (the “**Compensation Committee**”) whose mandate is to assist the Board in the review and approval of executive compensation matters.

The Board periodically reviews the mandate of all committees including the Compensation Committee. On April 27, 2016, the Board updated the Compensation Committee mandate to reflect changes in current compensation governance practices and regulatory requirements.

As at the date of this Information Circular, the Compensation Committee is comprised of Kulwant (Kal) Malhi (Chair), Bala Pratap Reddy Udumala and Christopher R. Cooper of which Messrs. Udumla and Cooper are independent. Mr. Malhi is not independent (Chief Executive Officer). By virtue of education, professional designation and experience in other publicly listed companies, the Compensation Committee members collectively have the skills and experience that enable the Compensation Committee to make decisions on the suitability of the Company’s compensation policies and practices.

The Company has not at any time since the beginning of the Company’s most recently completed financial year retained a compensation consultant or advisor to assist the Board or the Compensation Committee in determining compensation for the Company’s directors or executive officers.

A more detailed description of Compensation can be found in the “*Statement of Executive Compensation*” section of this Information Circular.

Other Board Committees

The Board has no committees other than the Audit Committee and Compensation Committee.

Investment Policy

The Company adopted a written Investment Policy to govern its investment activities. The Investment Policy provides, among other things, the investment objectives and strategy based on the fundamental principles set out below. A complete copy of the Investment Policy is attached as Schedule “B” to the Company’s Information Circular dated July 2, 2019 to the Company’s August 7, 2019 annual and special meeting.

Assessments

The Board has no specific procedures for regularly assessing the effectiveness and contribution of the Board, its committees, if any, or individual directors. As the Board is relatively small, it is expected that a significant lack of performance on the part of a committee or individual director would become readily apparent, and could be dealt with on a case-by-case basis. With respect to the Board as a whole, the Board monitors its performance on an ongoing basis, and as part of that process considers the overall performance of the Company and input from its Shareholders.

STATEMENT OF EXECUTIVE COMPENSATION

GENERAL

For the purposes of this Information Circular:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries.

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;

- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year; or
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

During financial year ended September 30, 2022, based on the definition above, the NEOs of the Company was Kulwant Malhi, Chairman, Chief Executive Officer and Director. The directors of the Company who were not NEO's during financial year ended September 30, 2022 were: Desmond M. Balakrishnan, Christopher R. Cooper and Bala Pratap Reddy Udumala.

During financial year ended September 30, 2021, based on the definition above, the NEOs of the Company were: Kulwant Malhi, Chairman, Chief Executive Officer and Director and Michael Malana, Chief Financial Officer and Corporate Secretary. The directors of the Company who were not NEO's during financial year ended September 30, 2021 were: Michael Sadhra, Desmond M. Balakrishnan, Christopher R. Cooper and Bala Pratap Reddy Udumala.

Michael Malana served as Chief Financial Officer and Corporate Secretary of the Company from May 1, 2019 to August 19, 2021.

Michael Sadhra who was appointed a director of the Company on March 8, 2019, and resigned as a director on September 15, 2021.

Zara Kanji was appointed Chief Financial Officer and Corporate Secretary on September 24, 2021.

**Table of Compensation, Excluding Compensation Securities
for financial years ended September 30, 2022 and September 30, 2021**

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two financial years ended September 30, 2022 and September 30, 2021. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” of this Information Circular.

Name and Principal Position	Year	Salary, management fee, director fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Kulwant Malhi ⁽¹⁾ Chairman, CEO and Director	2022	223,537	--	--	--	154,803	378,340
	2021	180,000	--	--	--	--	180,000
Zara Kanji ⁽²⁾ CFO and Corporate Secretary	2022	55,500	--	--	--	68,542	124,042
	2021	5,000	--	--	--	10,000	15,000
Michael Malana ⁽³⁾ Former CFO and Corporate Secretary	2022	--	--	--	--	--	--
	2021	88,000	--	--	--	--	88,000
Michael Sadhra ⁽⁴⁾ Former Director	2022	--	--	--	--	--	--
	2021	66,000	--	--	--	46,400	112,400
Bala Pratap Reddy Udumala ⁽⁵⁾ Director	2022	24,000	--	--	--	44,229	68,229
	2021	24,000	--	--	--	--	24,000
Christopher R. Cooper ⁽⁶⁾ Director	2022	24,300	--	2,288	--	55,287	81,874
	2021	24,000	--	500	--	--	24,500

Name and Principal Position	Year	Salary, management fee, director fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Desmond M. Balakrishnan ⁽⁷⁾ Director	2022	--	--	--	--	100,098	100,098
	2021	--	--	--	--	--	--

Notes:

- (1) Mr. Malhi was appointed Chairman and CEO of the Company on March 20, 2019. Mr. Malhi was appointed a director of the Company on March 8, 2019.
- (2) Ms. Kanji was appointed CFO and Corporate Secretary of the Company on September 24, 2021.
- (3) Mr. Malana served as CFO and Corporate Secretary of the Company from May 1, 2019 to August 19, 2021.
- (4) Mr. Sadhra was appointed a Director of the Company on March 8, 2019. Mr. Sadhra resigned as a director on September 15, 2021. Fees were paid or accrued to Michael Sadhra Ltd., a private company controlled by Mr. Sadhra.
- (5) Mr. Udumala was appointed a Director of the Company on March 8, 2019.
- (6) Mr. Cooper was appointed a Director of the Company on April 29, 2020.
- (7) Mr. Balakrishnan was appointed a Director of the Company on April 29, 2020.

Stock Option Plan and Other Incentive Plans

A. Share Option Plan, as Amended

On August 18, 2022, the Board approved a new form of Stock Option Plan (the “**Option Plan**”) in order to comply with the amendments to Policy 4.4 – *Security Based Compensation* and to reflect current best practices. Shareholders of the Company ratified and approved the Option Plan dated for reference August 18, 2022 at the Company’s September 23, 2022 annual general and special meeting. A copy of the Option Plan was attached as Schedule B to the Information Circular of the Company’s September 23, 2022 annual general and special meeting.

Effective on August 31, 2023, the Board adopted amendments to the Option Plan, at the request of the TSX Venture Exchange, subject to shareholder approval (the “**2023 Option Plan**”). See below the amendments to the Option Plan under heading below **Amendments Made to Share Option Plan dated August 18, 2022**.

The 2023 Share Option Plan is also a rolling share option plan pursuant to which up to 10% of the outstanding Common Shares may be reserved for issue from time to time. A copy of the 2023 Option Plan dated for reference August 31, 2023 is attached as Schedule C to this Information Circular. A copy of the 2023 Option Plan will be presented to shareholders at the Meeting.

The material terms of the Option Plan are as follows:

- (a) Persons who are Service Providers, being a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Consultant Company, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers are eligible to receive grants of Options under the Option Plan;
- (b) The maximum aggregate number of Common Shares that may be reserved for issuance under the Plan at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Options under the Option Plan;
- (c) The Option Plan provides for the following limits on grants, for so long as the Company is subject to the requirements of the TSX Venture, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the TSX Venture:
 - (i) the maximum number of Common Shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the TSX Venture), any company that is wholly-owned by this Plan Participant under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Common Shares calculated on the date of grant;
 - (ii) the maximum number of Common Shares that may be issued to insiders collectively under the Option Plan, together with any other security based compensation arrangements, within a twelve

(12) month period, may not exceed 10% of the issued Common Shares calculated on the date of grant; and

- (iii) the maximum number of Common Shares that may be issued to insiders collectively under the Option Plan, together with any other security based compensation arrangements, may not exceed 10% of the issued Common Shares at any time.

For so long as such limitation is required by the TSX Venture, the maximum number of Options which may be granted within any twelve (12) month period to the Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding Common Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three month period. In addition, the maximum number of Common Shares that may be granted to any one consultant under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Common Shares calculated on the date of grant.

Investor Relations Service Providers cannot receive any security based compensation other than Options.

- (d) The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Option Plan, and cannot be less than the Discounted Market Price;
- (e) The term of an Option will be set by the Board at the time such Option is allocated under the Option Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date;
- (f) Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:
 - (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
 - (ii) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period;
- (g) Options granted to Investor Relations Service Providers will vest such that:
 - (i) no more than 25% of the Options vest no sooner than three months after the Options were granted;
 - (ii) no more than another 25% of Options vest no sooner than six months after the Options were granted;
 - (iii) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
 - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted;
- (h) In the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same;
- (i) All options granted shall be evidenced by written option agreements;
- (j) The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
 - (i) the Option Plan, together with any other Security Based Compensation Plan, could result at any time in:
 - A. the aggregate number of Common Shares reserved for issuance to Insiders exceeding 10% of the Outstanding Shares;
 - B. the aggregate number of Common Shares reserved for issuance to Insiders within any 12-month period exceeding 10% of the Outstanding Shares; or
 - C. the aggregate number of Common Shares reserved issuance to any one individual Participant or Service Provider, within any 12-month period, exceeding 5% of the Outstanding Shares;

- (ii) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option held by an Insider at the time of the proposed amendment, is subject to disinterested shareholder approval in accordance with the policies of the TSX Venture; and
- (k) Amendments as reduce, and do not increase, the benefits of the Option Plan to Service Providers any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to disinterested shareholder approval in accordance with the policies of the TSXV.

The Option Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as now expressly permitted by TSX Venture Exchange new Policy 4.4. “Cashless Exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net Exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under TSX Venture Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to option exercise. “Net Exercise” may not be utilized by persons performing investor relations services.

Pursuant to section 4.4. of the Option Plan, in the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in sections 2.2, 2.6 and 2.10 of the Option Plan.

Pursuant to the Board's authority to govern the implementation and administration of the Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Option Plan. There are currently 1,400,000 options outstanding under the Company's Option Plan.

Amendments Made to Share Option Plan dated August 18, 2022

Added definition of “Promoter”

Updated definition of “Service Provider”

Updated section 4.6 Delivery of Optioned Shares and Hold Periods

Updated section 4.7 as follows:

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the **Effective Date** of the grant of the Options.

Subject to the effectiveness of the Share Option Plan, all existing stock options of the Company's current share option plan shall be governed by the terms of the Share Option Plan, as amended;

Refer to heading below “**PARTICULARS OF MATTERS TO BE ACTED UPON – A. Ratification of Share Option Plan, as Amended**”.

Disinterested Approval Insider Participation Limit under the Share Option Plan

Subject to the participation limits under the Share Option Plan, the grant of Options will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time unless disinterested shareholder approval has been obtained.

Subject to the participation limit under the Share Option Plan, grants of Options will not exceed the 10% limit to Insiders as a group unless disinterested shareholder approval has been obtained.

Refer to heading below “**PARTICULARS OF MATTERS TO BE ACTED UPON –C. Disinterested Approval Insider Participation Limit Under the Share Option Plan and the Fixed Restricted Share Unit Plan.**

B. Fixed Restricted Share Unit Plan, as Amended

Shareholders of the Company ratified and approved the Company's fixed restricted share unit plan dated for reference July 1, 2019 as amended on April 24, 2020, as further amended on August 18, 2022 at the Company's September 23, 2022 annual general and special meeting (the “**RSU Plan**”). Shareholders of the Company ratified and approved the RSU Plan dated for reference August 18, 2022 at the Company's September 23, 2022 annual general and special meeting. A copy of the RSU

Plan dated August 18, 2022 was attached as Schedule C to the Information Circular to the Company's September 23, 2022 annual general and special meeting.

As referenced in this Information Circular, the SIB expired on August 28, 2023 and the Company expects to repurchase a total of 2,502,061 Common Shares, for an aggregate purchase price of approximately \$3 million. The repurchased Common Shares will be cancelled by the Company. As a result of the SIB, the issued and outstanding share capital of the Company as of August 28, 2023 is expected to be reduced to 15,167,491 Common Shares, the Company has over granted restricted share units under the Company's RSU Plan prior to the completion of the SIB. Refer to heading below **Over Grant of Restricted Share Units**.

The TSX Venture Exchange has requested that amendments be made to the RSU Plan as a result of this over grant. These restricted share units are not to be exercised until such time as the 10% limit to Insiders under the 2023 RSU Plan, has been reached. The Company has conditionally approved the restricted share units as granted by the Company, subject to shareholder approval at the Meeting. Effective August 31, 2023 the Board adopted the amendments to the RSU Plan as requested by the TSX Venture Exchange.

A description of the amendments to the RSU Plan are detailed under heading below **Amendments made to RSU Plan dated August 18, 2022**. Also refer to heading below "**PARTICULARS OF MATTERS TO BE ACTED UPON – B. Ratification of Fixed Restricted Share Unit Plan, as Amended**". A copy of the RSU Plan dated for reference August 31, 2023 is attached as Schedule D to this Information Circular and will be presented to shareholders at the Meeting.

Description of RSU Plan prior to the Amendments Made to the 2023 RSU Plan

Capitalized terms used below are not defined below and shall have the meanings ascribed thereto in the RSU Plan.

The RSU Plan is designed to provide certain directors, officers, employees, consultants and advisors of the Company and its related entities with the opportunity to acquire restricted stock units ("**RSUs**") of the Company in order to enable them to participate in the long-term success of the Company. The purpose of the RSU Plan is to further promote a greater alignment of the interests of directors, officers, employees and consultants of the Company with the interests of the Shareholders. The Board (or such other committee the Board may appoint) is responsible for administering the RSU Plan.

RSUs will vest on terms established by the Board, or any Board committee appointed for such purpose and in accordance with Section 4.6 of TSX Venture Exchange Policy 4.4.

Maximum Number of Common Shares Issuable under RSU Plan

The RSU Plan allows the Company to grant RSUs, under and subject to the terms and conditions of the RSU Plan, which may be exercised to purchase up to a fixed maximum number Common Shares.

The RSU Plan provides that the maximum number of Common Shares issuable pursuant to the RSU Plan, will be a maximum of 1,516,749 Common Shares, and will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time. RSUs to a maximum of 10% of the outstanding Common Shares of the Company may be granted to any one Eligible Person under the RSU Plan; and, in aggregate, a maximum of 5% of the outstanding Common Shares of the Company may be granted to any one Eligible Person in any 12 month period calculated on the grant date.

In the event the number of Common Shares subject to RSUs exceeds the maximum number of Common Shares available for issuance under the RSU Plan, no further Unit Awards may be granted.

Under definition **Fair Market Value**, contains the method of calculation of the applicable Vesting Date Value and Award Payment.

Benefits of the RSU Plan

The RSU Plan is designed to be a long-term incentive for the directors, officers, employees, consultants and advisors of the Company. RSUs provide the Board (or a Board committee) with an additional compensation tool that can be used to help retain and attract highly qualified directors, officers and employees and further align the interests of directors, officers, employees and consultants of the Company with the interest of the Shareholders. It is intended to promote a greater alignment of interests between the Shareholders of the Company and the directors, officers, employees and consultants of the Company by providing an opportunity to participate in any increases to the value of the Company.

The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

Nature and Administration of the RSU Plan

All Directors, Officers, Employees, Consultants and Advisors (as defined in the RSU Plan) of the Company and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**RSU Plan Recipients**”), though the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation in the RSU Plan at any time. Eligibility to participate in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board (or a Committee delegated by the Board), may, from time to time, award RSUs to Eligible Persons. All RSUs awarded will be credited to an account maintained for each RSU Plan Recipient on the books of the Company as of each award date. The number of RSUs to be credited to each RSU Plan Recipient’s account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

Each award of RSUs vests on the date(s) (each a “**Vesting Date**”) that is the later of the Trigger Date (defined below) and the date upon which the relevant performance condition or other vesting condition set out in the award has been satisfied, subject to the requirements of the RSU Plan. Rights and obligations under the RSU Plan can be assigned by the Company to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any Company acquiring all or substantially all of the assets or business of the Company.

Payment of RSUs

Under the RSU Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested RSU’s by paying or issuing (net of any applicable withholding taxes) to a RSU Plan Recipient, on or subsequent to the Trigger Date and before the Expiry Date (as defined below) an award payout of either: (a) one Common Share for each whole vested RSU; and (b) a cash amount equal the fair market value of one Common Share (as determined in accordance with the RSU Plan) as at the Trigger Date (the “**Vesting Date Value**”) of each whole vested RSU.

Fractional Common Shares will not be issued pursuant to the RSU Plan, and where a RSU Plan Recipient would be entitled to receive a fractional Common Share in respect of a fractional vested RSU, the Company shall pay to such RSU Plan Recipient, in lieu of such fractional Common Share, cash value equal to the Vesting Date Value of such fractional Common Share.

Cancellation on Termination for Cause

Unless the Board at any time otherwise determines, all unvested RSUs held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for cause.

For greater certainty, if a contrary determination is made at the time of the grant of the Unit Award by the Board as to vesting following termination, notwithstanding such authority of the Board, any unvested Unit Awards must vest not later than twelve (12) months following the date of termination.

Retirement, Total Disability and Termination without Cause

Generally, if an RSU Plan Recipient ceases to be an Eligible Person for any of the following reasons, unvested Restricted Share Units will be automatically cancelled, without further act or formality and without compensation on the date the Recipient ceases to be an Eligible Person:

- Retirement of a Recipient;
- Total Disability of a Recipient; and
- the Termination of employment or removal from service by the Company or a Related Entity without cause.

The number of Common Shares available for reserve under the RSU Plan is a fixed number. Any Share subject to a Restricted Share Unit, which has been cancelled or terminated in accordance with the terms of the Plan without being paid out as provided for in the RSU Plan, shall again be available under the Plan.

Death

If a Recipient ceases to be an Eligible Person due to death, unvested Restricted Share Units will immediately vest on the date the Recipient dies.

Change of Control

In the event of a Change of Control (as defined in the RSU Plan), all RSUs credited to an RSU Plan Recipient vest on the date on which the Change of Control occurs. Within thirty (30) days after the date on which the Change of Control Occurs, the RSU Plan Recipient must receive a cash payment equal to (a) the number of Restricted Share Units that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any withholding taxes and other source deducted required by law to be withheld by the Company.

Any adjustment, other than in connection with a security consolidation or security split, to Security Based Compensation granted or issued under a Security Based Compensation Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Adjustments

In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Shares, the Board, in its sole and absolute discretion, will make, with respect to the number of Restricted Share Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect that change.

Vesting

The Board has the discretion to grant RSUs to Eligible Persons as the Board determines is appropriate, and can impose conditions on vesting as it sees fit in addition to the Performance Conditions (as defined in the RSU Plan). If any RSUs vest on the date that is the later of (a) the date set by the Board at the time of the grant or if no date is set then December 1 of the third calendar year following the date of the grant (the “**Trigger Date**”), and (b) the date upon which the relevant Performance Condition or other vesting condition has been satisfied, subject to the limitations of the RSU Plan.

RSUs only vest on the Trigger Date to the extent that the Performance Conditions have been satisfied on or before the Trigger Date, and no RSU will remain outstanding for any period which exceeds the expiry date (which shall be December 31 of the third calendar year after the date of grant, or such earlier date as may be established by the Board (the “**Expiry Date**”).

The Board may accelerate the Trigger Date of any RSU at its election.

No Restricted Share Unit Award may vest before the first anniversary of the grant date of such Restricted Share Unit Award, provided that acceleration of vesting may be expressly permitted by this RSU Plan for an Eligible Person who dies or who ceases to be an Eligible Person under this RSU Plan in connection with a change of control, take-over bid, RTO (as defined in TSXV Policy 1.1) or similar transaction.

Limitations on Restricted Share Units to any One Person and to Insiders

Notwithstanding any other provision of the RSU Plan, but subject to RSU grants approved by the disinterested shareholders of the Company or other requirements of applicable Stock Exchange policies, the RSU Plan includes the following restrictions on issuance:

- a) the maximum number of Common Shares which may be reserved for issuance to Insiders (as a group) under the RSU Plan together with any other Share Compensation Arrangement (as defined in the RSU Plan), may not exceed 10% of the number of issued Common Shares;
- b) the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the number of issued Common Shares calculated on the Grant Date;
- c) the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 5% of the number of Common Shares calculated on the Grant Date;
- d) the maximum number of Shares which may be reserved for issuance to any one Eligible Person under the Plan, at any time, in any 12-month period, in the aggregate, may not exceed 2% of the total number of issued Shares; and
- e) if the Company is listed on the Stock Exchange, no grant of Restricted Share Units may be made to any person providing Investor Relations Activities to the Company.

The respective limits set out above may be exceeded: (a) if the Common Shares are listed for trading on the TSXV, on a case-by-case basis, upon the approval of disinterested shareholders of the Company; or (b) if the Shares are not listed for trading on the TSXV, in accordance with the applicable Stock Exchange policies.

Limitation on Issuance of Shares to Insiders

Notwithstanding anything in the RSU Plan, the Company shall not issue Common Shares under the RSU Plan to any Eligible Person who is an Insider of the Company where such issuance would result in:

- a) the total number of Common Shares issuable at any time under the RSU Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis; and
- b) the total number of Shares that may be issued to Insiders during any one year period under the RSU Plan, or when combined with all other Common Shares issued to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis.

Amendments Made to RSU Plan dated August 18, 2022

As referenced above, the following are amendments made under the Fixed Restricted Share Unit Plan dated August 18, 2022. The TSX Venture Exchange has conditionally approved the below amendments to the Plan, subject to shareholder approval at the Meeting.

A copy of the Restricted Share Unit Plan, as amended, is attached as Schedule D to this Information Circular.

Amended certain terminology to Section 3.5 Vesting and added the below sentence under Vesting:

Any RSUs granted under §3.9 shall be subject to the terms of this Plan, including the limitations set out in §2.6. Any grants of RSUs that would result in exceeding any of the limits set out in §2.6 shall be paid in cash.

Added new section 3.12 headed **3.12 Extension of Restricted Share Units Expiring during Blackout Period**

Updated section 4.4 **Retirement, Total Disability and Termination without Cause**

Added new section 4.5:

Death

(1) If a Recipient ceases to be an Eligible Person due to death, unvested Restricted Share Units will immediately vest on the date the Recipient dies.

Added the following sentence under Section 4.7 **Tax Matters and Applicable Withholding Tax**

Any Applicable Withholding Tax shall comply with TSXV Policy 4.4.

Updated section 4.8 **Payment of Shares and Hold Periods**

Updated subsections (e) under section 5.5 **Amendment, Suspension or Termination to RSU Plan** and added a subsection (f) under this section 5.5.

Refer to heading below “**PARTICULARS OF MATTERS TO BE ACTED UPON – B. Ratification of Fixed Restricted Share Unit Plan, as Amended**”.

Disinterested Approval Insider Participation Limit under Fixed Restricted Share Unit Plan

Subject to the participation limits under the RSU Plan, the grant of RSUs will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time unless disinterested shareholder approval has been obtained.

Subject to the participation limit under the RSU Plan, grants of RSUs will not exceed the 10% limit to Insiders as a group unless disinterested shareholder approval has been obtained.

Refer to heading below “**PARTICULARS OF MATTERS TO BE ACTED UPON –C. Disinterested Approval Insider Participation Limit Under the Share Option Plan and the Fixed Restricted Share Unit Plan.**”

Over Grant of Restricted Share Units

As described above, there are currently a total of 1,555,000 restricted share units awarded to Insiders. See below a chart representing the details of the restricted share units that have been awarded prior to the closing of the SIB (Breakdown: a total of 925,000 restricted share units awarded to Insiders on October 19, 2022 and a total of 440,000 restricted share units awarded to Consultants on October 19, 2022, and a total of 630,000 restricted share units awarded to Insiders on May 25, 2023 and a total of 210,000 restricted share units awarded to Consultants on May 25, 2023). Following the completion of the SIB, it is expected that a total of 15,167,491 Common Shares will be issued and outstanding. The maximum number of Common Shares that may be reserved under the Company’s Fixed Restricted Share Unit Plan is total 1,516,749. As described above the TSX Venture Exchange has conditionally approved the total restricted share units that were awarded prior to the closing of the SIB, subject to shareholder approval to approve by an ordinary resolution of disinterested shareholders, the over grant of restricted share units awarded to Insiders of the Company. The Insiders of the Company are not to exercise their restricted share units until such time as the 10% limit to Insiders under the Company’s fixed restricted unit plan, as amended, has been reached. See below “PARTICULARS OF MATTERS TO BE ACTED UPON –“D. Approval Over Grant of Restricted Share Units”.

Date of Grant	Vesting Date	Name of Holder	Position with the Company Officer/Director /Consultant /Employee	Number of RSUs Granted	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 (\$)
19-Oct-2022	19-Oct-23	Kulwant Malhi	CEO & Director	700,000	0.42	0.42	0.32
	19-Oct-23	Chris Cooper	Director	75,000	0.42	0.42	0.32
	19-Oct-23	Pratap Reddy	Director	75,000	0.42	0.42	0.32
	19-Oct-23	Zara Kanji	CFO & Secretary	75,000	0.42	0.42	0.32
	19-Oct-23		Consultants	440,000	0.42	0.42	0.32
25-May-23	25-May-24	Kulwant Malhi	CEO & Director	580,000	0.42	0.42	0.32
	25-May-24	Chris Cooper	Director	25,000	0.42	0.42	0.32
	25-May-24	Pratap Reddy	Director	25,000	0.42	0.42	0.32
	25-May 24		Consultants	210,000	0.42	0.42	0.32
Total				2,205,000			

Stock Options and Other Compensation Securities

Outstanding Compensation Securities

The following table discloses all compensation securities outstanding to each NEO of the Company and to a director who was not an NEO of the Company, or a subsidiary of the Company, in the most recently completed financial year ended September 30, 2022 for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	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 Date (mm/dd/yy)
Kal Malhi CEO and Director	Options	700,000 options (37%)	September 01, 2022	0.31	0.31	0.32	September 01, 2025
Zara Kanji CFO	Options	150,000 options (8%)	September 01, 2022	0.31	0.31	0.32	September 01, 2025
Chris Cooper Director	Options	250,000 options (13%)	September 01, 2022	0.31	0.31	0.32	September 01, 2025
Milan Malhi CDO	Options	250,000 options (13%)	September 01, 2022	0.31	0.31	0.32	September 01, 2025
Bala Pratap Reddy Udumala	Options	200,000 options (10%)	September 01, 2022	0.31	0.31	0.32	September 01, 2025

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by any of the NEOs or directors who were not NEOs of the Company for financial year ended September 30, 2022 and September 30, 2021.

External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

Employment, Consulting and Management Agreements

Management of the Company is performed by the directors and officers of the Company and not by any other person.

There are no plans in place with respect to compensation of the Named Executive Officers in the event of a termination of employment without cause or upon the occurrence of a change of control.

Oversight and Description of Director and NEO Compensation

The Company's board of directors (the "Board") has established a compensation committee (the "Compensation Committee") whose mandate is to assist the Board in the review and approval of executive compensation matters. The Compensation Committee is responsible for (1) reviewing and recommending to the Board the compensation of the Executive Chairman, Chief Executive Officer and senior management members of the Company, including salary, short term and long term incentives and other direct and indirect benefits; (2) reviewing the compensation of directors; (3) overseeing the administration of the Company's compensation plans; and (4) approving the employment contracts of the Executive Chairman, Chief Executive Officer and senior management members. Final approval of all compensation matters relating to the Executive Chairman, Chief Executive Officer and senior management members of the Company rests with the full Board.

When determining compensation, and evaluating the competitiveness of the Company's compensation program, the Company periodically obtains industry reports and general compensation surveys conducted by independent consultants which provide comparative information. The Compensation Committee also reviews the compensation practices and levels of executive compensation for other peer group companies (as determined by the Compensation Committee). The Compensation Committee reviews this comparative data, in conjunction with its own review of the Company's performance and executive performance, and thereafter recommends to the Board the compensation package payable to the Company's executive officers for the Board's review and approval.

The Compensation Committee does not set specific performance objectives in assessing the performance of the Executive Chairman, Chief Executive Officer and the Chief Financial Officer; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for such executive officers.

Compensation awards to senior management of the Company has been determined by senior management of the Company. The Board periodically reviews the mandate of all committees including the Compensation Committee.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

Philosophy and Objectives

Compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, which are:

- to attract and retain qualified and effective executives;
- to motivate the short and long-term performance of these executives; and
- to align their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its stock option plan and restricted share unit plan.

Base Salary

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparable revenues in a similar industry has been reviewed and compared over a variety of sources.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan and restricted share unit plan. Stock options and restricted share units are granted to senior executives and employees taking into account a number of factors, including the amount and term of options or restricted share units previously granted, base salary and bonuses and competitive factors.

Compensation Review Process

Base Salary or Consulting Fees

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparable revenues in a similar industry has been reviewed and compared over a variety of sources.

Benefits and Perquisites

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

Pension Disclosure

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has two equity compensation plans: i) a 10% "rolling" share option plan and ii) a fixed restricted share unit plan, as described in this Information Circular.

Equity Compensation Plans Information

The following table sets out equity compensation plan information of issued and outstanding share capital of 22,111,859 common shares at September 30, 2022.

	Number of securities to be issued upon exercise of outstanding options and restricted share units	Weighted-average exercise price of outstanding option and restricted share units	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders – Stock Option Plan and Restricted Share Unit Plan	1,400,000 Options 2,205,000 RSUs	\$0.31 Options \$N/A RSUs	0 Options 0 RSUs
Equity compensation plans not approved by security holders – N/A	N/A	N/A	N/A
Total	1,400,000 Options 2,205,000 RSUs		0 Options 0 RSUs

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than set out in this Information Circular, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end most recently completed financial year ended September 30, 2018.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

“**Informed Person**” means:

- (i) a director or executive officer of the Company;
- (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (iii) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (iv) the Company if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

To the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any interest, director or indirect, in any transaction since the commencement of the Company’s financial year ended September 30, 2022 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

There are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Ratification of Share Option Plan, as Amended

As described in this Information Circular above, under heading **Stock Options and Other Incentive Plans**, on August 31, 2023, the Board approved amendments to its share option plan. The TSX Venture Exchange conditionally approved the share option plan, as amended, subject to receipt of shareholder approval at the Meeting.

Shareholder Resolution

At the Meeting, shareholders will be asked to ratify and approve the adoption of the Company’s share option plan, as amended, by way of an ordinary resolution. The resolution, the text of which is set out below, is subject to a simple majority of votes of the Shareholders entitled to vote on this resolution.

The full text of the resolution is set out below.

“BE IT RESOLVED as an ordinary resolution of shareholders, with or without variation, that:

- (a) the Company’s share option plan, as amended (**“Share Option Plan”**) as described in the Company’s Information Circular dated for reference August 31, 2023, be and is hereby ratified, confirmed and approved;
- (b) subject to the effectiveness of the Share Option Plan, all existing stock options of the Company’s current share option plan shall be governed by the terms of the Share Option Plan, as amended;
- (c) the board of directors of the Company (the **“Board”**) or any committee thereof be and is hereby authorized, in its absolute discretion, to administer the Share Option Plan and amend or modify the Share Option Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange;
- (d) the Company is hereby authorized to allot and issue as fully paid and non-assessable that number of Common Shares granted to eligible Participants under the Share Option Plan;
- (e) any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds, and things and execute, under the seal of the Company or otherwise, all such documents as may be required to give effect to this resolution; and
- (f) to the extent permitted by law, the Company be authorized to abandon all or any part of the Share Option Plan if the Board deems it appropriate and in the best interest of the Company to do so.”

A copy of the Share Option Plan, as Amended is attached as Schedule C to this Information Circular.

The directors of the Company unanimously recommend that shareholders vote in favour of the Share Option Plan Resolution.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ABOVE SHARE OPTION PLAN RESOLUTION.

B. Ratification of Fixed Restricted Share Unit Plan, as Amended

As described above under heading **Stock Options and Other Incentive Plans**, on August 31, 2023, the Board approved amendments to its fixed restricted share unit plan. Attached as Schedule D to this Information Circular is a copy of the Company’s fixed restricted share unit plan dated for reference July 1, 2019, as amended on April 24, 2020, and amended on August 18, 2022, and further amended and dated August 31, 2023 (the **“Amended RSU Plan”**). The amendments to the Amended RSU Plan, reflect changes required to comply with the requirements of the TSX Venture Exchange. The TSX Venture Exchange conditionally approved the Amended RSU Plan subject to receipt of shareholder approval at the Meeting.

Shareholder Resolution

At the Meeting, shareholders will be asked to approve an ordinary resolution of shareholders, of the Amended RSU Plan. The resolution, the text of which is set out below, is subject to a simple majority of votes of the Shareholders. Shareholders of the Company are entitled to vote on an ordinary resolution, with or without variation, approving the Amended RSU Plan, the text of which is as follows:

“RESOLVED as an ordinary resolution shareholders of the Company, that:

- 1) the adoption by the Company’s Board of Directors (the **“Board”**) on August 31, 2023, to the Fixed Restricted Share Unit Plan, as amended (the **“RSU Plan”**), attached as Schedule C to the Company’s Information Circular dated August 31, 2023, and as more particularly described in the Information Circular dated September 1, 2023, be and is hereby ratified, confirmed and approved;
- 2) the effective date of the RSU Plan shall be August 31, 2023;
- 3) subject to all required regulatory approvals, including shareholder approval and the approval of the TSX Venture Exchange and the required shareholder approvals, the RSU Plan be and is hereby approved, and that the RSU Plan be forthwith adopted and implemented by the Company, with such further deletions, additions and other amendments as are required by any securities regulatory authority or which are not substantive in nature and the Chief Executive Officer of the Company deems necessary or desirable;
- 4) the maximum number of Common Shares issuable to insiders of the Company under security-based compensation arrangements, including the Company’s 10% “rolling” Share Option Plan at any time cannot exceed 10% without disinterested shareholder approval;

- 5) the Board (or such other committee the Board may appoint), be and is hereby appointed to be the Administrator under the RSU Plan and such appointment to be effective until revoked by resolution of the Board;
- 6) the Company be and is hereby authorized to grant RSUs under and subject to the terms and conditions of the RSU Plan, which may be exercised to purchase up to a maximum of 1,516,749 Common Shares;
- 7) the RSU Plan Administrator be and is hereby authorized and directed to execute on behalf of the Company, the form of restricted share unit agreement attached as Schedule "A" to the RSU Plan providing for the grant of RSUs to Eligible Persons under the RSU Plan;
- 8) the Company be and is hereby authorized to allot and issue as fully paid and non-assessable that number of Common Shares specified in the restricted share unit agreement of RSUs granted to Eligible Persons; AND THAT any two authorized persons of the Company be authorized to execute such treasury order or treasury orders as may be necessary to effect said Common Share issuance; and
- 9) any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution."

The RSU Plan provides that the maximum number of Common Shares issuable pursuant to the RSU Plan, will be a maximum of 1,516,749 Common Shares, and will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time. RSUs to a maximum of 10% of the outstanding Common Shares of the Company may be granted to any Insiders as a group under the RSU Plan; and, in aggregate, a maximum of 5% of the outstanding Common Shares of the Company may be granted to any one Eligible Person in any 12 month period calculated on the grant date.

In the event the number of Common Shares subject to RSUs exceeds the maximum number of Common Shares available for issuance under the RSU Plan, no further Unit Awards may be granted.

Proxies received in favour of management will be voted for the approval of a resolution of shareholders regarding the approval of the RSU Plan, unless a shareholder has specified in the proxy that such shares are to be voted against such resolution.

The Board recommends that Shareholders vote in favour of the RSU Plan, as Amended. In the absence of contrary instructions, the persons named in the accompanying Proxy intend to vote any Shares represented by such Proxies held by them FOR the approval of the RSU Plan Resolution.

C. Disinterested Approval Insider Participation Limit under Share Option Plan and Restricted Share Unit Plan

Share Option Plan Section 2.5 Limitation on Participation

- 1) subject to the participation limits under the Share Option Plan, the grant of Stock Options will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time unless disinterested shareholder approval has been obtained; and
- 2) subject to the participation limit under the Share Option Plan, Stock Option grants will not exceed the 10% limit to Insiders as a group unless disinterested shareholder approval has been obtained;

Restricted Share Unit Plan Section 2.6 Limitations

- 1) subject to the participation limits under the Restricted Share Unit Plan, the grant of RSUs will not will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time unless disinterested shareholder approval has been obtained; and
- 2) subject to the participation limit under the Restricted Share Unit Plan, RSU grants will not exceed the 10% limit to Insiders as a group unless disinterested shareholder approval has been obtained;

Shareholders will be asked to vote on the following ordinary resolution of disinterested shareholders:

Disinterested Shareholder approval Insider Participation Limits

Shareholders will be asked to vote on the following ordinary resolution of disinterested shareholders, with or without variation:

“RESOLVED as an ordinary resolution of disinterested shareholders of the Company to ratify and approve the granting of stock options in excess of the insider participation limit, as set out under Section 2.5 **Limitations on Participation** of the Share Option Plan and to approve the granting of restricted share units in excess of the insider participation limit, as set out under Section 2.6 **Limitations** of the Restricted Share Unit Plan.”

The approval of the Disinterested Approval Insider Participation Limit under the Share Option Plan and Restricted Share Unit Plan Resolution must be confirmed by a majority of the votes cast by Disinterested Shareholders voting in person or by proxy at the Meeting, excluding the votes cast by Insiders who are entitled to receive restricted share units under the Company’s Restricted Share Unit Plan, which as at August 23, 2023, the record date, represents a total of 1,797,285 Common Shares. All other Shareholders of the Company are entitled to vote on this resolution.

Proxies received in favour of management will be voted for the approval of the Disinterested Approval Insider Participation Limit Resolution, unless a shareholder has specified in the proxy that such shares are to be voted against such resolution.

D. Approval Over Grant of Restricted Share Units

As referenced in this Information Circular under heading Over Grant of Restricted Share Units, Shareholders will be asked to consider to approve the following ordinary resolution by disinterested shareholders to ratify and approve the total RSUs that were granted under the Company’s current Fixed Restricted Share Unit Plan, and prior to the closing of the SIB.

The approval of the issuance of the over grant of RSUs (the “RSU Over Grant Resolution”) granted to Insiders, must be confirmed by a majority of the votes cast by Disinterested Shareholders voting in person or by proxy at the Meeting, excluding the votes cast by Insiders who received restricted share units under the RSU Plan, which as at August 23, 2023, the record date, represents a total of 1,797,285 Common Shares. All other Shareholders of the Company are entitled to vote on this resolution.

Disinterested Shareholder RSU Over Grant Resolution

Shareholders will be asked to vote on the following ordinary resolution of disinterested shareholders, with or without variation:

“RESOLVED as an ordinary resolution of disinterested shareholders of the Company, that:

- 1) subject to all required regulatory approvals all Restricted Share Units (“**RSUs**”) granted by the Company to directors and officers of the Company (“**Eligible Persons**”) under the RSU Plan, as amended prior to August 28, 2023, be and are hereby ratified, confirmed and approved;
- 2) the Company be and is hereby authorized to grant RSUs under and subject to the terms and conditions of the RSU Plan, as Amended, which may be exercised to purchase up to a maximum of 2,205,000 Common Shares;
- 3) the Company be and is hereby authorized to allot and issue as fully paid and non-assessable 2,205,000 Common Shares specified in the restricted share unit agreement of RSUs granted to Eligible Persons; AND THAT any two authorized persons of the Company be authorized to execute such treasury order or treasury orders as may be necessary to effect said Common Share issuance;
- 4) the maximum number of RSUs issuable under the RSU Plan is 1,516,749 Common Shares, which number represents 10% of the issued and outstanding Common Shares post the closing of the Company’s Substantial Issuer Bid;
- 5) so long as disinterested shareholders approve the over grant of RSUs under the RSU Plan above the 10% limit, Insiders of the Company are restricted from exercising their RSUs under the RSU Plan until such time as the issued and outstanding Common Shares in the share capital of the Company, has increased;
- 6) subject to the participation limits under the RSU Plan, the grant of RSUs will not exceed an aggregate of 10% of the total number of issued and outstanding Common Shares at any time unless disinterested shareholder approval has been obtained;
- 7) subject to the participation limit under the RSU Plan, grants of RSUs will not exceed the 10% limit to Insiders as a group unless disinterested shareholder approval has been obtained; and

- 8) any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

Proxies received in favour of management will be voted for the approval of a resolution of disinterested shareholders regarding the approval of the Over Grant of Restricted Share Units, unless a shareholder has specified in the proxy that such shares are to be voted against such resolution.

E. Adoption of New Articles

Due to clarifications required to the existing articles of the Company (the “**Existing Articles**”), management of the Company wishes to adopt new Articles (“**New Articles**”) to replace the Existing Articles. The primary deletions and/or additions to the New Articles refine a number of “housekeeping” primary provisions to principally reflect the provisions of the *Business Corporations Act* (British Columbia) that modernize British Columbia corporate legislation which provide greater flexibility to the Board in carrying out the business of the Company. Shareholders are being asked at the Meeting to ratify and confirm the adoption of the New Articles of the Company by way of an ordinary resolution.

The Company’s Existing Articles can be accessed on SEDAR+ under the Company’s corporate profile at www.sedarplus.ca.

The primary deletions and/or additions to the Company’s New Articles from that of the Company’s Existing Articles are set out below:

Advance Notice Provision

The Existing Articles include Advance Notice Provisions, and are also included in the New Articles.

Quorum at Shareholders’ Meetings

The New Articles indicate that subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting;

Authority to Advance Expenses

Under the New Articles the Company may advance expenses to an eligible party to the extent permitted by and in accordance with the *Business Corporations Act* (British Columbia).

Electronic Meetings

Under the New Articles, the directors may determine that a meeting of shareholders shall be held entirely by means of telephonic, electronic, hybrid or other communication facilities that permit all participants to communicate with each other during the meeting. A meeting of shareholders may also be held at which some, but not necessarily all, persons entitled to attend may participate by means of such communications facilities, if the directors determine to make them available. A shareholder who participates in a meeting in a manner contemplated by this Article is deemed for all purposes of the Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

Electronic Voting

Under the New Articles, subject to applicable law, any vote at a meeting of shareholders may be held entirely or partially by means of telephonic, electronic, hybrid or other communication medium, if the directors determine to make them available, whether or not persons entitled to attend participate in the meeting by means of such communication medium. A person voting in a meeting in a manner contemplated by this Article is deemed for all purposes of the Act and these Articles to be present at the meeting and to have properly voted in that manner.

A copy of the proposed form of New Articles are attached as Schedule “E” to this Information Circular.

Shareholder vote to the adoption of New Articles of the Company

The Company's shareholders will be asked to consider and, if thought advisable, to pass, with or without amendment, an ordinary resolution to adopt the New Articles.

The adoption of the Company's New Articles requires approval by a majority of the votes cast by Shareholders present in person or by proxy at the Meeting, and the filing of the resolution in the Company's records office. Accordingly, the Company's shareholders will be asked to consider and, if thought advisable, to pass, with or without amendment, an ordinary resolution to ratify and approve the adoption of the New Articles, the text of which is as follows:

"RESOLVED, as an ordinary resolution, to ratify and approve the adoption of New Articles of the Company as follows:

Articles

The Current Articles of the Company be cancelled in their entirety and that the form of Articles attached as Schedule C to this resolution are adopted as the New Articles of the Company.

Condition for New Articles

It is a condition of this resolution that the New Articles of the Company referred to above do not take effect until the date and time that this resolution is received and stamped for deposit at the Company's records office.

Execution of Documents

Any director or officer of the Company be authorized to execute and deliver under the seal of the Company or otherwise, all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable in connection with such transition, the execution of any such document or the doing of any such other act or thing by any director or officer of the Company being conclusive evidence of such determination.

Revocation of Resolution

Pursuant to section 139 of the *Business Corporations Act* (British Columbia), the directors have the right to revoke the above ordinary resolutions before they are acted on."

The form of the proposed resolution set forth above is subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the proposed resolution.

The above ordinary resolution, if passed, will become effective immediately upon the New Articles together with the signed Minutes approving the New Articles have been received for deposit at the Company's records office.

The Board has reviewed and considered all material facts relating to the replacement of the Current Articles by the New Articles which it has considered to be relevant to shareholders. **It is the recommendation of the Board that shareholders vote in favour of the ordinary resolution to approve the New Articles of the Company. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the ordinary resolution.**

The proposed new form of Articles are available for inspection during regular business hours for the period before the Meeting at the Company's registered and records office at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7. The New Form Articles will be available at the Meeting.

Upon receipt of approval to the New Articles, a complete set may be accessed on SEDAR+ under the Company's corporate profile at www.sedarplus.ca.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found in the Company's audited consolidated financial statements for financial years ended September 30, 2022 and September 30, 2021, the accompanying auditor's report and related management's discussion and analysis, and additional copies of this information may be obtained from SEDAR+ under the Company's corporate profile at www.sedarplus.ca and upon request from the Company at Tel.: 604 805-4602. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, September 1, 2023.

BY ORDER OF THE BOARD

/s/“Kulwant Malhi”

Kulwant Malhi
Chief Executive Officer

**SCHEDULE A
COLOURED TIES CAPITAL INC.
CHANGE OF AUDITOR REPORTING PACKAGE**

COLOURED TIES CAPITAL INC.
(The "Company")

NOTICE OF CHANGE OF AUDITOR
(the "Notice")

To: Smythe LLP

And To: British Columbia Securities Commission, Alberta Securities Commission, Saskatchewan Securities Commission, Manitoba Securities Commission, Ontario Securities Commission, Quebec Securities Commission, New Brunswick Securities Commission, Nova Scotia Securities Commission, Prince Edward Island Securities Commission and Newfoundland Securities Commission

TAKE NOTICE THAT effective July 11, 2023, the current auditor, Smythe LLP has resigned as auditor for the Company. The Company will fill the vacancy by appointing Reliant CPA PC as auditor.

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"), the Company confirms that:

1. Smythe LLP resigned on its own initiative as auditor of the Company;
2. The resignation of Smythe LLP and the appointment of Reliant CPA PC was considered and approved by the Audit Committee and Board of Directors of the Company;
3. Smythe LLP has not expressed any reservation or modified opinion in its reports for the two most recently completed fiscal years of the Company, nor for the period from the most recently completed period for which Smythe LLP issued an audit report in respect of the Company and the date of this Notice; and
4. In the opinion of the Board of Directors of the Company, no "reportable event" as defined in NI 51-102 has occurred in connection with the audits of the two most recently completed fiscal years of the Company nor any period from the most recently completed for which Smythe LLP issued an audit report in respect of the Company and the date of this Notice.

Dated as of the 14th day of July, 2023.

COLOURED TIES CAPITAL INC.

"Kulwant Malhi"

Kulwant Malhi, Chief Executive Officer



July 14, 2023

Private and Confidential

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
Ontario Securities Commission
Quebec Securities Commission
New Brunswick Securities Commission
Nova Scotia Securities Commission
Prince Edward Island Securities Commission
Newfoundland Securities Commission

Dear Sirs/Mesdames:

**RE: COLOURED TIES CAPITAL INC (THE "COMPANY")
CHANGE OF AUDITOR**

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated July 11, 2023 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

A handwritten signature in black ink that reads 'Smythe LLP'.

Chartered Professional Accountants

VANCOUVER

1700-475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

LANGLEY

600-19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

NANAIMO

201-1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886



July 14, 2023

British Columbia Securities Commission, Alberta Securities Commission, Saskatchewan Securities Commission, Manitoba Securities Commission, Ontario Securities Commission, Quebec Securities Commission, New Brunswick Securities Commission, Nova Scotia Securities Commission, Prince Edward Island Securities Commission and Newfoundland Securities Commission

**Re: Coloured Ties Capital Inc. (the “Company”)
Notice of Change of Auditor Pursuant to National Instrument 51-102**

Please be advised that, in connection with National Instrument 51-102 – *Continuous Disclosure Obligations*, we hereby notify you that we have reviewed the Company’s Notice of Change of Auditor dated July 11, 2023, and, based on our knowledge at this time, are in agreement with the statements contained in the Notice.

We understand that the Notice of Change of Auditor, this letter, and a letter from the former auditor will be disclosed in the Information Circular to be mailed to all shareholders of the Company for the Company’s next Annual General Meeting at which action is to be taken concerning the appointment of auditors.

Yours truly,

/s/ Reliant CPA PC

**Reliant CPA PC
Certified Public Accountants**

SCHEDULE B

AUDIT COMMITTEE CHARTER

COLOURED TIES CAPITAL INC. (FORMERLY GROWMAX RESOURCES CORP.) ("CHARTER")

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE (THE "CORPORATION")

I. PURPOSE

The primary function of the Audit Committee (the "Committee") is to assist the board of directors ("Board") in fulfilling its oversight responsibilities by reviewing:

- A. the financial information that will be provided to the shareholders and others;
- B. the systems of internal controls, management and the Board have established; and
- C. all external audit and review processes.

Primary responsibility for the financial reporting, information systems, risk management and internal controls of the Corporation is vested in management and is reviewed by the Board.

II. COMPOSITION AND OPERATIONS

- A. The Committee shall be composed of not fewer than three (3) directors, a majority of whom must be independent (unless the Board determines in its reasonable judgement that (i) the member is able to exercise the impartial judgment necessary for the member to fulfil his or her responsibilities as a Committee member, and (ii) the appointment of the member is required by the best interests of the Corporation and its shareholders) and financially literate as those terms are defined in National Instrument 52-110, Audit Committees and possess:
 - 1. an understanding of the accounting principles used by the Corporation 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 Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
 - 4. an understanding of internal controls and procedures for financial reporting.
- B. The Corporation's auditor shall be advised of the names of the Committee members and will receive notice of and be invited to attend meetings of the Committee, and to be heard at those meetings on matters relating to the auditor's duties.
- C. The Committee shall meet with the external auditors as it deems appropriate to consider any matter that the Committee or auditors determine should be brought to the attention of the Board or shareholders.
- D. The Committee shall meet at least once (by person or by teleconference) in each fiscal quarter to review and approve the Corporation's quarterly financial statements and managements' discussion and analysis ("MD&A") for the immediately preceding fiscal quarter and to review and recommend approval by the full Board of the annual financial statements and MD&A for the immediately preceding fiscal year and as often thereafter as required to discharge the duties of the Committee.

III. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Committee will perform the following duties:

A. Financial Statements and Other Financial Information

The Committee will review and recommend for approval to the Board financial information that will be made publicly available. This includes:

1. review and recommend approval of the Corporation's annual financial statements and MD&A and report to the Board before the statements are approved by the Board;
2. review and approve for release the Corporation's quarterly financial statements, MD&A and press release; and
3. review the Annual Information Form, any Prospectus or private placement offering document and any other material financial information required by applicable regulatory authorities.

Review and discuss:

4. the appropriateness of accounting policies and financial reporting practices used by the Corporation;
5. any significant proposed changes in financial reporting and accounting policies and practices to be adopted by the Corporation; and
6. any new or pending developments in accounting and reporting standards that may affect the Corporation.

Be satisfied that:

7. adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure previously referred to and periodically assess the adequacy of those procedures.

B. Risk Management, Internal Control and Information Systems

The Committee will review and obtain reasonable assurance that the risk management, internal control and information systems are operating effectively to produce accurate, appropriate and timely management and financial information. This includes:

1. review the Corporation's risk management controls and policies;
2. consider whether the information systems appear to be reliable and the systems of internal controls are properly designed and effectively implemented through discussions with and reports from management and the external auditor; and
3. review management steps to implement and maintain appropriate internal control procedures including a review of policies.

C. External Audit and Review

The Committee will oversee the work of the external auditor and will review the planning and results of external audit activities. This includes:

1. review and recommend to the Board, for shareholder approval, engagement of the external auditor;
2. review and recommend to the Board the external auditor's compensation;
3. review the annual external audit plan, including but not limited to the following:
 - (a) engagement letter
 - (b) objectives and scope of the external audit work;
 - (c) procedures for quarterly review of financial statements;
 - (d) materiality limit;
 - (e) areas of audit risk;
 - (f) staffing;

- (g) timetable; and
 - (h) proposed fees.
4. meet with the external auditor to discuss the Corporation's annual financial statements and MD&A (and the quarterly financial statements and MD&A if deemed necessary) and the auditor's report including the appropriateness of accounting policies and underlying estimates and resolve any disagreements between management and the external auditors regarding financial reporting;
 5. implement procedures to meet with the external auditor on a regular basis in the absence of management if deemed necessary;
 6. review and advise the Board with respect to the planning, conduct and reporting of the annual audit, including:
 - (a) any difficulties encountered, or restriction imposed by management, during the annual audit;
 - (b) any significant accounting or financial reporting issue;
 - (c) if completed, the auditor's evaluation of the Corporation's system of internal controls, procedures and documentation or parts thereof;
 - (d) the post audit or management letter containing any findings or recommendation of the external auditor, including management's response thereto and the subsequent follow-up to any identified internal control weaknesses;
 - (e) any other matters the external auditor brings to the Committee's attention; and
 - (f) assess the qualifications, performance and independence of the external auditor and consider the annual appointment of external auditor for recommendation to the Board.
 7. review the auditor's report, if any, on all material subsidiaries;
 8. review and receive assurances on the independence of the external auditor;
 9. review and pre-approve all non-audit services to be provided by the external auditor's firm or its affiliates (including estimated fees), and consider the effect on the independence of the external audit;
 10. meet periodically, and at least annually, with the external auditor without management present; and
 11. take reasonable steps to ensure that, prior to public disclosure of the Corporation's annual financial statements and MD&A, the external auditor is a participating audit firm and is in compliance with any restriction or sanction imposed by the Canadian Public Accountability Board under National Instrument 52-108, Auditor Oversight.

D. Other

The Committee will also:

1. review policies and procedures for the review and approval of officers' expenses and perquisites;
2. periodically review the terms of reference for the Committee and make recommendations to the Board as required;
3. establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
4. review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation; and
5. make enquires about potential claims, assessments and other contingent liabilities.

IV. ACCOUNTABILITY

- A. The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on financial matters relative to the Corporation.
- B. The Committee shall report its discussions to the Board by providing an oral report at the next Board meeting.

COMMITTEE TIMETABLE

A proposed timetable of the Committee meetings shall be prepared at the beginning of each fiscal year.

RELIANCE ON EXPERTS

In contributing to the Committees' discharging of its duties under this mandate, each member shall be entitled to rely in good faith on:

- A. financial statements of the Corporation represented to the member by an officer of the Corporation, or in a written report of the external auditor, to present fairly the financial position of the Corporation and the results of its operations in accordance with generally accepted accounting principles; and
- B. any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Board is of the view that monitoring of the Corporation's financial reporting and disclosure policies and procedures cannot be reasonably met unless the following activities (the "**Fundamental Activities**") are, in all material respects, conducted effectively:

- C. the Corporation's accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Corporation's financial transactions;
- D. the internal financial controls are regularly assessed for effectiveness and efficiency;
- E. the Corporation's quarterly and annual financial statements and MD&A are properly prepared by management in accordance with generally accepted accounting principles; and
- F. the annual financial statements are reported on by an external auditor appointed by the shareholders of the Corporation.

LIMITATION OF COMMITTEE'S DUTIES

In contributing to the Committee's discharging of its duties under these terms of reference, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in these terms of reference is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to endeavour to gain reasonable assurance (but not to ensure) that the Fundamental Activities are being conducted effectively and that the objectives of the Corporation's financial reporting are being met and to enable the Committee to report thereon to Board.

SCHEDULE C

SHARE OPTION PLAN, AS AMENDED

COLOURED TIES CAPITAL INC.
(the “Company”)

SHARE OPTION PLAN

Dated for Reference August 18, 2022, as further amended and dated August 31, 2023

ARTICLE 1
PURPOSE AND INTERPRETATION

Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies and any inconsistencies between this Plan and TSX Venture Policies will be resolved in favour of the latter.

Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Black-out Period** means a period during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any Black-out Period must expire following the general disclosure of the undisclosed material information;
- (c) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (d) **Cause** means “Just Cause” as defined in the Participant’s employment agreement or agreement for services with the Company or one of its subsidiaries, or if such term is not defined or if the Participant has not entered into an employment agreement or agreement for services with the Company or one of its subsidiaries, then any circumstance that would permit the Company or one of its subsidiaries to terminate a Participant’s employment or agreement for services without notice of termination, or payment in lieu of notice of termination, severance pay or benefits continuation under the applicable law;
- (e) **Change of Control** means the occurrence of any of:
 - (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Company or any of its Affiliates) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;
 - (ii) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Company);
 - (iii) the occurrence of a transaction requiring approval of the Company’s security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or

- more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company;
- (iv) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or
 - (v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture;
- (g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its successors according to law;
- (h) **Consultant means**, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or any of its subsidiaries) or Company that:
- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Company, as the case may be; and
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;
- (i) **Date of Termination** means, for a Participant, the last day that the Participant actively provides services to the Company or a subsidiary of the Company without regard to any notice of termination or pay in lieu of notice thereof, deemed or notional notice period, or period during which the Participant receives pay in lieu of notice, termination pay, severance payments, or salary continuance, whether pursuant to statute, agreement, common law or otherwise;
- (j) **Director** means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (l) **Disinterested Shareholder Approval** has the meaning assigned by Policy 4.4 Sections 5.3(b) and (c) of the TSX Venture Policies;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date** for an Option means the date of grant thereof by the Board;
- (o) **Employee** means:
- (i) an individual who is considered an employee of the Company or of its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
 - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary

over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source;

- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Service Provider** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (u) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (v) **Management Company Employee** means an individual employed by a company providing management services to the Company which services are required for the ongoing successful operation of the business enterprise of the Company;
- (w) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (x) **Officer** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (y) **Option** means the right to purchase Common Shares granted hereunder to a Participant under this Security Based Compensation Plan;
- (z) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Participant and substantially in the form of Schedule A attached hereto;
- (aa) **Optioned Shares** means Common Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (bb) **Optionee** means the recipient of an Option hereunder;
- (cc) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (dd) **Participant** means a Service Provider that is the recipient of Security Based Compensation granted or issued by the Company;
- (ee) **Person** includes a company, any unincorporated entity, or an individual;
- (ff) **Plan** means this security based share option plan, the terms of which are set out herein or as may be amended;
- (gg) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under this Plan as provided in §2.2;
- (hh) **Promoter** has the meaning given to such term in TSX Venture Policies;
- (ii) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over this Plan and any Options issued hereunder;
- (jj) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (kk) **Security Based Compensation** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;

- (ll) **Security Based Compensation Plan** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (mm) **Service Provider** means a Person who is a Director, Officer, Employee, Management Company Employee, or Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (nn) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders’ meeting;
- (oo) **Take Over Bid** means a take over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (pp) **TSX Venture** means the TSX Venture Exchange and any successor thereto;
- (qq) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time; and
- (rr) **VWAP** means the volume-weighted average trading price of the Common Shares on the TSX Venture calculated by dividing the total value by the total volume of the Common Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSX Venture may exclude internal crosses and certain other special terms trades from the calculation.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in this Plan, but are defined in the TSX Venture Policies, will have the meaning assigned to them in the TSX Venture Policies.

Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 SHARE OPTION PLAN

Establishment of Share Option Plan

2.1 This Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

2.2 The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Options under this Plan.

Eligibility

2.3 Options to purchase Common Shares may be granted hereunder to Participants from time to time by the Board. Participants that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

Options Granted Under this Plan

2.4 All Options granted under this Plan will be evidenced by an Option Commitment substantially in the form attached as Schedule A (or in such other form as determined by the Company) showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Limitations on Participation

2.5 This Plan provides for the following limits on grants unless otherwise permitted pursuant to the policies of the TSX Venture:

- (i) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture, any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period, together with any other security based compensation arrangements, may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
- (ii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
- (iii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company, together with any other security based compensation arrangements, may not exceed 10% of the Outstanding Shares at any point in time;
- (iv) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period, together with any other security based compensation arrangements, may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and
- (v) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not received any Security Based Compensation other than Options.

Exercised and Unexercised Options

2.6 In the event an Option granted under this Plan is exercised, expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to this Plan and will be eligible for re-issuance.

Administration of this Plan

2.7 The Board will be responsible for the general administration of this Plan and the proper execution of its provisions, the interpretation of this Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to allot Common Shares for issuance in connection with the exercise of Options;

- (a) grant Options hereunder;
- (b) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue this Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of this Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under this Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and
- (c) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of this Plan so

delegated to the same extent as the Board is hereby authorized so to do.

Amendment of this Plan by the Board of Directors

2.8 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify this Plan or any Option granted as follows:

- (a) amendments which are of a typographical, grammatical, clerical nature only;
- (b) amendments of a housekeeping nature;
- (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture; and
- (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.

Amendments Requiring Disinterested Shareholder Approval

2.9 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) this Plan, together with any other Security Based Compensation Plans, or any particular grant or issue of Security Based Compensation, could result in:
 - (i) the aggregate number of Common Shares issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Shares at any time;
 - (ii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or
 - (iii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or
- (b) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

Options Granted Under the Company's Previous Share Option Plans

2.10 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under this Plan, and cannot be less than the Discounted Market Price.

Term of Option

3.2 The term of an Option will be set by the Board at the time such Option is allocated under this Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 In respect of any proposed amendment to the terms of an Option, and except as otherwise provided under TSX Venture Policies:

- (a) any amendment must be approved by the TSX Venture, and be subject to shareholder approval, where applicable, prior to the exercise of such Option; and
- (b) the Company must issue a news release outlining the terms of the amendment.

Vesting of Options

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under this Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Participant remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Participant remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Investor Relations Service Providers

3.7 Notwithstanding §3.6, Options granted to Investor Relations Service Providers will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than another 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

Effect of Take-Over Bid

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture for vesting requirements imposed by the TSX Venture Policies.

Acceleration of Vesting on Change of Control

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities. Notwithstanding the foregoing, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

Extension of Options Expiring During Black-out Period

3.10 Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan, provided that such automatic extension of the Expiry Date for an Option will not apply where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

Optionee Ceasing to be Director, Employee or Service Provider

3.11 Options may be exercised after the Participant has left his/her employ/office or has been advised by the Company or its subsidiary, if applicable, that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Participant will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Termination Date, and only to the extent that such Option was vested at the Termination Date; and
- (c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same.

Non Assignable

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding

(whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and

(h) any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under this Plan is subject to the prior acceptance of the TSX Venture, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to this Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

(a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.4.

Cashless Exercise

4.3 Subject to the provisions of this Plan (including, without limitation, Section 4.5 and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

(a) excluding Options held by any Investor Relations Service Provider, a "net exercise" procedure in which the Company issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or

(b) a broker assisted "cashless exercise" in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this §4.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with Section 4.5 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

4.4 In the event of a net exercise pursuant to §(a) or a cashless exercise pursuant to §(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in §2.2, §2.6 and §2.10 of this Plan.

Tax Withholding and Procedures

4.5 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.5 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.6 As soon as practicable after receipt of the notice of exercise described in §4.2 or §4.3, as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. Wherever required under TSX Venture Policies, an Exchange Hold Period will be applied from the date of grant, including for all Options granted to:

- (a) Directors, Officers, Promoters or Consultants of the Company;
- (b) Persons holding securities carrying more than 10% of the voting rights attached to the Company's securities both immediately before and after the transaction in which the securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company; or
- (c) where Options are granted to any Participants, including those noted in (a) and (b) above, where the Exercise Price is less than the applicable Market Price.

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the Effective Date of the grant of the Options.

**ARTICLE 5
GENERAL**

Employment and Services

5.1 Nothing contained in this Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company or a subsidiary of the Company, or interfere in any way with the right of the Company or a subsidiary of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in this Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of this Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Participant. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Interpretation

5.3 This Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

5.4 This Plan will become effective from and after October 16, 2023, and will remain effective provided that this Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to such effective date.

Amendment of this Plan

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate this Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of this Plan will be subject to any necessary Regulatory Approvals and Shareholder Approval.

SCHEDULE A
SHARE OPTION PLAN
OPTION COMMITMENT

Notice is hereby given that, effective this _____ day of _____, _____, pursuant to the provisions of the Share Option Plan (the "Plan") of Coloured Ties Capital Inc. (the "Company"), the Company has granted to _____ (the "Optionee"), an Option to acquire _____ Common Shares ("Optioned Shares") up to 5:00 p.m. (Vancouver Time) on the _____ day of _____, _____ (the "Expiry Date"), or such earlier date as determined in accordance with the terms of this Plan, at an Exercise Price of Cdn\$_____ per share.

[Optioned Shares are to vest immediately.]

OR

[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of this Plan and the records of the Company shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a "net exercise" basis or "cashless exercise" basis in accordance Section 4.3(a) or Section 4.3(b) of the Plan and the Company's Board of Directors approves the exercise on a "net exercise" basis or "cashless exercise" basis, deliver a written notice and comply with such other conditions as established by the Company for a "net exercise" or "cashless exercise". A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

[Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [*insert date 4 months from the date of grant of the Options*]"

The Company and the Optionee represent that the Optionee, under the terms and conditions of the Plan, is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information form (as defined in the TSX Venture Policies) by both the Company and the TSX Venture Exchange as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture Exchange on the date of this Option Commitment.

COLOURED TIES CAPITAL INC.

Authorized Signatory

[insert name and title of authorized signatory]

The Optionee acknowledges receipt of a copy of the Plan and represents to the Company that the Optionee is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

OPTIONEE:

Signature

Date signed:

Print Name

Address

SCHEDULE B
TO SHARE OPTION PLAN

COLOURED TIES CAPITAL INC.
c/o Suite 1500, 1055 West Georgia Street
Vancouver, BC V6E 4N7

Re: Employee Stock Option Exercise

Attn: Stock Option Plan Administrator, Coloured Ties Capital Inc. (the "Company")

This letter is to inform the Administrator of the Company's Share Option Plan that I,
_____, wish to exercise _____ options, at _____ per share, on this
_____ day of _____, 20____.

Payment issued in favour of Coloured Ties Capital Inc. for the amount of \$ _____ will be forwarded,
including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: _____

Address: _____

Please send share certificate to:

Name: _____

Address: _____

Sincerely,

Signature of Optionee

Date

SIN Number (for T4)

SCHEDULE D

FIXED RESTRICTED SHARE UNIT PLAN, AS AMENDED

**COLOURED TIES CAPITAL INC.
FORMERLY GROWMAX RESOURCES CORP.
(the "Company")
RESTRICTED SHARE UNIT PLAN**

Dated for Reference July 1, 2019 as amended on April 24, 2020, August 18, 2022 and further amended and dated August 31, 2023

GENERAL PROVISIONS

1.1 Establishment and Purpose

(1) The Company hereby establishes a restricted share unit plan known as the "Capital Ties Capital Inc. Restricted Share Unit Plan."

(2) The purpose of this Plan is to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in Shareholder value. This Plan is intended to promote a greater alignment of interests between the Shareholders of the Company and the selected Eligible Persons by providing an opportunity to participate in increases in the value of the Company.

1.2 Definitions

(1) In this Plan:

- (a) **Account** means an account maintained for each Participant on the books of the Company that will be credited with RSUs in accordance with the terms of the Plan;
- (b) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (c) **Applicable Withholding Tax** has the meaning set forth in §4.7;
- (d) **Associate** means, if used to indicate a relationship with any Person:
 - (i) a partner, other than a limited partner, of that Person;
 - (ii) a trust or estate in which that Person has a substantial beneficial interest or for which that Person serves as trustee or in a similar capacity;
 - (iii) an issuer in respect of which that Person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer; or
- (e) a relative, including the spouse, of that Person or a relative of that Person's spouse, if the relative has the same home as that Person;
- (f) **Award** means an agreement evidencing the grant of a Restricted Share Unit;

- (g) **Award Notice** means a notice substantially in the form of Schedule “A” and containing such other terms and conditions relating to an award of RSUs as the Committee may prescribe;
- (h) **Award Payout** means the applicable Share issuance or cash payment in respect of a vested Restricted Share Unit pursuant and subject to the terms and conditions of this Plan and the applicable Award;
- (i) **Blackout Period** means a period means a period during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any Black-out Period must expire following the general disclosure of the undisclosed material information;
- (j) **Board** means the Board of Directors of the Company as it may be constituted from time to time;
- (k) **Business Day** means a day that is not a statutory holiday and a day on which banks are open in Vancouver, British Columbia Canada;
- (l) **Change of Control** means the occurrence of any of:
 - (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Company or any of its affiliates or subsidiary) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;
 - (ii) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Company);
 - (iii) the occurrence of a transaction requiring approval of the Company’s security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company);
 - (iv) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or

- (v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (m) **Committee** means the Compensation Committee of the Board (or such other committee the Board may appoint), consisting of not less than three directors, to whom the authority of the Board is delegated in accordance with §2.2;
- (n) **Company** means Coloured Ties Capital Inc., and includes any successor Company thereto;
- (o) **Consultant** means Consultant means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or any of its subsidiaries) or Company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Company, as the case may be; and
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;
- (p) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (q) **Director** means a means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (r) **Disinterested Shareholder Approval** has the meaning assigned by Policy 4.4, Sections 5.3(b) and (c) of the TSX Venture Exchange Policies;
- (s) **Eligible Person** means any person who is a Director, Employee, Consultant, or Officer;
- (t) **Employee** means an employee of the Company or of a Related Entity;
- (u) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (v) **Expiry Date** means December 31 of the third calendar year after the Grant Date, or such earlier date as may be established by the Board in respect of an Award at the time of grant of the Award;

- (w) **Fair Market Value** means, as at a particular date, for the purpose of calculating the applicable Vesting Date Value and Award Payout,
 - (i) if the Shares are listed on the TSXV, the greater of: (a) the weighted average of the trading price per Share on the TSXV for the last five trading days ending on that date; and (b) the closing price of the Shares on the day before that date,
 - (ii) if the Shares are not listed on the TSXV, the value established by the Board based on the volume weighted average price per Share traded on any other public exchange on which the Shares are listed over the same period, or
 - (iii) if the Shares are not listed on any public exchange, the value per Share established by the Board based on its determination of the fair value of a Share;
- (x) **Grant Date** means the date of grant of any Restricted Share Unit;
- (y) **IFRS** means the International Financial Reporting Standards as adopted by the Accounting Standards Board of Canada;
- (z) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (aa) **Investor Relations Activities** has the meaning ascribed has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (bb) **Officer** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (cc) **Payment Amount** means the amount determined in accordance with §4.8(1)(a);
- (dd) **“Promoter”** has the meaning given to such term in the TSX Venture Policies;
- (ee) **Recipient** means an Eligible Person who may be granted Restricted Share Units from time to time under this Plan;
- (ff) **Related Entity** means a person that is controlled by the Company. For the purposes of this Plan, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
 - (i) ownership of or direction over voting securities in the second person,
 - (ii) a written agreement or indenture,
 - (iii) being the general partner or controlling the general partner of the second person, or

- (iv) being a trustee of the second person;
- (gg) **Required Approvals** has the meaning contained in §2.4;
- (hh) **Restricted Share Unit** or **RSU** means a right granted under this Plan to receive the Award Payout on the terms contained in this Plan as more particularly described in §4.1;
- (ii) **Retirement** means, with respect to a Recipient, the early or normal retirement of the Recipient within the meaning of the pension plan of the Company for salaried employees, whether or not such Recipient is a member of that pension plan, or, if the Company does not have such a plan, the date on which the Recipient reaches age 65;
- (jj) **RSU Plan or Plan** means this Restricted Share Unit Plan, as amended from time to time;
- (kk) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ll) **Security Based Compensation** has the meaning given to such terms in TSXV Policy 4.4 – *Security Based Compensation*;
- (mm) **Security Compensation Plan** has the meaning given to such term in TSXV Policy 4.4 – *Security Based Compensation*;
- (nn) **Settlement Date** has the meaning attributed thereto in this RSU Plan;
- (oo) **Share** means the common shares of the Company;
- (pp) **Shareholder** means a holder of Shares in the capital of the Company;
- (qq) **Tax Act** means the *Income Tax Act* (Canada), as amended from time to time;
- (rr) **Termination** means, with respect to a Recipient, that the Recipient has ceased to be an Eligible Person, other than as a result of Retirement, and has ceased to fulfil any other role as employee or officer of the Company or any Related Entity, including as a result of termination of employment, resignation from employment, removal as an officer, death or Total Disability;
- (ss) **Total Disability** means, with respect to a Recipient, that, solely because of disease or injury, within the meaning of the long-term disability plan of the Company, the Recipient is deemed by a qualified physician selected by the Company to be unable to work at any occupation which the Recipient is reasonably qualified to perform;
- (tt) **Trigger Date** means, with respect to a Restricted Share Unit, the date set by the Board at the time of grant, and if no date is set by the Board, then December 1 of the third calendar year following the Grant Date of the Restricted Share Unit, as such may be amended in accordance with §3.7;

- (uu) **TSX Venture Exchange or TSXV** means the TSX Venture Exchange and any successor thereto;
- (vv) **TSX Venture Policies** means the rules and policies of the TSX Venture Exchange as amended from time to time;
- (ww) **Unit Award** means an award of a Restricted Share Unit(s) under this RSU Plan;
- (xx) **Vesting Date Value** means the notional value, as at a particular date, of the Fair Market Value of one Share
- (yy) **Vesting Period means** the period of time which must pass before which a Unit Award entitles the Recipient to the settlement of such Restricted Share Units.

PART 2

ADMINISTRATION

2.1 Board Powers

The Board will, in its sole and absolute discretion, but taking into account relevant corporate, securities and tax laws,

- (a) interpret and administer this Plan,
- (b) establish, amend and rescind any rules and regulations relating to this Plan, and
- (c) make any other determinations that the Board deems necessary or appropriate for the administration of this Plan.

The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or appropriate. Any decision of the Board in the interpretation and administration of this Plan will be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan will be borne by the Company.

2.2 Delegation to Committee

(1) All of the powers exercisable hereunder by the Board may, to the extent permitted by law and as determined by a resolution of the Board, be delegated to a Committee including, without limiting the generality of the foregoing, those referred to under §2.1.

2.3 Incorporation of Terms of Plan

(1) Subject to specific variations approved by the Board all terms and conditions set out herein will be incorporated into and form part of each Restricted Share Unit granted under this Plan.

2.4 Effective Date

(1) Subject to prior receipt of approval of disinterested shareholder of the Company, this Plan will be effective on October 16, 2023. The Board may, in its discretion, at any time, and from time to time, issue

Restricted Share Units to Eligible Persons as it determines appropriate under this Plan. However, any such issued Restricted Share Units may not be paid out in Shares in any event until receipt of any necessary approvals of the Company, Shareholders, disinterested shareholders of the Company, the TSXV, and any other regulatory bodies (the "Required Approvals").

2.5 Shares Reserved

(1) The aggregate number of Shares available for issuance from treasury under this Plan, subject to adjustment pursuant to §3.10, shall be 1,516,749 Shares. Any Share subject to a Restricted Share Unit, which has been cancelled or terminated in accordance with the terms of this Plan without being paid out as provided for in Part 3, shall again be available under this Plan. In the event the number of Shares subject to Restricted Share Units exceeds the maximum number of Shares available for issuance under this Plan, no further Unit Awards may be granted.

2.6 Limitations

- (1) The following limits apply to this RSU Plan:
- (a) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation of the Company granted or issued in any 12-month period to any one Eligible Consultant shall not exceed 2% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such Eligible Consultant;
 - (b) unless the Company has obtained the requisite Disinterested Shareholder approval,
 - (i) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to any one person shall not exceed 5% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such person;
 - (ii) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares of the Company on a non-diluted basis at any point in time; and
 - (iii) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to any Insider; and
 - (c) Unit Awards may not be granted under this RSU Plan to persons retained to provide Investor Relations Activities.

PART 3

AWARDS UNDER THIS PLAN

3.1 Recipients

(1) Only Eligible Persons are eligible to participate in this Plan and receive one or more Restricted Share Units. Restricted Share Units that may be granted hereunder to a particular Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or a Related Entity, as the case may be, in the Company's or the Related Entity's fiscal year ending in, or coincident with, such calendar year, as determined by the Board in its discretion.

3.2 Grant

(1) The Board may, in its discretion, at any time, and from time to time, grant Restricted Share Units to Eligible Persons as it determines is appropriate, subject to the limitations set out in this Plan. In making such grants the Board may, in its sole discretion but subject to §3.5(1)(c) in addition to Performance Conditions set out below, impose such conditions on the vesting of the Awards as it sees fit, including imposing a vesting period on grants of Restricted Share Units.

3.3 Conditions of Grant to an Employee

(1) Upon a grant of Restricted Share Units made to an Eligible Person that is an Employee hereunder the Company is responsible for ensuring, and the Employee is responsible for confirming, that the Employee is a bona fide Employee.

3.4 Performance Conditions

(1) At the time a grant of a Restricted Share Unit is made, the Board may, in its sole discretion, establish such performance conditions for the vesting of Restricted Share Units as may be specified by the Committee in the Award (the "Performance Conditions"). The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions. The Board may determine that an Award shall vest in whole or in part upon achievement of any one Performance Condition or that two or more Performance Conditions must be achieved prior to the vesting of an Award. Performance Conditions may differ for Awards granted to any one Recipient or to different Recipients.

3.5 Vesting

(1) Except as provided in this Plan, Restricted Share Units issued under this Plan will vest on the date (the "Vesting Date") that is the later of:

- (a) the Trigger Date; and
- (b) the date upon which the relevant Performance Condition or other vesting condition set out in the Award has been satisfied,

provided that:

- (c) Restricted Share Units shall only vest on the Trigger Date to the extent that the Performance Conditions or other vesting conditions set out in an Award have been satisfied on or before the Trigger Date;
- (d) if the date in §3.5(1)(a) or §3.5(1)(b) occurs during a Blackout Period, the Vesting Date shall be extended to a date which is the earlier of: (i) one Business Day following the end of such Blackout Period; and (ii) the Expiry Date;
- (e) no Restricted Share Unit will remain outstanding for any period which exceeds the Expiry Date of such Restricted Share Unit; and
- (f) the authority of the Board in respect of vesting of Unit Awards under this Plan is subject to Section 4.6 of TSXV Policy 4.4 whereby no Unit Award may vest before the first anniversary of the grant date of such Unit Award, provided that acceleration of vesting may be expressly permitted by this RSU Plan for an Eligible Person who dies or who ceases to be an Eligible Person under this RSU Plan in connection with a change of control, take-over bid, RTO (as defined in TSXV Policy 1.1) or similar transaction.

3.6 Forfeiture and Cancellation Upon Expiry Date

- (1) Restricted Share Units which do not vest on or before the Expiry Date of such Restricted Share Unit will be automatically cancelled, without further act or formality and without compensation.

3.7 Amendment of Trigger Date

- (1) The Board of Directors may, at any time after a grant of a Restricted Share Unit, accelerate the Trigger Date of such Restricted Share Unit.

3.8 Account

- (1) Restricted Share Units issued pursuant to this Plan (including fractional Restricted Share Units, computed to three digits) will be credited to a notional account maintained for each Recipient by the Company for the purposes of facilitating the determination of amounts that may become payable hereunder. A written confirmation of the balance in each Recipient's account will be sent by the Company to the Recipient upon request of the Recipient.

3.9 Credits for Dividends

An Eligible Person's Account shall be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Shares. The number of additional RSUs to be credited to an Eligible Person's Account shall be computed by dividing:

- (a) the dividends that would have been paid to such Eligible Person if each RSU in the Eligible Person's Account on the relevant dividend record date had been one Share, by
- (b) the Fair Market Value of the Share determined as of the date of payment of such dividend. Any fractional RSUs resulting from such calculation shall be rounded to the nearest whole number. For greater certainty, a fractional entitlement that is equal to or greater than 0.5 shall be rounded up to the next greater whole number and

a fractional entitlement that is less than 0.5 shall be rounded down to the next lesser whole number. Any such additional RSUs credited to the Eligible Person's Account shall vest in proportion to and shall be paid in the same manner as the RSUs to which they relate. The foregoing does not obligate the Company to pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

Any RSUs granted under §3.9 shall be subject to the terms of this Plan, including the limitations set out in §2.6. Any grants of RSUs that would result in exceeding any of the limits set out in §2.6 shall be paid in cash.

3.10 Adjustments and Reorganizations

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to shareholders (other than the payment of dividends in respect of the Shares as contemplated by §3.9), the Committee may choose to adjust the Account of each Eligible Person and the RSUs outstanding under this Plan in such manner, if any, as the Committee may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Committee) to preserve the Account of each Eligible Person and the RSUs outstanding under this Plan shall be adjusted in such manner, if any, as the Committee may in its discretion deem appropriate to preserve, proportionally, the interests of Eligible Persons under this Plan. For greater certainty and notwithstanding any other provision of this Plan, in no event shall an Eligible Person be or become entitled to receive any amount of cash from the Company. Any adjustment, other than in connection with a security consolidation or security split, to Security Based Compensation granted or issued under a Security Based Compensation Plan must be subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

3.11 Notice and Acknowledgement

(1) No certificates will be issued with respect to the Restricted Share Units issued under this Plan. Each Eligible Person will, prior to being granted any Restricted Share Units, deliver to the Company a signed acknowledgement substantially in the form of Schedule "A" to this Plan.

3.12 Extension of Restricted Share Units Expiring during Blackout Period

(1) Should the Expiry Date for a Restricted Share Unit fall within a Blackout Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Restricted Share Unit for all purposes under the Plan, provided that such automatic extension of the Expiry Date for a Restricted Share Unit will not apply where the Eligible Person or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

PART 4

PAYMENTS UNDER THIS PLAN

4.1 Payment of Restricted Share Units

(1) Subject to the terms of this Plan and, in particular, §4.7 of this Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested Restricted Share Units issued under this Plan and credited to the account of a Recipient by paying or issuing (net of any Applicable Withholding Tax) to such Recipient, on or subsequent to the Trigger Date but no later than the Expiry Date of such Vested Restricted Share Unit, an Award Payout of either:

- (a) subject to receipt of the Required Approvals, one Share for such whole vested Restricted Share Unit. Fractional Shares shall not be issued and where a Recipient would be entitled to receive a fractional Share in respect of any fractional vested Restricted Share Unit, the Company shall pay to such Recipient, in lieu of such fractional Share, cash equal to the Vesting Date Value as at the Trigger Date of such fractional Share. Each Share issued by the Company pursuant to this Plan shall be issued as fully paid and non-assessable, or
- (b) a cash amount equal to the Vesting Date Value as at the Trigger Date of such vested Restricted Share Unit.

4.2 Consultants and Advisors

(1) The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

4.3 Cancellation on Termination for Cause

(1) Unless the Board at any time otherwise determines, all unvested Restricted Share Units held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for cause.

For greater certainty, if a contrary determination is made at the time of the grant of the Unit Award by the Board as to vesting following termination, notwithstanding such authority of the Board, any unvested Unit Awards must vest not later than twelve (12) months following the date of termination.

4.4 Retirement, Total Disability and Termination without Cause

(1) If a Recipient ceases to be an Eligible Person for any of the following reasons, unvested Restricted Share Units held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation on the date the Recipient ceases to be an Eligible Person:

- (a) Retirement of a Recipient;

- (b) Total Disability of a Recipient; and
- (c) the Termination of employment or removal from service by the Company or a Related Entity without cause.

4.5 Death

(1) If a Recipient ceases to be an Eligible Person due to death, unvested Restricted Share Units will immediately vest on the date the Recipient dies.

4.6 Change of Control

(1) In the event of a Change of Control, all Restricted Share Units credited to an account of a Recipient that have not otherwise previously been cancelled pursuant to the terms of the Plan shall vest on the date on which the Change of Control occurs (the "Change of Control Date"). Within thirty (30) days after the Change of Control Date, but in no event later than the Expiry Date, the Recipient shall receive a cash payment equal in amount to: (a) the number of Restricted Share Units that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any withholding taxes and other source deductions required by law to be withheld by the Company.

Any adjustment, other than in connection with a security consolidation or security split, to Security Based Compensation granted or issued under a Security Based Compensation Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

4.7 Tax Matters and Applicable Withholding Tax

(1) The Company does not assume any responsibility for or in respect of the tax consequences of the receipt by Recipients of Restricted Share Units, or payments received by Recipients pursuant to this Plan. The Company or relevant Related Entity, as applicable, is authorized to deduct such taxes and other amounts as it may be required or permitted by law to withhold ("Applicable Withholding Tax"), under the Tax Act, in such manner (including, without limitation, by selling Shares otherwise issuable to Recipients, on such terms as the Company determines) as it determines so as to ensure that it will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions, or the remittance of tax or other obligations. The Company or relevant Related Entity, as applicable, may require Recipients, as a condition of receiving amounts to be paid to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Company or Related Entity, as applicable, respecting the payment by such Recipients of applicable income or other taxes. Any Applicable Withholding Tax shall comply with TSXV Policy 4.4.

4.8 Payment of Shares and Hold Periods

(1) As soon as practicable after vesting of Restricted Share Units the Company will pay out vested Restricted Share Units by issuing Shares (the "Award Payout Shares") as contemplated in §4.1(1)(a) herein, and will direct its transfer agent to issue to the Eligible Person the appropriate number of Shares. Whenever required under TSX Venture Policies, the Exchange Hold Period will be applied from the date of grant of the Restricted Share Units for all Shares issued to:

- (a) Insiders, Promoters or Consultants of the Company; or

- (b) persons holding securities carrying more than 10% of the voting rights attached to the Company's securities immediately after the transaction in which the securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company; or
- (c) any Eligible Person, including those noted in (a) and (b) above, where the Award Payout Price is set at a discount to the Fair Market Value.

Where the Exchange Hold Period is applicable, the certificate representing the Award Payout Shares, or written notice in the case of uncertificated Shares, will include a legend stipulating that the Award Payout Shares issued are subject to a four-month hold period.

PART 5

MISCELLANEOUS

5.1 Compliance with Applicable Laws

(1) The issuance by the Company of any Restricted Share Units and its obligation to make any payments hereunder is subject to compliance with all applicable laws. As a condition of participating in this Plan, each Recipient agrees to comply with all such applicable laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such applicable laws. The Company will have no obligation under this Plan, or otherwise, to grant any Restricted Share Unit or make any payment under this Plan in violation of any applicable laws.

5.2 Non Transferability

(1) Restricted Share Units and all other rights, benefits or interests in this Plan are non transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a Recipient dies the legal representatives of the Recipient will be entitled to receive the amount of any payment otherwise payable to the Recipient hereunder in accordance with the provisions hereof.

5.3 No Right to Service

(1) Neither participation in this Plan nor any action under this Plan will be construed to give any Eligible Person or Recipient a right to be retained in the service or to continue in the employment of the Company or any Related Entity, or affect in any way the right of the Company or any Related Entity to terminate his or her employment at any time.

5.4 Successors and Assigns

(1) This Plan will enure to the benefit of and be binding upon the respective legal representatives of the Eligible Person.

5.5 Amendment, Suspension or Termination to RSU Plan

- (a) the Board shall have the power to, at any time and from time to time, and without shareholder approval, amend this RSU Plan or any Unit Award under this RSU Plan to

fix typographical errors or to clarify existing provisions of this RSU Plan that do not have the effect of altering the scope, nature and intent of such provisions;

- (b) subject to TSX Venture approval, the Committee may from time to time amend or suspend this Plan in whole or in part and may at any time terminate this Plan without prior notice. However, any such amendment, suspension or termination shall not adversely affect the RSUs previously granted to an Eligible Person at the time of such amendment, suspension or termination, without the consent of the affected Eligible Person;
- (c) if the Committee suspends or terminates this Plan, no new RSUs will be credited to the account of an Eligible Person; however, previously credited RSUs shall remain outstanding but shall not be entitled to dividend credits following suspension or termination unless at the time of suspension or termination the Committee determines that the entitlement to dividend credits during suspension or after termination, as applicable, should be continued;
- (d) the Committee shall not require the consent of any affected Eligible Person in connection with a termination of this Plan in which the vesting of all RSUs held by the Eligible Person are accelerated in accordance with the terms of this Plan and the Payment Amount (less Applicable Withholding Amount) is paid to the Eligible Person in respect of all such RSUs;
- (e) other than set out in (a) to (d) above, any amendments to the Plan shall be subject to the Exchange approval and shareholders approval, including:
 - (i) persons eligible to be granted or issued RSUs under the Plan;
 - (ii) the number or percentage issued and outstanding Shares available for grant under this Plan;
 - (iii) the limits under the Plan on the amount of RSUs that may be granted to any one person or any category of person;
 - (iv) the method of calculation of redemption of RSUs held by Eligible Persons;
 - (v) the maximum term of RSUs; and
 - (vi) an extension to the term for redemption of RSUs held by Eligible Persons;
- (f) if the outstanding Shares of the Company are increased or decreased through a stock split, consolidation, normal course issuer bid or substantial issuer bid, subject to TSX Venture approval, the number of issued and outstanding Shares available for grant under this Plan will be adjusted accordingly such that the number of Shares available for grant under this Plan shall equal to 10% of the issued and outstanding Shares following the completion of such stock split, consolidation, normal course issuer bid or substantial issuer bid;

- (g) this Plan will terminate on the date upon which no further RSUs remain outstanding, provided that such termination is confirmed by a resolution of the Committee.

5.6 Governing Law

- (1) This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein.

5.7 Reorganization of the Company

- (1) The existence of any RSUs shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

5.8 No Shareholder Rights

- (1) Restricted Share Units are not considered to be Shares or securities of the Company, and a Recipient who is issued Restricted Share Units will not, as such, be entitled to receive notice of or to attend any Shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of Restricted Share Units.

5.9 No Other Benefit

- (1) No amount will be paid to, or in respect of, a Recipient under this Plan to compensate for a downward fluctuation in the Fair Market Value or price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Recipient for such purpose.

5.10 Unfunded Plan

- (1) For greater certainty, this Plan will be an unfunded plan, including for tax purposes and for purposes of the Employee Retirement Income Security Act (United States). Any Recipient to which Restricted Share Units are credited to his or her account or holding Restricted Share Units or related accruals under this Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

SCHEDULE "A"

FORM OF RESTRICTED SHARE UNIT AGREEMENT

Coloured Ties Capital Inc. (the "Company") hereby confirms the grant to the undersigned Recipient of Restricted Share Units ("Units") described in the table below pursuant to the Company's Restricted Share Unit Plan (the "Plan"), a copy of which Plan has been provided to the undersigned Recipient.

No. of Units	Trigger Date	Expiry Date

[Include any specific/additional vesting period or Performance Conditions]

DATED _____, 20____.

COLOURED TIES CAPITAL INC.

Per: _____
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Recipient under this Plan, agrees to be bound by the provisions thereof and agrees that this Plan will be effective as an agreement between the Company and the undersigned with respect to the Units granted or otherwise issued to it.

DATED _____, 20____.

Witness (Signature)

Name (please print)

Address

City, Province

Occupation

Recipient's Signature

Name of Recipient (print)

SCHEDULE E
COLOURED TIES CAPITAL INC.
NEW FORM OF ARTICLES

BUSINESS CORPORATIONS ACT
ARTICLES
of
COLOURED TIES CAPITAL INC.
TABLE OF CONTENTS

PART 1 INTERPRETATION..... 1
PART 2 SHARES AND SHARE CERTIFICATES..... 1
PART 3 ISSUE OF SHARES..... 3
PART 4 SHARE REGISTERS..... 4
PART 5 SHARE TRANSFERS..... 4
PART 6 TRANSMISSION OF SHARES..... 5
PART 7 PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES 5
PART 8 BORROWING POWERS..... 6
PART 9 ALTERATIONS..... 6
PART 10 MEETINGS OF SHAREHOLDERS..... 7
PART 11 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS 9
PART 12 VOTES OF SHAREHOLDERS..... 12
PART 13 DIRECTORS 15
PART 14 ELECTION AND REMOVAL OF DIRECTORS..... 16
PART 15 POWERS AND DUTIES OF DIRECTORS 21
PART 16 INTERESTS OF DIRECTORS AND OFFICERS..... 22
PART 17 PROCEEDINGS OF DIRECTORS..... 23
PART 18 EXECUTIVE AND OTHER COMMITTEES..... 25
PART 19 OFFICERS..... 26
PART 20 INDEMNIFICATION..... 26
PART 21 DIVIDENDS..... 28
PART 22 ACCOUNTING RECORDS AND AUDITOR..... 29
PART 23 NOTICES 29
PART 24 SEAL..... 31
PART 25 SPECIAL RIGHTS AND RESTRICTIONS COMMON SHARES 31
PART 26 SPECIAL RIGHTS AND RESTRICTIONS PREFERRED SHARES..... 32

BUSINESS CORPORATIONS ACT
ARTICLES
of
COLOURED TIES CAPITAL INC.
(the “Company”)
PART 1

INTERPRETATION

Definitions

- 1.1 In these Articles, unless the context otherwise requires:
- (a) “**Act**” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
 - (b) “**board of directors**”, “**directors**” and “**board**” mean the directors or sole director of the Company for the time being;
 - (c) “**Interpretation Act**” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
 - (d) “**legal personal representative**” means the personal or other legal representative of the shareholder;
 - (e) “**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;
 - (f) “**seal**” means the seal of the Company, if any;
 - (g) “**share**” means a share in the share structure of the Company; and
 - (h) “**special majority**” means the majority of votes described in §11.2 which is required to pass a special resolution.

Act and Interpretation Act Definitions Applicable

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

PART 2

SHARES AND SHARE CERTIFICATES

Authorized Share Structure

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

Form of Share Certificate

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

Shareholder Entitled to Certificate, Acknowledgment or Written Notice

2.3 Unless the shares of which the shareholder is the registered owner are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all. If a shareholder is the registered owner of uncertificated shares, the Company must send to a holder of an uncertificated share a written notice containing the information required by the Act within a reasonable time after the issue or transfer of such share.

Delivery by Mail

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

Replacement of Worn Out or Defaced Certificate or Acknowledgement

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

- (a) cancel the share certificate or acknowledgment; and
- (b) issue a replacement share certificate or acknowledgment.

Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

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

- (a) proof satisfactory to it of the loss, theft or destruction; and
- (b) any indemnity the directors consider adequate.

Splitting Share Certificates

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

Certificate Fee

2.8 There must be paid to the Company, in relation to the issue of any share certificate under §2.5, §2.6 or §2.7, the amount, if any, not exceeding the amount prescribed under the Act, determined by the directors.

Recognition of Trusts

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

PART 3

ISSUE OF SHARES

Directors Authorized

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

Commissions and Discounts

3.2 The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person's purchase or agreement to purchase shares of the Company from the Company or any other person's procurement or agreement to procure purchasers for shares of the Company.

Brokerage

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

Conditions of Issue

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

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

Share Purchase Warrants and Rights

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

PART 4

SHARE REGISTERS

Central Securities Register

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

PART 5

SHARE TRANSFERS

Registering Transfers

5.1 A transfer of a share must not be registered unless the Company or the transfer agent or registrar for the class or series of shares to be transferred has received:

- (a) except as exempted by the Act, a written instrument of transfer in respect of the share has been received by the Company (which may be a separate document or endorsed on the share certificate for the shares transferred) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (b) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (c) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and
- (d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer and the right of the transferee to have the transfer registered.

Form of Instrument of Transfer

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

Transferor Remains Shareholder

5.3 Except to the extent that the Act otherwise provides, the transferor of a share is deemed to remain the holder of it until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

Signing of Instrument of Transfer

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

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

Enquiry as to Title Not Required

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

Transfer Fee

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

PART 6

TRANSMISSION OF SHARES

Legal Personal Representative Recognized on Death

6.1 In case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the Company shall receive the documentation required by the Act.

Rights of Legal Personal Representative

6.2 The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the Act and the directors have been deposited with the Company. This §6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the name of the shareholder and the name of another person in joint tenancy.

PART 7

PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES

Company Authorized to Purchase, Redeem or Otherwise Acquire Shares

7.1 Subject to §7.2, the special rights or restrictions attached to the shares of any class or series and the Act, the Company may, if authorized by the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

Purchase When Insolvent

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

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

Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

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

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

Company Entitled to Purchase, Redeem or Otherwise Acquire Share Fractions

7.4 The Company may, without prior notice to the holders, purchase, redeem or otherwise acquire for fair value any and all outstanding share fractions of any class or kind of shares in its authorized share structure as may exist at any time and from time to time. Upon the Company delivering the purchase funds and confirmation of purchase or redemption of the share fractions to the holders' registered or last known address, or if the Company has a transfer agent then to such agent for the benefit of and forwarding to such holders, the Company shall thereupon amend its central securities register to reflect the purchase or redemption of such share fractions and if the Company has a transfer agent, shall direct the transfer agent to amend the central securities register accordingly. Any holder of a share fraction, who upon receipt of the funds and confirmation of purchase or redemption of same, disputes the fair value paid for the fraction, shall have the right to apply to the court to request that it set the price and terms of payment and make consequential orders and give directions the court considers appropriate, as if the Company were the "acquiring person" as contemplated by Division 6, Compulsory Acquisitions, under the Act and the holder were an "offeree" subject to the provisions contained in such Division, *mutatis mutandis*.

PART 8

BORROWING POWERS

8.1 The Company, if authorized by the directors, may:

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

8.2 The powers conferred under this Part 8 shall be deemed to include the powers conferred on a company by Division VII of the *Special Corporations Powers Act* being chapter P-16 of the Revised Statutes of Quebec, 1988, and every statutory provision that may be substituted therefor or for any provision therein.

PART 9

ALTERATIONS

Alteration of Authorized Share Structure

9.1 Subject to §9.2 and the Act, the Company may by ordinary resolution (or a resolution of the directors in the case of §9.1(c) or §9.1(f)):

- (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (d) if the Company is authorized to issue shares of a class of shares with par value:
 - (i) decrease the par value of those shares; or
 - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (f) alter the identifying name of any of its shares; or
- (g) otherwise alter its shares or authorized share structure when required or permitted to do so by the Act where it does not specify by a special resolution;

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

Special Rights or Restrictions

9.2 Subject to the Act and in particular those provisions of the Act relating to the rights of holders of outstanding shares to vote if their rights are prejudiced or interfered with, the Company may by ordinary resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued,

and alter its Notice of Articles and Articles accordingly.

Change of Name

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

Other Alterations

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

PART 10

MEETINGS OF SHAREHOLDERS

Annual General Meetings

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

Resolution Instead of Annual General Meeting

10.2 If all the shareholders who are entitled to vote at an annual general meeting consent in writing by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the

annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this §10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

Calling of Meetings of Shareholders

10.3 The directors may, at any time, call a meeting of shareholders.

Notice for Meetings of Shareholders

10.4 The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if the Company is a public company, 21 days;
- (b) otherwise, 10 days.

Record Date for Notice

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

- (a) if the Company is a public company, 21 days;
- (b) otherwise, 10 days.

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

Record Date for Voting

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

Failure to Give Notice and Waiver of Notice

10.7 The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Notice of Special Business at Meetings of Shareholders

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

- (a) state the general nature of the special business; and

(b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

- (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
- (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

Place of Meetings

10.9 In addition to any location in British Columbia, any general meeting may be held in any location outside British Columbia, if applicable, as approved by a resolution of the directors.

Electronic Meetings

10.10 The directors may determine that a meeting of shareholders shall be held entirely by means of telephonic, electronic, hybrid or other communication facilities that permit all participants to communicate with each other during the meeting. A meeting of shareholders may also be held at which some, but not necessarily all, persons entitled to attend may participate by means of such communications facilities, if the directors determine to make them available. A shareholder who participates in a meeting in a manner contemplated by this Article 10.10 is deemed for all purposes of the Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

Electronic Voting

10.11 Subject to applicable law, any vote at a meeting of shareholders may be held entirely or partially by means of telephonic, electronic, hybrid or other communication medium, if the directors determine to make them available, whether or not persons entitled to attend participate in the meeting by means of such communication medium. A person participating in a meeting in a manner contemplated by this Article 10.11 is deemed for all purposes of the Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

PART 11

PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

Special Business

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

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
 - (i) business relating to the conduct of or voting at the meeting;
 - (ii) consideration of any financial statements of the Company presented to the meeting;
 - (iii) consideration of any reports of the directors or auditor;
 - (iv) the setting or changing of the number of directors;
 - (v) the election or appointment of directors;
 - (vi) the appointment of an auditor;
 - (vii) the setting of the remuneration of an auditor;
 - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;

- (ix) any other business which, under these Articles or the Act, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

Special Majority

11.2 The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

Quorum

11.3 Subject to the special rights or restrictions attached to the shares of any class or series of shares, and to §11.4, the quorum for the transaction of business at a meeting of shareholders is at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

One Shareholder May Constitute Quorum

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

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) shareholder, in attendance at the meeting or represented at the meeting by proxy, may constitute the meeting.

Persons Entitled to Attend Meeting

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

Requirement of Quorum

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

Lack of Quorum

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

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

Lack of Quorum at Succeeding Meeting

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

Chair

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

- (a) the chair of the board, if any; or

- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

Selection of Alternate Chair

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

Adjournments

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

Notice of Adjourned Meeting

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

Decisions by Show of Hands or Poll

11.13 Subject to the Act, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is in attendance at the meeting or represented at the meeting by proxy.

Declaration of Result

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

Motion Need Not be Seconded

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

Casting Vote

11.16 In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

Manner of Taking Poll

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

- (a) the poll must be taken:
- (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (ii) in the manner, at the time and, if applicable, the place that the chair of the meeting directs;

- (b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded;
and
- (c) the demand for the poll may be withdrawn by the person who demanded it.

Demand for Poll on Adjournment

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

Chair Must Resolve Dispute

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

Casting of Votes

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

No Demand for Poll on Election of Chair

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

Demand for Poll Not to Prevent Continuance of Meeting

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

Retention of Ballots and Proxies

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

PART 12

VOTES OF SHAREHOLDERS

Number of Votes by Shareholder or by Shares

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

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

Votes of Persons in Representative Capacity

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

Votes by Joint Holders

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

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

Legal Personal Representatives as Joint Shareholders

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

Representative of a Corporate Shareholder

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

- (a) for that purpose, the instrument appointing a representative must be received:
 - (i) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
 - (ii) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;
- (b) if a representative is appointed under this §12.5:
 - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

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

Proxy Provisions Do Not Apply to All Companies

12.6 If and for so long as the Company is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply, then §12.7 to §12.15 are not mandatory, however the directors of the Company are authorized to apply all or part of such sections or to adopt alternative procedures for proxy form, deposit and revocation procedures to the extent that the directors deem necessary in order to comply with securities laws applicable to the Company.

Appointment of Proxy Holders

12.7 Every shareholder of the Company entitled to vote at a meeting of shareholders may, by proxy, appoint one or more (but not more than two) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

Alternate Proxy Holders

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

Proxy Holder Need Not Be Shareholder

12.9 A proxy holder need not be a shareholder of the Company.

Deposit of Proxy

12.10 A proxy for a meeting of shareholders must:

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

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages, including through Internet or telephone voting or by email, if permitted by the notice calling the meeting or the information circular for the meeting.

Validity of Proxy Vote

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

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

Form of Proxy

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

[Name of Company]
(the "Company")

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

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

Signed [month, day, year]

[Signature of shareholder]

[Name of shareholder—printed]

Revocation of Proxy

- 12.13 Subject to §12.14, every proxy may be revoked by an instrument in writing that is received:
- (a) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
 - (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Revocation of Proxy Must Be Signed

- 12.14 An instrument referred to in §12.13 must be signed as follows:
- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or the shareholder's legal personal representative or trustee in bankruptcy;
 - (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under §12.5.

Production of Evidence of Authority to Vote

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

PART 13

DIRECTORS

First Directors; Number of Directors

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

- (a) subject to §(b) and §(c), the number of directors that is equal to the number of the Company's first directors;
- (b) if the Company is a public company, the greater of three and the most recently set of:
 - (i) the number of directors set by a resolution of the directors (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors in office pursuant to §14.4;
- (c) if the Company is not a public company, the most recently set of:
 - (i) the number of directors set by a resolution of the directors (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors in office pursuant to §14.4.

Change in Number of Directors

- 13.2 If the number of directors is set under §13.1(b)(i) or §13.1(c)(i):
- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; or
 - (b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number then the directors, subject to §14.8, may appoint directors to fill those vacancies.

Directors' Acts Valid Despite Vacancy

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

Qualifications of Directors

13.4 A director is not required to hold a share as qualification for his or her office but must be qualified as required by the Act to become, act or continue to act as a director.

Remuneration of Directors

13.5 The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders.

Reimbursement of Expenses of Directors

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

Special Remuneration for Directors

13.7 If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, he or she may be paid remuneration fixed by the directors, or at the option of the directors, fixed by ordinary resolution, and such remuneration will be in addition to any other remuneration that he or she may be entitled to receive.

Gratuity, Pension or Allowance on Retirement of Director

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

PART 14

ELECTION AND REMOVAL OF DIRECTORS

Election at Annual General Meeting

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

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

Consent to be a Director

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

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

Failure to Elect or Appoint Directors

14.3 If:

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

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

- (c) when his or her successor is elected or appointed; and
- (d) when he or she otherwise ceases to hold office under the Act or these Articles.

Places of Retiring Directors Not Filled

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

Directors May Fill Casual Vacancies

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

Remaining Directors Power to Act

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

Shareholders May Fill Vacancies

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

Additional Directors

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

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this §14.8.

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

Ceasing to be a Director

- 14.9 A director ceases to be a director when:
- (a) the term of office of the director expires;
 - (b) the director dies;
 - (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
 - (d) the director is removed from office pursuant to §14.10 or §14.11.

Removal of Director by Shareholders

14.10 The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

Removal of Director by Directors

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

Nomination of Directors

14.12

- (a) Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):
 - (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - (iii) by any person (a “**Nominating Shareholder**”) (A) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 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 (B) who complies with the notice procedures set forth below in this §14.12.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with this §14.12 and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in §14.12(e).
- (c) To be timely under §14.12(b)(i), a Nominating Shareholder’s notice to the Corporate Secretary of the Company 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 40 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 tenth (10th) day following the Notice Date; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this §14.12(c).

(d) To be in proper written form, a Nominating Shareholder’s notice to the Corporate Secretary of the Company, under §14.12(b)(i) 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 capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (D) a statement as to whether such person would be “independent” of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination and (E) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and

(ii) as to the Nominating Shareholder giving the notice, (A) any information relating to such Nominating Shareholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws, and (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.

(e) To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this §14.12 and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person’s term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

(f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this §14.12; provided, however, that nothing in this §14.12 shall be deemed to preclude discussion by a shareholder (as distinct from nominating 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 chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in 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.

(g) For purposes of this §14.12:

(i) “**Affiliate**”, when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

(ii) “**Applicable Securities Laws**” means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;

(iii) “**Associate**”, when used to indicate a relationship with a specified person, shall mean (A) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (B) any partner of that person, (C) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (D) a spouse of such specified person, (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (F) any relative of such specified person or of a person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;

(iv) “**Derivatives Contract**” shall mean a contract between two parties (the “Receiving Party” and the “Counterparty”) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “Notional Securities”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

(v) “**Meeting of Shareholders**” shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the board by a Nominating Shareholder;

(vi) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (B) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s

Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and

(vii) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

(h) Notwithstanding any other provision to this §14.12, notice or any delivery given to the Corporate Secretary of the Company pursuant to this §14.12 may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), 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 Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

(i) 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 in §14.12(c) or the delivery of a representation and agreement as described in §14.12(e).

PART 15

POWERS AND DUTIES OF DIRECTORS

Powers of Management

15.1 The directors must, subject to the Act and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the shareholders of the Company. Notwithstanding the generality of the foregoing, the directors may set the remuneration of the auditor of the Company.

Appointment of Attorney of Company

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

of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 16

INTERESTS OF DIRECTORS AND OFFICERS

Obligation to Account for Profits

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

Restrictions on Voting by Reason of Interest

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

Interested Director Counted in Quorum

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

Disclosure of Conflict of Interest or Property

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

Director Holding Other Office in the Company

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

No Disqualification

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

Professional Services by Director or Officer

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

Director or Officer in Other Corporations

16.8 A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the Act, the

director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

PART 17

PROCEEDINGS OF DIRECTORS

Meetings of Directors

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

Voting at Meetings

17.2 Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting has a second or casting vote.

Chair of Meetings

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

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

Meetings by Electronic, Telephonic, Hybrid or Other Communications Medium

17.4 A director may participate in a meeting of the directors or of any committee of the directors:

- (a) in person; or
- (b) by electronic, telephonic, hybrid or by other communications medium if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other.

A director who participates in a meeting in a manner contemplated by this §17.4 is deemed for all purposes of the Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

Calling of Meetings

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

Notice of Meetings

17.6 Other than for meetings held at regular intervals as determined by the directors pursuant to §17.1, 48 hours' notice or such lesser notice as the Chairman in his discretion determines, acting reasonably, is appropriate in any unusual circumstances of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in §23.1 or orally or by telephone.

When Notice Not Required

17.7 It is not necessary to give notice of a meeting of the directors to a director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (b) the director has waived notice of the meeting.

Meeting Valid Despite Failure to Give Notice

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

Waiver of Notice of Meetings

17.9 Any director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director. Attendance of a director at a meeting of the directors is a waiver of notice of the meeting unless that director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Quorum

17.10 The quorum necessary for the transaction of the business of the directors may be set by the directors to a number not less than 50% of the directors in office, and, if not so set, is deemed to be a majority of the directors in office, or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

Validity of Acts Where Appointment Defective

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

Consent Resolutions in Writing

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

- (a) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (b) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this §17.12 may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this §17.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the Act and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 18

EXECUTIVE AND OTHER COMMITTEES

Appointment and Powers of Executive Committee

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

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

Appointment and Powers of Other Committees

18.2 The directors may, by resolution:

- (a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under §(a) any of the directors' powers, except:
 - (i) the power to fill vacancies in the board of directors;
 - (ii) the power to remove a director;
 - (iii) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (iv) the power to appoint or remove officers appointed by the directors; and
- (c) make any delegation referred to in §(b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

Obligations of Committees

18.3 Any committee appointed under §18.1 or §18.2, in the exercise of the powers delegated to it, must:

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

Powers of Board

18.4 The directors may, at any time, with respect to a committee appointed under §18.1 or §18.2:

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

Committee Meetings

18.5 Subject to §18.3(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under §18.1 or §18.2:

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

PART 19

OFFICERS

Directors May Appoint Officers

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

Functions, Duties and Powers of Officers

19.2 The directors may, for each officer:

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

Qualifications

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

Remuneration and Terms of Appointment

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

PART 20

INDEMNIFICATION

Definitions

20.1 In this Part 20:

- (a) “**eligible party**”, in relation to a company, means an individual who:
 - (i) is or was a director or officer of the Company;

- (ii) is or was a director or officer of another corporation
 - (A) at a time when the corporation is or was an affiliate of the Company, or
 - (B) at the request of the Company; or
- (iii) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director or officer of a partnership, trust, joint venture or other unincorporated entity;

and includes, except in the definition of “eligible proceeding”, and §163(1)(c) and (d) and §165 of the Act, the heirs and personal or other legal representatives of that individual;

(b) “**eligible penalty**” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

(c) “**eligible proceeding**” means a proceeding in which an eligible party or any of the heirs and personal or other legal representatives of the eligible party, by reason of the eligible party being or having been a director or officer of, or holding or having held a position equivalent to that of a director or officer of, the Company or an associated corporation

- (i) is or may be joined as a party; or
- (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(d) “**expenses**” has the meaning set out in the Act and includes costs, charges and expenses, including legal and other fees, but does not include judgments, penalties, fines or amounts paid in settlement of a proceeding; and

(e) “**proceeding**” includes any legal proceeding or investigative action, whether current, threatened, pending or completed.

Mandatory Indemnification of Eligible Parties

20.2 Subject to the Act, the Company must indemnify each eligible party and the heirs and legal personal representatives of each eligible party against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each eligible party is deemed to have contracted with the Company on the terms of the indemnity contained in this §20.2.

Indemnification of Other Persons

20.3 Subject to any restrictions in the Act, the Company may agree to indemnify and may indemnify any person (including an eligible party) against eligible penalties and pay expenses incurred in connection with the performance of services by that person for the Company.

Authority to Advance Expenses

20.4 The Company may advance expenses to an eligible party to the extent permitted by and in accordance with the Act.

Non-Compliance with Act

20.5 Subject to the Act, the failure of an eligible party of the Company to comply with the Act or these Articles or, if applicable, any former *Companies Act* or former Articles does not, of itself, invalidate any indemnity to which he or she is entitled under this Part 20.

Company May Purchase Insurance

20.6 The Company may purchase and maintain insurance for the benefit of any eligible party (or the heirs or legal personal representatives of any eligible party) against any liability incurred by any eligible party.

PART 21

DIVIDENDS

Payment of Dividends Subject to Special Rights

21.1 The provisions of this Part 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

Declaration of Dividends

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

No Notice Required

21.3 The directors need not give notice to any shareholder of any declaration under §21.2.

Record Date

21.4 The directors must set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months.

Manner of Paying Dividend

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

Settlement of Difficulties

21.6 If any difficulty arises in regard to a distribution under §21.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (a) set the value for distribution of specific assets;
- (b) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (c) vest any such specific assets in trustees for the persons entitled to the dividend.

When Dividend Payable

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

Dividends to be Paid in Accordance with Number of Shares

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

Receipt by Joint Shareholders

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

Dividend Bears No Interest

21.10 No dividend bears interest against the Company.

Fractional Dividends

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

Payment of Dividends

21.12 Any dividend, bonuses or other distribution payable in money in respect of shares may be paid by cheque sent through the post or by electronic transfer, so authorized by the shareholder, directed to the registered address of the shareholder or the account specified by such shareholder, or in the case of joint shareholders, to the registered address of that one of the joint shareholders who is first named on the register or the account specified by such joint shareholder, or to such person and to such address as the shareholder or joint shareholders may direct in writing. Every such cheque shall be made payable to the order of the person whom it is sent. The mailing of such cheque or the forwarding by electronic transfer shall, to the extent of the sum represented thereby (plus the amount of any tax required by law to be deducted) discharge all liability for the dividend, unless such cheque shall not be paid on presentation or the amount of tax so deducted shall not be paid to the appropriate taxing authority.

Capitalization of Retained Earnings or Surplus

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

PART 22

ACCOUNTING RECORDS AND AUDITOR

Recording of Financial Affairs

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

Inspection of Accounting Records

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

PART 23

NOTICES

Method of Giving Notice

23.1 Unless the Act or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the Act or these Articles to be sent by the Company to a person may be sent by:

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

- (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
- (iii) in any other case, the delivery address of the intended recipient;
- (c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (e) physical delivery to the intended recipient; or
- (f) as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states in the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation.

Deemed Receipt of Mailing

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

- (a) mailed to a person by ordinary mail to the applicable address for that person referred to in §23.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (b) faxed to a person to the fax number provided by that person referred to in §23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (c) emailed to a person to the e-mail address provided by that person referred to in §23.1 is deemed to be received by the person to whom it was e-mailed on the day that it was emailed.

Certificate of Sending

23.3 A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with §23.1 is conclusive evidence of that fact.

Notice to Joint Shareholders

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

Notice to Legal Personal Representatives and Trustees

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

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

Undelivered Notices

23.6 If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to §23.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

PART 24

SEAL

Who May Attest Seal

24.1 Except as provided in §24.2 and §24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (a) any two directors;
- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by the directors.

Sealing Copies

24.2 For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite §24.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

Mechanical Reproduction of Seal

24.3 The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the Act or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under §24.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

PART 25

SPECIAL RIGHTS AND RESTRICTIONS COMMON SHARES

25.1 The Common shares of the Company as a class shall have attached thereto the special rights and restrictions specified in this Article,

- (a) to receive notice of and to attend and vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- (b) to receive any dividend declared by the Company on this class of shares; provided that the Company shall be entitled to declare dividends on the Preferred shares, or on any of such classes of shares without being obliged to declare any dividends on the Common shares of the Company;

- (c) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon dissolution in equal rank with the holders of all other Common shares of the Company; and
- (d) to the rights, privileges and restrictions normally attached to common shares.

PART 26

SPECIAL RIGHTS AND RESTRICTIONS PREFERRED SHARES

Special Rights and Restrictions Applicable to Class and Each Series

26.1 The Preferred shares of the Company as a class shall have attached thereto the special rights and restrictions specified in this Article.

26.2 The Preferred shares may include one or more series of shares, and, subject to the Act, the directors may, by resolution,

- (a) determine the maximum number of shares of any of those series of shares that the Company is authorized to issue, determine that there is no maximum number or, if none of the shares of that series is issued, alter any determination so made, and authorize the alteration of the notice of articles accordingly;
- (b) alter the articles, and authorize the alteration of the notice of articles, to create an identifying name by which the shares of any of those series of shares may be identified or, if none of the shares of that series is issued, to alter any such identifying name so created;
- (c) alter the articles, and authorize the alteration of the notice of articles accordingly, to attach special rights or restrictions to the shares of any of those series of shares, including, but without in any way limiting or restricting the generality of the foregoing, the rate or amount of dividends, whether cumulative, non-cumulative or partially cumulative, the dates, places and currencies of payment thereof, the consideration for, and the terms and conditions of, any purchase or redemption thereof, including redemption after a fixed term or at a premium, conversion or exchange rights, the terms and conditions of any share purchase plan or sinking fund, the restrictions respecting payment of dividends on, or the repayment of capital in respect of, any other shares of the Company and voting rights and restrictions but no special right or restriction so created, defined or attached shall contravene the provisions of §26.3 and §26.4 of this Article, or, if none of the shares of that series is issued, to alter any such special rights or restrictions.

26.3 Holders of Preferred shares shall be entitled, on the distribution of assets of the Company on the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or on any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, to receive, before any distribution shall be made to holders of Common shares or any other shares of the Company ranking junior to the Preferred shares with respect to repayment of capital on any such event, the amount required to be paid in accordance with the special rights and restrictions attached to the series of shares held by them, together with the fixed premium (if any) thereon, an amount equal to all accrued and unpaid cumulative dividends (if any and if preferential) thereon, which for such purpose shall be calculated as if such dividends were accruing on a day-to-day basis up to the date of such distribution, whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any and if preferential) thereon. After payment to holders of Preferred shares of the amounts so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company except as specifically provided in the special rights and restrictions attached to any particular series.

26.4 Holders of Preferred shares shall not be entitled, as such, to receive notice of, and/or to attend and/or vote at, any general meeting of shareholders of the Company.