

BAYMOUNT INCORPORATED

1901-130 Adelaide Street West
Toronto, Ontario, M5H 3P5

NOTICE OF ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS

NOTICE IS HERBY GIVEN that an annual and special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of BAYMOUNT INCORPORATED (the "**Corporation**") will be held at the offices of Irwin Lowy LLP, 217 Queen Street, Suite 400, Toronto, Ontario, M5V 0R2 at 10:00 a.m. (Toronto time) on Friday, June 7, 2019 for the following purposes:

1. to present the audited consolidated financial statements of the Corporation for the fiscal years ended December 31, 2018, 2017, 2016, 2015, 2014, 2013 and 2012, together with the auditor's report thereon;
2. to re-appoint RSM Canada LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors to fix its remuneration;
3. to elect the directors of the Corporation to hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated;
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Corporation's stock option plan, as more particularly described in the accompanying management information circular;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution repealing the Corporation's old by-law No. 1 and ratifying and confirming a new general by-law No.1, as more particularly described in the accompanying management information circular;
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to authorize and approve the delisting of the Corporation's common shares from the TSX Venture Exchange, including from the NEX board thereof, and the listing of the Corporation's common shares on the Canadian Securities Exchange or another stock exchange, as more particularly described in the accompanying management information circular;
7. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing the Corporation to amend its articles of incorporation to change the name of the Corporation as the directors of the Corporation may determine, as more particularly described in the accompanying management information circular;
8. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing the Corporation to amend its articles of incorporation to consolidate all of the issued and outstanding common shares without par value of the Corporation on the basis of a ratio of up to five (5) pre-consolidated common shares for one (1) post-consolidation common share without par value of the Corporation as the directors of the

Corporation may determine, as more particularly described in the accompanying management information circular;

9. to consider and, if deemed advisable, to pass, with or without variation, a special resolution empowering the Corporation's board of directors to determine from time to time by resolution the number of directors of the Corporation and the number of directors of the Corporation to be elected at each annual meeting of the Shareholders of the Corporation; and
10. to transact such further or other business as may be properly come before the Meeting and adjournment or adjournments thereof.

An "ordinary resolution" is a resolution passed by at least a majority of the votes cast collectively by the Shareholders who vote in person or are represented by a proxy at the Meeting who voted in respect of that resolution at the Meeting while a "special resolution" is a resolution passed by a majority of not less than two-thirds of the votes cast collectively by the Shareholders who vote in person or are represented by a proxy at the Meeting who voted in respect of that resolution at the Meeting.

Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting.

This Notice of Annual and Special Meeting of the Shareholders is accompanied by a form of proxy and a management information circular which describes in further detail the business to be transacted at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, and sign the enclosed form of proxy and return it in accordance with the instructions contained therein. If you are not a registered Shareholder and receive these meeting materials through your broker or another intermediary, please complete and return the required materials in accordance with the instructions provided to you.

DATED this 29th day of April, 2019

BY ORDER OF THE BOARD OF DIRECTORS OF BAYMOUNT INCORPORATED

"Graham Simmonds"

Graham Simmonds
Chair & Chief Executive Officer

BAYMOUNT INCORPORATED

1901-130 Adelaide Street West
Toronto, Ontario, M5H 3P5

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (the "**Circular**") IS BEING FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF **BAYMOUNT INCORPORATED** (the "**Corporation**") of proxies to be used at the annual and special meeting of shareholders (the "**Meeting**") and any adjournments thereof, to be held at the offices of Irwin Lowy LLP, 217 Queen Street, Suite 400, Toronto, Ontario, M5V 0R2 at 10:00 a.m. (Toronto time) on Friday, June 7, 2019, for the purposes set forth in the enclosed notice of annual and special meeting (the "**Notice of Meeting**"). Proxies will be primarily solicited by mail and may also be solicited personally or by telephone by the directors and/or officers of the Corporation, at nominal cost. The cost of solicitation will be borne by the Corporation.

The Corporation may also pay the reasonable costs incurred by persons who are the registered but not the beneficial owners of common shares in the capital of the Corporation (the "**Common Shares**") (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this Circular, the Notice of Meeting and form of proxy (the "**Proxy**") to the beneficial owners of such Common Shares. The Corporation will provide, without cost to such persons, upon request to the Chief Executive Officer of the Corporation, additional copies of the foregoing documents required for this purpose.

No person is authorized to provide any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation shall not be relied upon as having been authorized.

In this Circular, unless otherwise indicated, all dollar amounts ("**\$**") are expressed in Canadian dollars.

APPOINTMENT, VOTING AND REVOCATION OF PROXIES

Appointment

The individuals named in the accompanying Proxy are directors and/or officers of the Corporation (the "**Management Designees**"). **A shareholder of the Corporation (each, a "Shareholder") wishing to appoint some other person (who need not be a Shareholder) to represent the Shareholder at the Meeting has the right to do so, either by striking out the names of those persons named in the accompanying Proxy and inserting the desired person's name in the blank space provided in the Proxy or by completing another form of proxy.** Such Shareholder should first notify such person of his appointment and obtain his consent to act as a proxyholder. In any case, the Proxy should be dated and executed by the Shareholder or his attorney authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized.

A Shareholder wishing to be represented by proxy at the meeting or any adjournment thereof must deposit their duly executed Proxy with the Corporation's registrar and transfer agent, Capital Transfer Agency ULC, at its Toronto office located at 390 Bay Street, Suite 920, Toronto, Ontario, M5H 2Y2 not later than 10:00 a.m. (Toronto time) on June 5, 2019 or, if the meeting is adjourned not later than 48 hours, excluding weekends and holidays, preceding the time of such adjourned meeting.

Voting

Each Shareholder may instruct his proxy how to vote their Common Shares by marking the Proxy as applicable. All Common Shares represented at the Meeting by properly executed Proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares represented by the Proxy will be voted accordingly. **In the absence of any such specification of voting on the Proxy, the Management Designees named in the Proxy will vote in favour of the matters set out therein.**

The enclosed Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or of other matters which may be presented to the Meeting.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by his attorney authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the Corporation's registrar and transfer agent, Capital Transfer Agency ULC, at its Toronto office located at 390 Bay Street, Suite 920, Toronto, Ontario, M5H 2Y2, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. The information set forth in this section is of significant importance to many beneficial shareholders as a substantial number of shareholders do not hold their Common Shares in their own name. Some of the beneficial holders of Common Shares of the Corporation are "non-registered" shareholders as their Common Shares are not registered in their own names but rather are instead registered in the name of a bank, trust company or brokerage firm from whom they purchased the Common Shares (referred to in this Circular as "**Beneficial Shareholders**"). Such Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records maintained by the Corporation's registrar and transfer agent as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If the Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those shares will not be registered in the Beneficial Shareholder's name. Such shares are more likely to be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc. ("**CDS**"), which acts as nominee for many Canadian banks, trust companies and brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for, against or withheld from voting resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS are held. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The purpose of the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form (a "**VIF**"), mails the VIF to the Beneficial Shareholders and requests the Beneficial Shareholders to return the VIF forms to Broadridge or otherwise communicate voting instructions to Broadridge by way of the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge VIF cannot use that form to vote directly at the Meeting. The VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted. If you have any questions with respect to the voting of Common Shares held through a broker or other intermediary, please contact your broker or other intermediary directly for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person, the Beneficial Shareholder

must insert his or her own name as appointee in the blank space of the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

All references to Shareholders in this Circular and the accompanying Proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

RECORD DATE

The Corporation has fixed April 23, 2019 as the record date (the "**Record Date**") for the purposes of determining holders of Common Shares entitled to receive notice of the Meeting. Registered holders of Common Shares, as shown on the shareholders' list prepared as of the Record Date will be entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Voting Securities

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As of the date hereof, the Corporation has issued and outstanding 27,493,286 fully paid and non-assessable Common Shares, each of such Common Shares carrying the right to one vote. The Corporation has not issued any other class of voting securities.

Principal Holders of Voting Securities

As of the Record Date, to the best knowledge of the directors and executive officers of the Corporation, no persons or corporations beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation.

DATE OF INFORMATION

Unless otherwise specified herein, the information contained in this Circular is given as of April 29, 2019.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The Corporation's audited consolidated financial statements of Baymount Incorporated for the years ended December 31, 2018, 2017, 2016, 2015, 2014, 2013 and 2012, together with the auditor's report thereon will be presented at the Meeting, provided, however, that no vote with respect thereto is required. These financial statements have been filed on SEDAR at www.sedar.com and accompany this Circular for those Shareholders who have requested a copy.

2. Appointment of Auditors

It is proposed that RSM Canada LLP, Chartered Professional Accountants, be re-appointed as auditor of the Corporation to hold such office until the next annual meeting of Shareholders or until their successors are elected or appointed and that the board of directors (the "**Board of Directors**" or the "**Board**") of the Corporation be authorized to fix the remuneration of the Auditors.

Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of auditors, the persons named in the enclosed Proxy intend to vote FOR the re-appointment of RSM Canada LLP, Chartered Professional Accountants, to serve as the auditor of the Corporation until the next annual meeting of the Shareholders and to authorize the directors of the Corporation to fix the auditor's remuneration.

3. Election of Directors

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **Unless expressly directed to the contrary in the Proxy, the persons named in the enclosed Proxy intend to vote FOR the election of each of the five proposed nominees whose names appear below as directors or proposed directors of the Corporation.**

Management of the Corporation ("**Management**") does not contemplate that any of the nominees will be unable to serve as a director, however, if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the Proxy to vote for the election of any other person or persons in place of any nominee or nominees who are unable to serve in such capacity. Each elected director will hold office until the next annual meeting of Shareholders of the Corporation or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation.

The following table contains certain information in connection with the persons proposed for nomination as directors. The principal occupation and Common Shares beneficially owned or over which control or direction is exercised by the nominees for election as directors is in each instance based upon information provided by the person to whom such information relates.

Name, Residence and Position with the Corporation ⁽¹⁾	Principal Occupation during the past five years	Director Since	Number of Shares owned ⁽²⁾
Graham Simmonds Toronto, Ontario, Canada Director, Chief Executive Officer and President	Director and CEO of the Corporation (since September 2005) and former CFO of the Corporation (June 2010 – March 2019); Chairman and CEO of Gilla Inc. (since November 2012); CEO of Prime City One Capital Corp. (July 2016 – June 2018); Chairman and CEO of CordovaCann Corp. (March 2015 – May 2018); Chairman of DealNet Capital Corp. (May 2008 – September 2014).	2005	249,408 ⁽³⁾
Gerald Goldberg ⁽⁴⁾ Toronto, Ontario, Canada Director	Director of the Corporation (since 2004); Chartered Professional Accountant; Chairman and CEO of Osoyoos Cannabis Inc. (since October 2018); Director of Gravitass Financial Inc. (May 2016 – March 2019); Director of Gilla Inc. (June 2016 – November 2018); Director and Interim CEO of Canada House Wellness Group Inc. (April 2016 – January 2018); Director of Pinetree Capital Ltd. (July 2010 – April 2016).	2004	813,335
Gordon Ashworth ⁽⁴⁾ Toronto, Ontario, Canada Director	Director of the Corporation (since 2005); Consultant and Advisor (current); Director of Continental Precious Minerals Inc. (current).	2005	818,333
Helmut Biemann ⁽⁴⁾ Irvine, California, USA Director	Director of the Corporation (since 2005); COO of National Services Group (since 2005).	2005	646,023 ⁽⁵⁾
Pierre Gagnon Oakville, Ontario, Canada Director	Director of the Corporation (since 2008); Managing Director of Chancery Investments Inc. (current); Director and Interim CEO of Agility Health, Inc. (April 2017 – May 2018).	2008	1,446,667 ⁽⁶⁾

Notes:

- (1) The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (2) The information as to the shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (3) Includes Common Shares held by The Woodham Group Inc. and The GraySim Family Trust, a discretionary family trust; Mr. Simmonds is not a trustee of The GraySim Family Trust and has no control or direction over the Common Shares beneficially owned by it.
- (4) Current member of the Audit Committee.
- (5) Includes Common Shares held by Mr. Biemann's spouse.
- (6) Includes Common Shares held by Mr. Gagnon's spouse.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 3,973,766 Common Shares, representing 14.45% of the issued and outstanding Common Shares as of the date hereof.

The following are brief biographies of the proposed directors of the Corporation:

Graham Simmonds (Chairman of the Board, CEO, President)

Mr. Simmonds has over 20 years of experience in public company management and business development projects within both the gaming and technology sectors. Mr. Simmonds is licensed and/or has previously been licensed/registered with a number of horse racing and gaming commissions in the United States and Canada. Mr. Simmonds developed and launched the first in-home digital video horse racing service in North America and is a former director and partner in eBet Technologies Inc., a licensed ADW operator and software developer for the online horse racing industry in the United States. eBet Technologies Inc. was successfully sold to Sportech PLC in December of 2012. Mr. Simmonds is the Chairman and CEO of Gilla

Inc., a global manufacturer and distributor of e-liquid and vape products. Mr. Simmonds was also the former Chairman and CEO of CordovaCann Corp., a Canadian-domiciled diversified cannabis investment company, and DealNet Capital Corp., a consumer finance company.

Gerald Goldberg, CPA, CA (Director, Chairman of the Audit Committee)

Mr. Goldberg is a Chartered Professional Accountant and a former senior partner at two major accounting firms. Mr. Goldberg has over 30 years of audit experience and was the head of the public company audit division of a major firm. He has industry expertise in cannabis cultivation and aggregation, distribution, retail, mining natural resource and oil & gas, real estate, "not-for-profit" entities and manufacturing industries, with a strong emphasis on taxation and business advisory services. Mr. Goldberg was active in corporate finance and development and was involved in the structure and design of numerous innovative financing instruments, tax shelters and syndications, both in Canada and the US. He was actively involved with the audit of various public Canadian, US, Chinese and other foreign companies listed in the US and Canada. Mr. Goldberg holds the designation of C.T.A. from the University of South Africa and is a member of the Institute of Chartered Professional Accountants of Ontario and the Public Accountants Council of Ontario.

Gordon Ashworth (Director)

Mr. Ashworth leads a consulting firm in Toronto, Ontario specializing in strategic management, communications planning, advertising and branding. He has extensive experience in corporations, business associations and politics. Mr. Ashworth has served as Vice President of Goldfarb Consultants, and National Campaign Director for the Liberal Party of Canada in the 1997, 1980 and 1993 federal elections. He was the Executive Director of the Office of the Premier of Ontario and Senior Advisor to Prime Minister P.E. Trudeau. Mr. Ashworth has also served as Assistant to the Leader of the Government in the Senate.

Helmut Biemann (Director)

Mr. Biemann is a seasoned entrepreneur and senior executive with over 30 years of business experience. He is currently COO of National Services Group based in Irvine, California. Mr. Biemann has extensive experience in regulated gaming businesses having held senior positions at Magna International Developments and the Woodbine Entertainment Group.

Pierre Gagnon (Director)

Mr. Gagnon has over 30 years of experience in commercial banking and M&A and is currently the Managing Director of Chancery Investments Inc. Mr. Gagnon was formerly a Director and Interim CEO of Agility Health, Inc. He is also President of Oakville Galleries and was a former Director of Halton Healthcare Services Foundation. Mr. Gagnon studied commerce at the University of Toronto and is an Associate of the Institute of Canadian Bankers.

Cease Trade Orders or Bankruptcies

Except as set out below, no proposed director of the Corporation (nor any personal holding company of any such proposed director):

- (i) is as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an "**Order**"), that was issued while that person was acting in that capacity; or
 - (b) was the subject of an Order that was issued after that person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in such capacity;
- (ii) is as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
 - (iii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director; or
 - (iv) has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Gerald Goldberg was the interim Chief Executive Officer of Canada House Wellness Group Inc. ("Canada House") at the time when a management cease trade order (the "MCTO") was issued by the Ontario Securities Commission on September 13, 2017 in respect of trading of Canada House securities. The MCTO was issued in respect of the late filing of the Canada House audited financial statements for the year ended April 30, 2017, the management's discussion and analysis and related certifications. The MCTO was lifted effective November 22, 2017.

4. Approval of the Stock Option Plan

At the Meeting, the Shareholders of the Corporation will be asked to consider and, if thought fit, to pass an ordinary resolution (the "**Stock Option Plan Resolution**") to approve and adopt the Corporation's stock option plan (the "**Stock Option Plan**"), a copy of which is annexed to this Circular as Appendix "B", in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Stock Option Plan of the Corporation in the form attached as Appendix "B" to this Circular, with such amendments thereto as may be made from time to time by the Board of the Corporation, without further approval of the Shareholders of the Corporation, in order to conform with the policies or requirements of the TSX Venture Exchange or any other stock exchange on which the Corporation's common shares are listed at such applicable time, be and is hereby approved by the Shareholders of the Corporation; and

2. any director or officer of the Corporation be and is authorized, instructed and empowered, acting for, in the name of and on behalf of the Corporation, to do or to cause to be done all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable to satisfy securities and corporate regulators and in order to fulfill the intent of this foregoing resolution.”

Approval of the Stock Option Plan Resolution

In order to pass the resolution to approve and adopt the Stock Option Plan, a majority of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the Stock Option Plan Resolution.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing ordinary resolution to approve and adopt the Stock Option Plan, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

5. Approval of Ratification and Confirmation of New By-Law No. 1

Background

Shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution confirming the repeal and replacement of By-law No. 1 of the Corporation relating generally to the affairs of the Corporation (the “**Old By-law No. 1**”). The Old By-law No. 1 was originally passed by the Board of Directors and confirmed by Shareholders on April 5, 2004. The Corporation has recently undertaken a review of Old By-law No. 1, particularly in light of evolving corporate governance best practices, and determined that it would be in the best interests of the Corporation to implement a new by-law (the “**New By-law No. 1**”) in order to incorporate such best practices and implement certain other desirable changes to update Old By-law No. 1.

Terms of By-law No. 1

Selected changes to Old By-law No. 1 as contained in New By-law No. 1 are summarized below:

- (a) *New By-law No. 1 contains provisions to modernize procedures, including regarding electronic communications and corporate governance matters;*
- (b) *New By-law No. 1 amends the quorum for any meeting of the Board to at least 50% of the number of directors on the Board;*
- (c) *New By-law No. 1 amends the quorum for any meeting of Shareholders to two persons present in person or represented by proxy, each being entitled to vote thereat or a duly appointed proxyholder or representative for a shareholder so entitled; and*
- (d) *New By-law No. 1 contains provisions regarding director nominations, providing for a fair and open nomination process.*

The full text of New By-law No. 1 is set out as Appendix “C” to this Circular.

Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed to be advisable, approve the following ordinary resolution repealing Old By-law No. 1 and approving and adopting New By-law No. 1 (the "**By-law Resolution**"), in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Old By-law No. 1 of the Corporation is repealed, provided that such repeal shall not affect the operation of such by-law prior to such repeal or affect the validity of any act done, or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles (as defined in the OBCA) of the Corporation obtained pursuant to, such by-law prior to its repeal;
2. New By-law No. 1 of the Corporation, the full text of which is attached as Appendix "C" to this Circular, dated April 29, 2019, being a by-law relating generally to the transaction of the business and affairs of the Corporation, is confirmed as made by the Board of Directors of the Corporation; and
3. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of the foregoing paragraphs of this resolution."

Approval of the By-law Resolutions

In order to pass the resolution to effect the By-law Resolution, a majority of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the By-law Resolution.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing ordinary resolution, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

6. Approval of a Delisting

Background

In connection with a repositioning of the Corporation, the Board of Directors proposes that the Corporation delist its Common Shares (the "**Delisting**") from trading on the NEX, a separate board of the TSX Venture Exchange ("**TSX-V**"), and to pursue a listing on the Canadian Securities Exchange ("**CSE**") or another stock exchange, as the Board may determine, for the Corporation's Common Shares (the "**Listing**"). Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution (the "**Delisting Resolution**") as set forth below hereto authorizing the Board of Directors, in its sole discretion, to apply for a Delisting with the TSX-V and apply for a Listing with the CSE or other stock exchange as the Board may approve, without further approval of the Shareholders.

If the Delisting Resolution is approved, the Corporation intends to apply to the TSX-V for the Delisting and apply to the CSE or other stock exchange for the Listing. Subject to obtaining all such approvals, all of the Corporation's Common Shares are expected to be delisted from the TSX-V and Shareholders will no longer be able to purchase or sell any Common Shares through the TSX-V. Following the Delisting, and subject to approval from the CSE or other stock exchange, the Corporation's Common Shares would be listed on the CSE or other stock exchange.

Notwithstanding approval of the Delisting Resolution by Shareholders, the Board of Directors may, in its sole discretion, revoke the Delisting Resolution in whole or in part, and abandon the Delisting Resolution at any time, without the approval or further approval or action by, or prior notice to the Corporation's Shareholders.

Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed to be advisable, approve the Delisting Resolution as an ordinary resolution, in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Corporation be and is hereby authorized to delist the Corporation's Common Shares from the TSX Venture Exchange, including from the NEX board thereof;
2. the Corporation be and is hereby authorized to make applications for the listing of the Corporation's then issued and outstanding Common Shares on the Canadian Securities Exchange or other stock exchange and, subject to the approval of such listing, to have the Corporation's Common Shares listed for trading;
3. notwithstanding that this resolution has been duly passed by the Shareholders of the Corporation, the Board of Directors of the Corporation be and are hereby authorized and empowered to revoke this resolution in whole or in part at any time prior to it being acted upon, without further approval of the Shareholders of the Corporation; and
4. any director or officer of the Corporation be and is authorized, instructed and empowered, acting for, in the name of and on behalf of the Corporation, to do or to cause to be done all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable to satisfy securities and corporate regulators and in order to fulfill the intent of this foregoing resolution."

Approval of the Delisting Resolution

In order to pass the resolution to approve the Delisting Resolution, a majority of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the Delisting Resolution.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing ordinary resolution to approve the Delisting Resolution, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

7. Approval of a Name Change

Background

In connection with a repositioning of the Corporation, the Board of Directors proposes that the name of the Corporation be changed at the discretion of the Board (the "**Name Change**"). Shareholders will be asked to consider and, if thought fit, to pass a special resolution (the "**Name Change Resolution**") as set forth below hereto authorizing the Board of Directors, in its sole discretion, to change the name of the Corporation as the Board may approve, without further approval of the Shareholders.

Notwithstanding approval of the Name Change Resolution by Shareholders, the Board of Directors may, in its sole discretion, revoke the Name Change Resolution, and abandon the Name Change at any time, without the approval or further approval or action by, or prior notice to the Corporation's Shareholders. If the Board does not implement the Name Change Resolution within twenty-four (24) months of the Meeting, the authority granted by the special resolution to implement the Name Change on approved terms would lapse and be of no further force or effect.

Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed to be advisable, approve the Name Change Resolution as a special resolution, in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Corporation's articles of incorporation be amended pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**") to change the name of the Corporation from "Baymount Incorporated" to such name as may be approved by the Board of Directors of the Corporation, without further approval of the Shareholders of the Corporation;
2. the effective date of such name change shall be the date shown in the certificate of amendment issued by a Director appointed under the OBCA or such other date indicated in the articles of amendment provided that, in any event, such date shall be prior to twenty-four (24) months from the date of the Meeting and if not implemented within such twenty-four (24) month period the authority granted by this resolution to effect a name change on the foregoing terms will lapse and be of no further force or effect;
3. notwithstanding that this resolution has been duly passed by the Shareholders of the Corporation, the Board of Directors of the Corporation be and are hereby authorized and empowered to revoke this resolution at any time prior to the endorsement by a director under the OBCA of a certificate of amendment of articles giving effect to the foregoing amendment to the articles of the Corporation, without further approval of the Shareholders of the Corporation; and
4. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of the foregoing paragraphs of this resolution including, without

limitation, the filing of articles of amendment, in duplicate, with the director under the OBCA.”

Approval of the Name Change Resolution

In order to pass the special resolution to amend the Corporation’s articles of incorporation, to effect a Name Change, at least two-thirds of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the Name Change Resolution. If the Name Change Resolution to amend the articles of incorporation does not receive the requisite Shareholder approval, the Corporation will continue with its present name.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing special resolution amending the Corporation’s articles of incorporation, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

In the event that the Corporation proceeds with a Name Change, letters of transmittal will be made available to holders of Common Shares for use in transmitting their share certificates to the Corporation’s registrar and transfer agent, Capital Transfer Agency ULC, in exchange for new certificates of the Corporation as renamed. Such letters of transmittal will be provided to Shareholders by Capital Transfer Agency ULC or the Corporation on request. Once a certificate of amendment of articles is obtained and properly completed, letters of transmittal together with any share certificates representing Common Shares issued prior to the Name Change that have been received in accordance with instructions contained in the letters of transmittal, certificates for the appropriate number of Common Shares reflecting the new name of the Corporation will be issued.

Beneficial Shareholders holding their Common Shares through an intermediary, such as a bank, broker, or other nominee, should note that intermediaries may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If you hold your Common Shares with an intermediary and you have questions in this regard, you are encouraged to contact your intermediary.

SHAREHOLDERS SHOULD NOT DESTROY ANY SHARE CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNTIL REQUESTED TO DO SO.

8. Approval of a Consolidation

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass a special resolution (the “**Consolidation Resolution**”) authorizing the consolidation of the issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for up to every five (5) pre-consolidation Common Shares (the “**Consolidation**”), with the actual consolidation ratio to be determined by the Board of Directors following the Meeting, provided that such ratio shall not exceed five (5) pre-consolidation Common Shares for one (1) post-consolidation Common Share of the Corporation. The Corporation’s name will not change in connection with the Consolidation, unless the Shareholders approve the Name Change Resolution and the Board determines to effect the Name Change either separately or together with the Consolidation.

Notwithstanding approval of the Consolidation Resolution by Shareholders, the Board of Directors may, in its sole discretion, revoke the Consolidation Resolution, and abandon the

Consolidation at any time, without the approval or further approval or action by, or prior notice to the Corporation's Shareholders.

Reasons for the Consolidation

The potential benefits of the Consolidation continue to include:

- (a) *Dilutive Transaction.* The Board of Directors believes that Shareholder approval of the Consolidation Resolution is advisable so as to enable the Corporation to pursue future business opportunities, which may have a dilutive effect on Shareholders (each, a "**Dilutive Transaction**"). In the event that the Corporation enters into a Dilutive Transaction, the Consolidation may lead to increased interest by a wider audience of potential investors, resulting in a more efficient market for the Common Shares.
- (b) *Attracting Greater Investor Interest.* The current share structure of the Corporation makes it more difficult to attract the additional equity financing required to maintain the Corporation with certain investors. A Consolidation may have the effect of raising, on a proportionate basis, the price of the Common Shares, which could appeal to certain investors that find shares valued above certain prices to be more attractive from an investment perspective.
- (c) *Improving the Prospects of Raising Additional Capital.* The higher anticipated price of the post-consolidation Common Shares will allow the Corporation to raise additional capital through the sale of additional Common Shares at a higher price per Common Share than would be possible in the absence of the Consolidation.

Prior to making any amendment to the Corporation's articles of incorporation to effect the Consolidation of Common Shares, the Corporation shall first be required to obtain any and all applicable regulatory and exchange approvals. The Board or Directors believes Shareholder approval of a maximum potential consolidation ratio (rather than a single consolidation ratio) of five (5) pre-consolidation Common Shares for one (1) post-consolidation Common Share of the Corporation provides the Board with flexibility to achieve the desired results of the Consolidation.

If the Consolidation Resolution is approved, the Consolidation would be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Corporation at the appropriate time. In connection with any determination to implement a Consolidation, the Board will set the timing for such a Consolidation and select the specific ratio from within the range for a ratio set forth in the Consolidation Resolution. No further action on the part of Shareholders would be required in order for the Board to implement the Consolidation.

Certain Risks Associated with the Consolidation

Implementation of the Consolidation is not likely to have a material effect on the actual or intrinsic value of the business of the Corporation, the Common Shares, or on a Shareholder's proportional ownership in the Corporation. However, there can be no assurance that the total market capitalization of the Corporation's Common Shares (the aggregate value of all the Corporation's Common Shares at the then market price) immediately after the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the market price of the Corporation's Common Shares following the Consolidation will be higher than the per share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Corporation's

Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of a Consolidation and the liquidity of the Corporation's Common Shares could be adversely affected.

The Board does not expect the Consolidation to result in the interests of any or a material number of Shareholders to be eliminated as a result of the Consolidation. However, the Consolidation may result in some Shareholders owning "odd lots" of less than one hundred (100) Common Shares on a post-consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per Common Share to sell, than Common Shares in "board lots" of even multiples of one hundred (100) Common Shares.

Principal Effects of the Consolidation

As of April 29, 2019, the Corporation had 27,493,286 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares of the Corporation issued and outstanding will depend on the ratio selected by the Board. The following table sets out the approximate number of Common Shares that would be outstanding as a result of the Consolidation at different suggested ratios. As outlined in the special resolution below, the final ratio of post-consolidation Common Shares of the Corporation that are issued in exchange for pre-consolidation Common Shares will be determined by the Board of Directors.

Proposed Consolidation Ratio⁽¹⁾	Approximate Number of Outstanding Post-Consolidation Common Shares⁽²⁾
2:1	13,746,643
3:1	9,164,429
4:1	6,873,322
5:1	5,498,657

Notes:

- (1) The ratios above are for illustrative purposes only and are not indicative of the actual ratio that may be adopted by the Board to effect a Consolidation.
- (2) Based on the issued and outstanding number of Common Shares as at April 29, 2019.

If approved and implemented, the Consolidation will occur simultaneously for all of the Common Shares and the consolidation ratio will be the same for all of such Common Shares. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Corporation, even though such ownership will be represented by a smaller number of Common Shares.

The Consolidation will not materially affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Consolidation will be entitled to one vote, and will be fully paid and non-assessable.

The implementation of the Consolidation would not affect the total Shareholders' equity of the Corporation or any components of Shareholders' equity as reflected on the Corporation's financial statements except: (i) to change the number of issued and outstanding Common Shares; and (ii) to change the stated capital of the Common Shares to reflect the Consolidation.

Each stock option, or other security of the Corporation convertible into pre-consolidation Common Shares (each, a "**Convertible Security**") that has not been exchanged or cancelled prior to the effective date of the implementation of the Consolidation will be adjusted pursuant to the terms thereof on the same exchange ratio as described above, and each holder of pre-

consolidation Convertible Securities will become entitled to receive post-consolidation Common Shares of the Corporation pursuant to such adjusted terms.

No Fractional Shares to be Issued

No fractional Common Shares of the Corporation will be issued upon the Consolidation. In the event that the Consolidation would otherwise result in the issuance of a fractional share, such fraction will be rounded to the next lowest whole number of Common Shares.

Implementation

The implementation of the proposed Consolidation is conditional upon the Corporation obtaining the necessary regulatory consents. The Consolidation Resolution provides that the Board of Directors is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation without further approval of the Corporation's Shareholders. In particular, if the Consolidation Resolution is approved at Meeting, the Board may determine after the Meeting not to proceed with completion of the proposed Consolidation and filing the articles of amendment. If the Board does not implement the Consolidation within twenty-four (24) months of the Meeting, the authority granted by the special resolution to implement the Consolidation on approved terms would lapse and be of no further force or effect.

Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed to be advisable, approve the Consolidation Resolution as a special resolution, in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Corporation's articles of incorporation be amended pursuant to the OBCA to effect a consolidation of all of the issued and outstanding Common Shares without par value of the Corporation on the basis of a ratio of up to five (5) pre-consolidated Common Shares for one (1) post-consolidation Common Share without par value of the Corporation; provided, however, that holders of Common Shares shall not be entitled to receive any fractional Common Share of the Corporation following the Consolidation and any fraction must be cancelled by the Corporation;
2. the Board of Directors of the Corporation, in their sole and complete discretion, are authorized and empowered to act upon this resolution to effect a consolidation and to determine the actual consolidation ratio; provided, however, that such ratio not to exceed five (5) pre-consolidation Common Shares for one (1) post-consolidation Common Share of the Corporation;
3. no fractional post-consolidation Common Shares of the Corporation will be issued and no cash will be paid in lieu of fractional post-consolidation Common Shares of the Corporation, such that fractional post-consolidation Common Shares will be rounded to the next lowest whole number;

4. the effective date of such consolidation shall be the date shown in the certificate of amendment issued by a Director appointed under the OBCA or such other date indicated in the articles of amendment provided that, in any event, such date shall be prior to twenty-four (24) months from the date of the Meeting and if not implemented within such twenty-four (24) month period the authority granted by this resolution to effect a consolidation on the foregoing terms will lapse and be of no further force or effect;
5. notwithstanding that this resolution has been duly passed by the Shareholders of the Corporation, the Board of Directors of the Corporation be and are hereby authorized and empowered to revoke this resolution at any time prior to the endorsement by a director under the OBCA of a certificate of amendment of articles giving effect to the foregoing amendment to the articles of the Corporation, without further approval of the Shareholders of the Corporation; and
6. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of the foregoing paragraphs of this resolution including, without limitation, the filing of articles of amendment, in duplicate, with the director under the OBCA."

Approval of the Consolidation Resolution

Management and the Board of Directors believe that the Consolidation is in the best interests of Shareholders and the Corporation. The Board of Directors has unanimously approved the Consolidation, and recommends that Shareholders vote FOR the Consolidation Resolution.

In order to pass the special resolution to amend the Corporation's articles of incorporation, to effect a Consolidation of all of the issued and outstanding Common Shares of the Corporation, at least two-thirds of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the Consolidation Resolution.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing special resolution amending the Corporation's articles of incorporation, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

If the Consolidation is approved by Shareholders and implemented by the Board of Directors, registered Shareholders will be required to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing the number of post-consolidation Common Shares of the Corporation to which they are entitled.

In the event that the Corporation proceeds with the Consolidation, letters of transmittal will be made available to holders of Common Shares for use in transmitting their share certificates to the Corporation's registrar and transfer agent, Capital Transfer Agency ULC, in exchange for new certificates of the Corporation evidencing the appropriate number of post-consolidation Common Shares of the Corporation. Such letters of transmittal will be provided to Shareholders by Capital Transfer Agency ULC or the Corporation on request. Once a certificate of amendment of articles is obtained and properly completed, letters of transmittal

together with any share certificates representing Common Shares issued prior to the Consolidation that have been received in accordance with instructions contained in the letters of transmittal, certificates for the appropriate number of post-consolidation Common Shares of the Corporation will be issued.

Beneficial Shareholders holding their Common Shares through an intermediary, such as a bank, broker, or other nominee, should note that intermediaries may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If you hold your Common Shares with an intermediary and you have questions in this regard, you are encouraged to contact your intermediary.

SHAREHOLDERS SHOULD NOT DESTROY ANY SHARE CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNTIL REQUESTED TO DO SO.

9. Approval of the Director Resolution

Background

The articles of the Corporation provide for a minimum of one (1) director and a maximum of seven (7) directors of the Corporation. The Board of Directors of the Corporation have determined that it is in the best interests of the Corporation that the Board of the Corporation be empowered to determine from time to time by resolution the number of directors of the Corporation and the number of directors of the Corporation to be elected at the annual meeting of the shareholders of the Corporation (the "**Director Resolution**").

Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed to be advisable, approve the Director Resolution as a special resolution, in the following form, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

4. the Board of Directors of the Corporation are hereby empowered to determine from time to time by resolution the number of directors of the Corporation and the number of directors of the Corporation to be elected at each annual meeting of the Shareholders of the Corporation; and
5. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of the foregoing paragraphs of this resolution including, without limitation, the filing of articles of amendment, in duplicate, with the director under the OBCA."

Approval of the Director Resolution

In order to pass the special resolution to effect the Director Resolution, at least two-thirds of the votes cast collectively by the Shareholders who vote in person or are represented by proxy at the Meeting must be voted in favour of the Director Resolution.

Unless the Shareholder directs that his or her Common Shares should be voted against the foregoing special resolution, the persons named in the enclosed Proxy intend to vote FOR the approval of such resolution.

10. Other Matters

Management has no knowledge of any other matters to come before the Meeting, other than those referred to in the Notice of Meeting. In the event that any other matters properly come before the Meeting, the Common Shares represented by the Proxies solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxies.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Circular, "**Named Executive Officer**" or "**NEO**" of the Corporation means the following individuals: (i) a chief executive officer ("**CEO**"); (ii) a chief financial officer ("**CFO**"); (iii) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a NEO under (iii) except that the individual was neither an executive officer of the Corporation nor acting in a similar capacity at the end of the most recently completed financial year.

For the year ended December 31, 2018, the Corporation had the following NEO: Mr. Graham Simmonds, Chairman, Chief Executive Officer, President and former Chief Financial Officer.

On March 29, 2019, the Board of Directors appointed Mr. Cameron Wickham to serve as the Corporation's Chief Financial Officer replacing Mr. Graham Simmonds.

Director and Named Executive Officer Compensation

Director and named executive officer compensation, excluding options and compensation securities

The following table sets forth the compensation paid by the Corporation to the Named Executive Officers and Directors for the two most recently completed financial years of the Corporation, excluding options and compensation securities (see “*Statement of Executive Compensation – Stock options and Other Compensation Securities*” below):

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Graham Simmonds ⁽¹⁾⁽²⁾ Chairman, CEO, President, Former CFO	2018	175,000	Nil	Nil	Nil	18,000	193,000
	2017	175,000	Nil	Nil	Nil	18,000	193,000
Gerald Goldberg ⁽³⁾ Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Ashworth ⁽³⁾ Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Helmut Biemann ⁽³⁾ Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Pierre Gagnon ⁽³⁾ Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Cameron Wickham ⁽²⁾ CFO	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Simmonds has served as a Director and as Chief Executive Officer of the Corporation since September 2005. Mr. Simmonds served as Chief Financial Officer of the Corporation from June 2010 to March 2019. Mr. Simmonds is not currently compensated with respect to his appointment as a director.
- (2) On March 29, 2019, the Board of Directors appointed Mr. Wickham to serve as the Corporation’s Chief Financial Officer replacing Mr. Simmonds.
- (3) The Corporation’s directors are not currently compensated with respect to such appointments.

Stock options and Other Compensation Securities

The following table sets out for each NEO and Director of the Corporation all options and other compensation securities (none) granted or issued to such NEO and Director in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Corporation.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Graham Simmonds⁽¹⁾ Director, CEO, President, Former CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gerald Goldberg⁽¹⁾ Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Ashworth⁽¹⁾ Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Helmut Biemann⁽¹⁾ Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Pierre Gagnon⁽¹⁾ Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Cameron Wickham⁽¹⁾ CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) As at December 31, 2018, none of the NEOs or Directors of the Corporation held any stock options or other compensation securities of the Corporation.

Stock Option Plan

At the Meeting, the Shareholders of the Corporation will be asked to pass an ordinary resolution to approve and adopt the Stock Option Plan of the Corporation (see "*Matters To Be Acted Upon At The Meeting - Approval of the Stock Option Plan*"), in the form of the Stock Option Plan attached to this Circular as Appendix "B". The Corporation has no stock option agreements made outside of the Stock Option Plan providing for the grant of stock options, stock appreciation rights, deferred share units or restricted stock units.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out, as of the Corporation's financial year ended December 31, 2018, all information required in connection with compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders ⁽¹⁾	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	N/A	N/A	N/A

Notes:

- (1) The Stock Option Plan is a "rolling" stock option plan under which options may be granted to "Eligible Persons" in respect of authorized and unissued Common Shares, provided that, the aggregate number of Common shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all options does not exceed 10% of the Common Shares outstanding at the time of granting of options (calculated on a non-diluted basis). See "Stock Option Plan" above and "Matters To Be Acted Upon At The Meeting - Approval of the Stock Option Plan".

Employment, Consulting and Management Agreements

As of the Corporation's financial year ended December 31, 2018, the Corporation has not entered into any employment, consulting or management agreements with any of the Corporation's NEOs or Directors other than as disclosed below:

Mr. Graham Simmonds entered into a written employment agreement (the "**Employment Agreement**") with the Corporation on May 1, 2004. The Employment Agreement automatically renews for additional two year terms unless terminated sixty days prior to expiry. Mr. Simmonds was appointed as Chief Executive Officer and President of the Corporation in September 2005 and assumed the role of Chief Financial Officer between June 2010 and March 2019. The Employment Agreement provides that Mr. Simmonds is entitled to receive an annual salary of \$175,000, increasing five percent per annum, and an automobile allowance of \$1,500 per month. It should be noted that the foregoing five percent increase has never been applied and that the total amount payable to Mr. Simmonds in his role as CEO and President in respect of the years ended December 31, 2018 and 2017 was \$193,000. All of the foregoing amounts were accrued, but none was paid in 2018 or 2017. No options were granted to Mr. Simmonds during the fiscal year ended December 31, 2018; however, Mr. Simmonds is eligible to receive options at the discretion of the Board of Directors.

Pursuant to the terms of the Employment Agreement, Mr. Simmonds is entitled to a one-time payment upon change of control or dismissal without cause in the amount of 150% of his base salary owing under the remaining term of his contract, to a maximum of two (2) years.

Oversight and Description of Director and NEO Compensation

The following compensation discussion and analysis is intended to provide information relating to the Corporation's executive compensation.

The Corporation recognizes that remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Corporation's management team. However, the Corporation has not, as yet, generated any significant income or cash flow from operations and operates within limited financial resources to ensure that funds are available to advance the Corporation's business. The Board of Directors has to consider not only the financial situation of the Corporation at the time of the determination of executive compensation, but also the estimated financial situation in the mid and long-term. As at the date of this Circular, the Corporation has not entered into any employment, consulting or management agreements with its NEOs or Directors other than disclosed above. The Board of Directors plans to ensure that, at all times, its compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director or officer of the Corporation.

Given the Corporation's size and stage of operations, the Board of Directors does not have a separate compensation committee and such functions are addressed by the entire Board.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee of the Corporation is governed by its Audit Committee Charter, a copy of which is annexed to this Circular as Appendix "A".

Composition of the Audit Committee

The current members of the Corporation's Audit Committee are Gerald Goldberg, who is also the Chairman of the Audit Committee, Gordon Ashworth and Helmut Biemann. All of the members of the Audit Committee are "independent" within the meaning of National Instrument 52-110 – Audit Committees ("**NI 52-110**"). All of the members of the Audit Committee are financially literate as defined by NI 52-110. The Board expects that, following the Meeting, the Audit Committee will consist of Mr. Goldberg, Mr. Ashworth and Mr. Biemann, none of whom are executive officers of the Corporation.

Relevant Education and Experience

Mr. Goldberg is a Chartered Professional Accountant and a former senior partner at two major accounting firms. Mr. Goldberg has over 30 years of audit experience and was the head of the public company audit division of a major firm. Mr. Goldberg has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation in his service as a Chartered Professional Accountant and as a director/officer of public and private corporations.

Mr. Ashworth is an experienced business executive and advisor who has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation, in his service as a consultant and advisor to a number of public and private corporations.

Mr. Biemann is an experienced board member and business executive having held an officer role for the past 14 years at a significant services business in the United States. Mr. Biemann has experience in reviewing and evaluating financial statements of a similar nature and breadth as those of the Corporation.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, it has not relied on the exemptions contained in section 2.4 or an exemption, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Oversight

The Audit Committee has not made a recommendation to the Board that was not adopted by the Board, to nominate or compensate any external auditor during the most recently completed financial year.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of the Corporation's auditors to provide non-audit services, as and when required.

External Auditor Services

Audit Fees

The aggregate audit fees billed by the Corporation's external auditors for the years ended December 31, 2018 and 2017 were \$18,000 and \$25,000, respectively.

Audit-Related Fees

There were no audit-related fees billed by the Corporation's external auditor for the years ended December 31, 2018 and 2017.

Tax Fees

There were no tax fees billed by the Corporation's external auditor for the years ended December 31, 2018 and 2017.

All Other Fees

There were no fees other than as reported above that were billed by the Corporation's external auditor for the years ended December 31, 2018 and 2017.

Exemption

Since the Corporation is a "venture issuer" pursuant to NI 52-110, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

National Instrument 58-101 – Disclosure of Corporate Governance Practices requires that the Corporation disclose its corporate governance practices in this Circular. National Policy 58-201 – Corporate Governance Guidelines sets forth a series of non-prescriptive guidelines for effective corporate governance and deals with such matters as the constitution of a board of directors, its composition, orientation and continuing education for board members, a written mandate of the role of the board and its responsibilities and the functions to be performed by a board. The Board believes that the Corporation has implemented corporate governance practices that are effective and appropriate with respect to the Corporation’s size and level of activity. The following summarizes the Corporation’s approach to corporate governance in accordance with Form 58-101F2.

Composition of the Board of Directors

The Board is currently comprised of five (5) directors, being: Graham Simmonds (Chairman), Gerald Goldberg, Gordon Ashworth, Helmut Biemann and Pierre Gagnon

Mr. Goldberg, Mr. Ashworth, Mr. Biemann and Mr. Gagnon are each “independent” directors within the meaning of NI 52-110. Mr. Simmonds is not considered to be “independent” for purposes of NI 52-110. As noted elsewhere in this Circular, each incumbent director will be presented at the Meeting as a nominee for re-election as a director. The Board has determined that a board of five (5) members, a majority of whom are non-management, will be effective in the governance and supervision of the management of the Corporation’s business and affairs at this time.

Directorships in Other Public Companies

The following table identifies each of the current directors and proposed directors of the Corporation that serve as a director of any other company that is a reporting issuer or the equivalent in any Canadian or foreign jurisdiction.

Name of Director	Name of Reporting Issuer
Graham Simmonds	Gilla Inc.
Gerald Goldberg	Osoyoos Cannabis Inc., Capricorn Business Acquisitions Inc., Leo Acquisition Corp., FSD Pharma Inc.
Gordon Ashworth	Continental Precious Minerals Inc.

Orientation and Continuing Education

The Board has not developed a formal orientation and training program. New members of the Board are provided with full access to or copies of relevant financial, corporate and other information in connection with its business operations. Board members have full access to the Corporation’s records at all times. Board members are encouraged to communicate with the Corporation’s management and auditors to keep themselves familiar and current with industry trends and developments and to attend related industry seminars.

Ethical Business Conduct

While the Corporation has not adopted a written code of business conduct and ethics, to encourage and promote a culture of ethical business conduct from time to time, the Board discusses and emphasizes the importance of matters regarding conflicts of interest, proper use and protection of the Corporation's assets, confidentiality of corporate information, compliance with laws and reporting of any illegal or unethical behaviour.

Nomination of Directors

The Board does not have a nominating committee and the functions associated with such committee are currently performed by the Board as a whole. New candidates for Board membership are identified by current Board members or may be identified by Shareholders. Prior to recommending new nominees to the Board, a background search of a potential candidate is conducted to determine regulatory acceptability and interviews are carried out as to suitability.

Director Term Limits and Other Mechanisms of Board Renewal

The Board is concerned that imposing inflexible director term limits or mandatory retirement ages would discount the value of experience of the Corporation's history and culture and the importance of continuity, and risk the loss of key directors. The Board has therefore elected not to adopt term limits or mandatory retirement policies, but rather relies on the collective experience and judgment of its members to determine when changes in the Board are appropriate. Shareholder feedback and voting results are also considered by the Board in this regard.

Diversity Policy

The members of the Board have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit from such a broad range of talent and experience. The Board considers merit as the key requirement for board appointments. The Corporation has not adopted a written diversity policy and has sought to attract and maintain diversity at the Board level informally through the recruitment efforts of Management in discussion with directors prior to proposing nominees to the Board as a whole for consideration.

Compensation

The Board is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of the Corporation's executive officers. The compensation for the Corporation's senior officers, in particular, its Chief Executive Officer and Chief Financial Officer, and for directors of the Corporation was, in each case, determined and reviewed, from time to time, by the Board as it deems appropriate. Going forward, this practice is expected to be continued by the Board. To determine compensation payable, the Board reviews compensation paid to the directors, the Chief Executive Officer, Chief Financial Officer and other senior officers, in companies of similar size and stage of development and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Corporation.

Other Board Committees

Other than the Audit Committee, the Board has no other committees. The directors are regularly informed of or are actively involved in the operations of the Corporation. The scope and size of the Corporation's operations and development does not currently warrant an increase in the size of the Board or the formation of additional committees, however, the Board periodically examines its size and constitution and may from time to time establish ad hoc committees to deal with specific situations.

Assessments

The Board, as a whole, conducts informal annual assessments of its effectiveness and the effectiveness of individual directors and from time to time reviews and updates existing mandates or charters.

OTHER INFORMATION

Indebtedness of Directors and Executive Officers

As of the date of this Circular, there was no indebtedness owing to the Corporation by any current or former executive officer, director or employee of the Corporation.

As of the date of this Circular and during the year ended December 31, 2018, no director, executive officer, proposed nominee for election as a director, or associate of any of the foregoing, is or was indebted to the Corporation, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation, including under any securities purchase or other program.

Management Contracts

The Corporation's management functions are performed by its NEOs and the Corporation has no management agreements or arrangements in place under which such management functions are performed by persons other than its senior officers and directors. See "Statement of Executive Compensation - Employment, Consulting and Management Agreements".

Interest of Informed Persons in Material Transactions

No "informed person" (as such term is defined under applicable securities laws), proposed nominee for election as a director of the Corporation, or any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation.

Interest of Certain Persons or Companies in Matters to be Acted Upon

No director or executive officer of the Corporation, proposed nominee for election as a director of the Corporation, or any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than as disclosed in this Circular.

Directors and Officers Insurance

The Corporation does not currently have an insurance policy which covers actions against its directors and officers.

ADDITIONAL INFORMATION

Shareholders may obtain additional information in connection with the Corporation on SEDAR at www.sedar.com. Alternatively, Shareholders may contact the Corporation (i) by mail at 1901-130 Adelaide Street West, Toronto, Ontario, M5H 3P5, and (ii) by e-mail at jgrahamsimmonds@gmail.com.

CERTIFICATION

The undersigned hereby certifies that the contents and the mailing of this Circular to Shareholders have been approved by the Corporation's Board of Directors.

DATED at Toronto, Ontario, this 29th day of April 2019.

**ON BEHALF OF THE BOARD OF DIRECTORS
OF BAYMOUNT INCORPORATED**

"Graham Simmonds"

Graham Simmonds
Chair & Chief Executive Officer

APPENDIX "A"

BAYMOUNT INCORPORATED

AUDIT COMMITTEE CHARTER (the "Charter")

Composition and Independence, Financial Literacy and Authority

The Audit Committee (the "Committee") of Baymount Incorporated (the "Corporation") shall be composed of members of the Board of Directors (the "Board") in such number as is determined by the Board with regard to applicable laws, rules and regulations and any other relevant consideration, subject to a minimum requirement of three directors.

The majority of the members of the Committee shall not be employees, Control Persons or officers of the Corporation or any of its Associates or Affiliates (as such terms are defined in the policies of the exchange). A majority of the members of the Committee shall be resident Canadians (as such term is defined in the *Business Corporations Act* (Ontario)).

The members of the Committee shall be appointed by the Board and shall serve until their successors are duly appointed. A chairman ("Chairman") will be appointed by the Board, failing which the members of the Committee may designate a Chairman by majority vote. The Committee may from time to time delegate to its Chairman certain powers or responsibilities that the Committee itself may have hereunder.

In fulfilling the responsibilities set out in this Charter, the Committee has the authority to conduct any investigation and access any officer, employee or agent of the Corporation appropriate to fulfilling its responsibilities, including the external auditors of the Corporation. The Committee may obtain advice and assistance from outside legal, accounting or other advisors as the Committee deems necessary to carry out its duties and may retain and determine the compensation to be paid by the Corporation for such independent counsel or outside advisor in its sole discretion without seeking Board approval.

Committee members will enhance their familiarity with financial, accounting and other areas relevant to their responsibilities by participating in educational sessions or other opportunities for development.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee should meet with the external auditors and management quarterly to review the Corporation's financial statements consistent with the section entitled "*Financial Reporting*" below. The Committee should dedicate a portion of each of its regularly scheduled quarterly meetings to meet separately with each of the Chief Financial Officer and the external auditors and to meet on its own without members of management or the external auditors.

Specific Duties and Responsibilities

Financial Reporting

The Committee shall be responsible for the oversight of reliable, accurate and clear financial reporting to shareholders, including reviewing the Corporation's annual and interim financial statements and management's discussion and analysis ("MD&A"), prior to approval by the Board and release to the public, and reviewing, as appropriate, releases to the public of

significant material non-public financial information of the Corporation. Such review of the financial reports of the Corporation shall include, where appropriate but at least annually discussion with management and the external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.

The Committee shall review earnings press releases and satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure in the Corporation's annual and interim financial statements and MD&A, and must periodically assess the adequacy of those procedures.

Financial Reporting Process

The Committee shall support the Board in its oversight of the financial reporting process of the Corporation including:

- working with management and the external auditors to review the integrity of the Corporation's financial reporting processes;
- reviewing the process relating to and the certifications of the Chief Executive Officer and the Chief Financial Officer on the integrity of the Corporation's quarterly and annual consolidated financial statements;
- considering the key accounting policies of the Corporation and key estimates and judgments of management and discussing such matters with management and/or the external auditors;
- keeping abreast of trends and best practices in financial reporting;
- reviewing with the external auditors and management significant accounting principles and policies and all critical accounting policies and practices used and any significant audit adjustments made;
- considering and approving, if appropriate, major changes to the Corporation's accounting and financial reporting and policies as suggested by the external auditors or management; and
- establishing regular systems of reporting to the Committee by each of management and the external auditors regarding any significant judgments made in management's preparation of the financial statements and any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to required information.

The Audit Committee's Role in the Financial Reporting Process

The external auditors are responsible for planning and carrying out, in accordance with professional standards, an audit of the Corporation's annual financial statements. Management of the Corporation is responsible for the preparation, presentation and integrity of the Corporation's financial statements and for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations. The Audit Committee oversees the financial reporting process at the Corporation and receives quarterly reporting regarding the process undertaken by management. It is not the duty of the Audit Committee to plan or conduct audits, or to determine that the Corporation's financial

statements are complete, accurate and in accordance with International Financial Reporting Standards.

Internal Controls

The Committee shall monitor the internal controls of the Corporation to ensure the necessary checks and balances are in place, including:

- requiring management to implement and maintain appropriate systems of internal controls in accordance with applicable laws, regulations and guidance;
- meeting with management to assess the adequacy and effectiveness of the Corporation's internal control systems; and
- reviewing reporting by the Corporation to its shareholders regarding internal controls.

Oversight of External Auditors

The Committee shall review and evaluate the performance, qualifications and independence of the external auditors and annually make recommendations to the Board and shareholders regarding the nomination of the external auditors for appointment by the shareholders. The Committee shall also make recommendations regarding remuneration and, if appropriate, termination of the external auditors. The external auditors shall be accountable to the Committee and the entire Board, as representatives of the shareholders, for such external auditors' review of the financial statements and controls of the Corporation. In addition, the Committee shall:

- review the external auditors' annual audit plans and engagement letters;
- review the external auditors' processes for assuring the quality of their audit services including any matters that may affect the audit firms' ability to serve as the external auditor of the Corporation;
- discuss those matters that are required to be communicated by external auditors to the Committee in accordance with the standards established by the Canadian Institute of Chartered Accountants, as such matters are applicable to the Corporation from time to time;
- review with the external auditors any issues that may be brought forward by them, including any audit problems or difficulties, such as restrictions on their audit activities or access to requested information, and management's responses;
- review with the external auditors their concerns, if any, about the quality, not just acceptability, of the Corporation's accounting principles as applied in its financial reporting; and
- provide a forum for management and the external auditors to raise issues regarding their relationship and interaction. To the extent disagreements regarding financial reporting are not resolved, be responsible for the resolution of such disagreements between management and the external auditors.

Independence of External Auditors

The Committee shall oversee and assess the independence of the external auditors through various mechanisms, including:

- reviewing and approving (or recommending to the Board for approval) the audit fees and other significant compensation to be paid to the external auditors and reviewing and pre-approving all non-audit services to be performed by the external auditors;
- receiving from the external auditors, on a periodic basis, a formal written statement delineating all relationships between the external auditors and the Corporation consistent with the rules of professional conduct prescribed by the Chartered Professional Accountants of Ontario or other regulatory bodies, as applicable;
- reviewing and discussing with the Board, annually and otherwise as necessary, and the external auditors, any relationships or services between the external auditors and the Corporation or any factors that may impact the objectivity and independence of the external auditors;
- reviewing and approving policies and procedures regarding the employment of partners, employees and former partners and employees of the present or former external auditors of the Corporation as required by applicable laws; and
- reviewing and monitoring other policies put in place to facilitate auditor independence.

Compliance

The Committee shall oversee the establishment and maintenance of processes that ensure the Corporation is in compliance with the laws and regulations that apply to it as well as its own policies, including:

- reviewing with management the Corporation's compliance with applicable regulatory requirements and applicable securities legislation;
- establishing procedures in accordance with regulatory requirements for the receipt, retention and treatment of complaints received by the Corporation on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters;
- reviewing professional pronouncements and changes to key regulatory requirements relating to accounting rules to the extent it applies to the financial reporting process of the Corporation; and
- reviewing with the Corporation's legal counsel any legal matter arising from litigation, asserted claims or regulatory noncompliance that could have a material impact on the Corporation's financial condition.

General

The Committee shall have the following additional general duties and responsibilities:

- performing such other functions and tasks as may be mandated by regulatory requirements applicable to audit committees or delegated by the Board;
- reviewing and assessing the adequacy of this Charter at least annually and submitting this Charter to the Corporate Governance Committee and the Board for approval upon amendment;
- maintaining minutes or other records of meetings and activities of the Committee; and
- reporting to the Board following each meeting of the Committee.

Last reviewed and approved by the Board on April 29, 2019.

APPENDIX "B"
BAYMOUNT INCORPORATED
STOCK OPTION PLAN

2019 STOCK OPTION PLAN

1. PURPOSE

Baymount Incorporated (the "**Corporation**") is committed to providing appropriate incentives to Eligible Persons to acquire a proprietary interest in the Corporation in order to continue their participation in the affairs of the Corporation and to increase their efforts on behalf of the Corporation. The purpose of this Plan is to advance the interests of the Corporation by: (a) providing Eligible Persons with additional incentive; (b) encouraging share ownership by such Eligible Persons; (c) increasing the proprietary interest of Eligible Persons in the success of the Corporation; (d) encouraging Eligible Persons to remain with the Corporation or its Subsidiaries; and (e) attracting new employees, directors and officers.

2. INTERPRETATION

2.1 **Definitions.** In this Plan, the following words have the following meanings:

- (a) "**acting jointly or in concert**" means the determination of whether a person or group of persons is acting jointly or in concert shall be determined in accordance with the Ontario Securities Act;
- (b) "**Affiliate**" means any corporation that is an Affiliate of the Corporation within the meaning set forth in Exchange Policy;
- (c) "**Applicable Securities Laws**" means the Ontario Securities Act and the equivalent legislation in the other provinces and in the territories of Canada, as may be applicable and 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 provinces and territories of Canada;
- (d) "**Blackout Period**" means a period of time when, pursuant to any policies of the Corporation, securities of the Corporation may not be traded by certain persons as designated by the Corporation, including an Optionee as a result of the existence of undisclosed Material Information, but excludes any period during which a regulator has halted trading in the Corporation's securities, and which expires upon the public announcement of such Material Information;
- (e) "**Board**" means the board of directors of the Corporation, and includes any committee of the Board to which responsibilities with respect to the Plan have been delegated;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or a civic or statutory holiday in Toronto, Ontario;
- (g) "**Change of Control**" means the first to occur of any of the following events:

- (i) any event or series of related events or transaction or series of related transactions as a result of which or pursuant to which any person or group of persons acting jointly or in concert acquires, directly or indirectly, beneficial ownership of or control or direction over Voting Shares of the Corporation (other than pursuant to a treasury issuance of Voting Shares of the Corporation), or Voting Shares of the Corporation are redeemed or otherwise acquired by the Corporation or are cancelled, where, immediately following the occurrence of such event or series of events or completion of such transaction or series of transactions, the number of Voting Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by such person or group of persons acting jointly or in concert totals for the first time Voting Shares of the Corporation carrying more than 50% of the votes attaching to all Voting Shares of the Corporation outstanding immediately following such occurrence or completion;
- (ii) any event or series of related events or transaction or series of related transactions as a result of which or pursuant to which Voting Shares of the Corporation are converted into or exercised or exchanged for securities of another person (the “**Resulting Person**”) and any person or group of persons acting jointly or in concert acquires, directly or indirectly, beneficial ownership of or control or direction over Voting Shares of such Resulting Person where, immediately following the occurrence of such event or series of events or completion of such transaction or series of transactions, the number of Voting Shares of the Resulting Person beneficially owned, directly or indirectly, or over which control or direction is exercised by such person or group of persons acting jointly or in concert totals for the first time Voting Shares of the Resulting Person carrying more than 50% of the votes attaching to all Voting Shares of the Resulting Person outstanding immediately following such occurrence or completion;
- (iii) a change in the composition of the Board as a result of a contested election of directors of the Corporation, with the result that less than 50% of the directors of the Corporation elected in such election are comprised of the individuals who were directors of the Corporation prior to such contested election;
- (iv) the sale, lease, exchange or other transfer or disposition, in a single transaction or a series of related transactions (including by way of the liquidation, dissolution, winding-up or other distribution by the Corporation or any subsidiary of the Corporation) of assets having a Fair Market Value equal to 50% or more of the Fair Market Value (as determined by the Board) of all of the assets of the Corporation on a consolidated basis, excluding a transaction or series of related transactions between the Corporation or any subsidiary of the Corporation or between subsidiaries of the Corporation; or
- (v) the determination by the Board that a change in legal or effective control of the Corporation has occurred or is imminent;
- (h) “**Consultant**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “consultant” as defined in NI 45-106;
- (i) “**Consultant Company**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “consultant” as defined in NI 45-106;
- (j) “**Corporation**” means Baymount Incorporated a corporation existing under the laws of Ontario;

- (k) “**Director**” has the same meaning as set forth in Exchange Policy provided that such Director is also a “director” as defined in NI 45-106;
- (l) “**Discounted Market Price**” has the same meaning as set forth in Exchange Policy;
- (m) “**Disinterested Shareholder Approval**” means disinterested Shareholder approval, as may be applicable in the circumstances, as described in Exchange Policy;
- (n) “**Effective Date**” for an Option means the date on which the Option is granted;
- (o) “**Eligible Person**” means, subject to the Applicable Securities Law and Exchange Policy, any Employee, Director, Consultant or Management Company Employee who is approved for participation in the Plan by the Board;
- (p) “**Employee**” has the same meaning as set forth in Exchange Policy provided that such Employee is also a “employee” as under Applicable Securities Laws;
- (q) “**Exchange**” means the TSX Venture Exchange or any successor or assign thereof;
- (r) “**Exchange Hold Period**” means, if applicable, the four month resale restriction imposed by the Exchange pursuant to Exchange Policy;
- (s) “**Exchange Policy**” means Policy 4.4 – Incentive Stock Options as set forth in the Exchange’s published Corporate Finance Manual, together with such other published policies of the Exchange and the bulletins, notices, appendices and forms related thereto, as from time to time amended or re-adopted;
- (t) “**Exercise Form**” means the notice of exercise delivered by an Optionee to the Corporation upon the exercise of any Option hereunder in such other form as the Board may approve for any one or more Optionees or for a group of Optionees, as same may be amended from time to time;
- (u) “**Exercise Period**” means the period of time during which an Option granted under the Plan may be exercised (provided, however, that the Exercise Period may not exceed ten (10) years from the relevant Effective Date unless permitted under Section 6.5;
- (v) “**Exercise Price**” means the price per Share at which Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with the terms hereof;
- (w) “**Expiry Date**” has the meaning prescribed under Section 6.5 of this Plan;
- (x) “**Fair Market Value**” means the highest price, expressed in dollars, that the Share would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other and who deal with each other at arm’s length for purposes of the ITA;
- (y) “**Holder**” means a holder of an Option under the Plan;
- (z) “**Insider**” has the same meaning as set forth in Exchange Policy;
- (aa) “**IR Activities**” has the same meaning as “*Investor Relations Activities*” as set forth in Exchange Policy;

- (bb) “**ITA**” means the *Income Tax Act* (Canada);
- (cc) “**Merger and Acquisition Transaction**” means (i) any merger; (ii) any acquisition; (iii) any amalgamation; (iv) any offer for Shares which if successful would entitle the offeror to acquire more than 50% of all Shares; (v) any arrangement or other scheme of reorganization; or (vi) any consolidation, that results in a Change of Control;
- (dd) “**Option**” means the right to purchase Shares granted to an Eligible Person in accordance with the terms of the Plan;
- (ee) “**Option Agreement**” means the notice of grant of an Option delivered by the Corporation hereunder to an Optionee in such other form as the Board may approve for any one or more Optionees or for a group of Optionees, as same may be amended from time to time;
- (ff) “**Optioned Shares**” means Shares subject to an Option;
- (gg) “**Optionee**” means an Eligible Person to whom an Option is granted by the Corporation under the Plan, whether a Director, Employee, or Consultant;
- (hh) “**Management Company Employee**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “director” or “consultant” as defined in NI 45-106;
- (ii) “**Market Price**” has the same meaning as set forth in Exchange Policy;
- (jj) “**Material Information**” has the same meaning as set forth in Exchange Policy;
- (kk) “**NI 13-101**” means National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators;
- (ll) “**NI 45-106**” means National Instrument 45-106 - *Prospectus and Registration Exemptions* of the Canadian Securities Administrators;
- (mm) “**Ontario Securities Act**” means the *Securities Act* (Ontario);
- (nn) “**person**” or “**persons**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (oo) “**persons retained to provide IR Activities**” shall include any Consultant that performs IR Activities and any Employee or Director whose role and duties primarily consist of IR Activities;
- (pp) “**Plan**” means this 2019 Stock Option Plan of the Corporation, as from time to time amended or re-adopted;
- (qq) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or, if applicable, in a document publicly filed by or on behalf of the Corporation under its profile on SEDAR;

- (rr) **“Regulatory Approval”** means the approval or acceptance, as the case may be, of any securities or other applicable regulatory agency (including the Exchange pursuant to Exchange Policy) which may have jurisdiction in the circumstances;
- (ss) **“SEDAR”** means the System for Electronic Document Analysis and Retrieval described in NI 13-101 and available for public view at www.sedar.com;
- (tt) **“Shares”** means the common shares without par value which the Corporation is from time to time authorized to issue;
- (uu) **“Subsidiary”** means a corporation which is a subsidiary of the Corporation as defined in the Ontario Securities Act;
- (vv) **“Termination Date”** means:
- (i) in the case of an Optionee whose employment or term of office with the Corporation or a Subsidiary terminates in the circumstances set out in Subsection 8.2(a) or the date that is designated by the Corporation or the Subsidiary, as the case may be, as the last day of such person’s employment or term of office with the Corporation or the Subsidiary, as the case may be;
 - (ii) in the case of an Optionee whose employment or term of office with the Corporation or a Subsidiary terminates in the circumstances set out in Subsection 8.3(a)(ii), the date of the notice of termination of employment or term of office given by the Corporation or the Subsidiary, as the case may be;
 - (iii) in the case of an Optionee whose employment or term of office with the Corporation or a Subsidiary terminates in the circumstances set out in Subsection 8.3(a)(i) or Subsection 8.3(a)(iii), the date of resignation or retirement, as the case may be;
 - (iv) in the case of an Optionee whose consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) are terminated by the Corporation or a Subsidiary in the circumstances set out in Subsection 8.2(b), the date that is designated by the Corporation or the Subsidiary, as the case may be, as the last day of the Optionee’s consulting arrangements (or those of its Consulting Company) with the Corporation or the Subsidiary, as the case may be;
 - (v) in the case of an Optionee whose consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) are terminated in the circumstances set out in Subsection 8.3(b), the date of the notice of termination given to the Optionee (or, if applicable, those of its Consulting Company if the Optionee is an individual) or the expiry of the original term or any subsequent renewal term of the consulting arrangements, as the case may be;

and in each such case, “Termination Date” specifically does not mean the date on which any period of reasonable notice that the Corporation or the Subsidiary, as the case may be, may be required at law to provide to the Optionee would expire; and

- (ww) **“Voting Share”** means any share or other security that carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing and also includes any share or other security that is convertible into or exercisable or exchangeable (in

each case, whether at the time or at any time in the future and whether or not on condition or the occurrence of any contingency) for a Voting Share.

2.2 **Interpretation.** In this Plan, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa and words importing gender include all genders and neuter;
- (b) the division of this Plan into articles, sections, and paragraphs and the insertion of headings herein are for convenience of reference only and shall not affect in anyway the meaning or interpretation of this Plan and the terms “this Plan”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto or thereto;
- (c) the word “including”, when following a general statement or term, is not to be construed as limiting the general statement or term to any specific item or matter set forth or to similar items or matters, but rather as permitting the general statement or term to refer also to all other items or matters that could reasonably fall within its broadest possible scope;
- (d) if the date on which any action is required to be taken hereunder is not a Business Day, that action shall be required to be taken on the first Business Day prior to such date, unless specifically provided otherwise in this Plan; and
- (e) a reference to legislation, includes rules, regulations and forms made or promulgated under any such legislation and the published national instruments, multilateral instruments, policies, bulletins made thereunder, together with all amendments thereto in force from time to time, and any legislation, rules, regulations, forms and published national instruments, multilateral instruments, policies, bulletins that supplement or supersede such legislation.

2.3 **Governing Law.** This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the province of Ontario, Canada.

3. ADMINISTRATION

3.1 **Administration by the Board.** The Board, or if applicable any committee of the Board to which responsibilities with respect to the Plan have been delegated, shall be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. The day-to-day administration of the Plan may be delegated to such officers and employees of the Corporation or of a Subsidiary as the Board determines.

3.2 **Authority of the Board.** Subject to the limitations of the Plan, the Board has the authority to:

- (a) grant Options to purchase Shares to Eligible Persons;
- (b) determine the terms, including the limitations, restrictions and conditions, if any, upon such grants;
- (c) interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it may from time to time deem advisable, subject to required Regulatory Approval; and

- (d) make all other determinations and to take all other actions in connection with the implementation and administration of the Plan as it may deem necessary or advisable.

Any decision, interpretation or other action made or taken in good faith by or at the direction of the Corporation or the Board (or any of its members) arising out of or in connection with the Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding and conclusive on the Corporation and Optionees and their respective heirs, executors, administrators, successors and assigns and all other persons.

3.3 **Accounts and Statements.** The Corporation will maintain, or cause to be maintained, records indicating the number of Options granted to each Optionee and the number of Optioned Shares issued under the Plan.

3.4 **Use of an Administrative Agent and Trustee.** The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Options granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Options granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. In such case, the Corporation and the administrative agent will maintain records showing the number of Options granted to each Optionee under the Plan.

4. **SHARES RESERVED**

4.1 **Shares Reserved Under the Plan.** The maximum number of Shares reserved for issuance under the Plan and all of the Corporation's other security based compensation arrangements at any given time is equal to ten percent (10%) of the issued and outstanding Shares as at the date of grant of an Option under the Plan, including all of the existing Common Shares currently subject to outstanding Options as of the Adoption Date (as **defined** below) which were granted prior to the implementation of this Plan and which, by the implementation of this Plan, are covered under this Plan and subject to adjustment or increase of such number pursuant to Subsections 10.2(a) and 10.2(b).

4.2 **Exercised Options.** Any Shares subject to an Option granted under the Plan which have been exercised by an Optionee, shall again be available for grants under the Plan and shall be considered to be part of the pool of Shares available for Options under the Plan and may be made the subject of a further Option or Options granted pursuant to the Plan.

4.3 **Cancelled, Surrendered or Terminated Options.** If and to the extent any Option granted under the Plan expires or is cancelled, terminated or surrendered without having been exercised in whole or in part, the number of Shares in respect of which such Option expired or was cancelled or terminated shall be considered to be part of the pool of Shares available for Options under the Plan and may be made the subject of a further Option or Options granted pursuant to the Plan.

4.4 **No U.S. Registration.** Any Options granted under the Plan or Shares subject thereto have not been and will not be registered under the United States Securities Act of 1933, or the securities laws of any state of the United States. The Options granted under the Plan may not be exercised in the United States or by, or for the benefit or account of, any person in the United States or any U.S. Person as defined in United States Securities Act of 1933, unless such Options have been registered under the United States Securities Act of 1933 and the applicable securities laws of any such state or an exemption from such registration requirements is available. Shares issued upon exercise of any Option may not be offered or sold in the United States or to, or for the benefit or

account of, any person in the United States or any U.S. Person as defined in United States Securities Act of 1933, unless such Shares have been registered under the United States Securities Act of 1933 and the applicable securities laws of any such state or an exemption from such registration requirements is available.

5. ELIGIBILITY

- 5.1 **Eligibility.** Eligible Persons are eligible to participate in the Plan, provided that eligibility to participate does not confer upon any Eligible Person any right to be granted Options pursuant to the Plan. The extent to which any Eligible Person is entitled to be granted Options pursuant to the Plan will be determined in the sole and absolute discretion of the Board. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions. With respect to Options granted to Employees, Consultants or Management Company Employees, the Board and the Optionee are responsible for ensuring and confirming that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be.
- 5.2 **Continuing Eligibility.** Any Optionee to whom an Option is granted under the Plan who subsequently ceases to hold the position in which he received such Option shall continue to be eligible to hold such Option as an Optionee as long as otherwise continuing to be an Eligible Person in any capacity.
- 5.3 **Participation Voluntary.** Participation in the Plan by an Optionee will be voluntary.

6. GRANT OF OPTIONS

- 6.1 **Grant of Options.** The Board may, from time to time, subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, grant Options to any Eligible Person. Subject to specific variations approved by the Board, all terms and conditions set out in the Plan will be deemed to be incorporated into and form part of each Option granted under the Plan.
- 6.2 **Number of Shares Subject to Option.** Subject to the limitations set out in Article 7, the number of Shares subject to each Option shall be determined by the Board, and such number shall be set out in the Option Agreement evidencing the grant of such Option.
- 6.3 **Exercise Price.** The Board will establish the Exercise Price at the time each Option is granted and allocated to particular Eligible Persons and approved by the Board, provided that the Exercise Price shall not be less than the Discounted Market Price as of date of such grant of the Option or, if the Shares are not listed on the Exchange, the Fair Market Value determined in good faith by the Board. In addition to any resale restrictions under Applicable Securities Laws and the Plan, where the Exercise Price of any Option is priced at a discount to the Market Price on the date of grant, any such Option and any Shares issued upon exercise of such Option prior to the expiry of the Exchange Hold Period will be subject to, and must contain a legend in respect of, the Exchange Hold Period commencing on the date such Options were granted.
- 6.4 **Vesting of Option Rights.** No Option may be exercised by an Optionee unless it is fully vested. Subject to the provisions of this Section 6.4 and Article 10, Options shall vest, and thereafter be exercisable:
- (a) over a period of eighteen (18) months from the Effective Date, with no more than one third (1/3) of such Options vesting in any six (6) month period therein; or

- (b) as otherwise determined by the Board in its discretion.

Notwithstanding the foregoing Options granted to persons retained to provide IR Activities shall vest at least over a period of twelve (12) months from the Effective Date, with no more than one quarter (1/4) of such Options vesting in any three (3) month period therein. The Board may impose such other restrictions or limitations or requirements upon the exercise of Options as the Board, in its sole and absolute discretion, may determine on the date of grant.

- 6.5 **Term and Expiry.** Subject to any accelerated termination as set forth in the Plan, all Options granted pursuant to the Plan will expire on the date (the “**Expiry Date**”) as determined by the Board at the date of grant, provided that no Option may be exercised beyond five (5) years from the Effective Date. Notwithstanding the above, if the Expiry Date for any Option falls within a Blackout Period or within ten (10) Business Days from the expiration of a Blackout Period (such Options to be referred to as “**Restricted Options**”), the Expiry Date of such Restricted Options shall be automatically extended to the date that is the 10th Business Day following the end of the Blackout Period, such 10th Business Day to be considered the Expiry Date for such Restricted Options for all purposes under the Plan.
- 6.6 **Non-Assignable and Non-Transferable.** Options shall be non-assignable and non-transferable by a holder thereof other than by will or the laws of descent.

7. **LIMITATIONS OF OPTIONS**

- 7.1 **Grants to Persons.** Notwithstanding any other provision herein, the aggregate number of Shares reserved for issuance pursuant to Options granted to any one person (and any Consulting Company wholly owned by that person), within any twelve (12) month period shall not exceed 5% of the issued and outstanding Shares at the time of the grant of the Option unless the Corporation has received Disinterested Shareholder Approval in accordance with Exchange Policy.
- 7.2 **Grants to Insiders.** Notwithstanding any other provision herein,
- (a) the aggregate number of Shares reserved for issuance under Options granted to Insiders (as a group) and any other security based compensation arrangements of the Corporation at any point in time shall not exceed 10% of the issued and outstanding Shares at such time; or
- (b) the aggregate number of Shares reserved for issuance pursuant to Options granted to Insiders (as a group), within any twelve (12) month period shall not exceed 10% of the issued and outstanding Shares at the time of the grant of the Option;

unless the Corporation has received Disinterested Shareholder Approval in accordance with Exchange Policy. For the purposes of the limitations set forth in Subsections 7.2(a) and 7.2(b) above, Options held by an Insider at any point in time that were granted to such person prior to it becoming an Insider shall be considered Options granted to an Insider irrespective of the fact that the person was not an Insider at the time of grant.

7.3 **Grants to Consultants.** Notwithstanding Section 7.1, but subject to the limit set forth in Section 7.4, the aggregate number of Shares reserved for issuance pursuant to Options granted to any one Consultant within a twelve (12) month period shall not exceed 2% of the issued and outstanding Shares at the time of the grant of the Option.

7.4 **Grants to Persons Providing IR Activities.** Notwithstanding Section 7.1, the aggregate number of Shares reserved for issuance pursuant to Options granted within any twelve (12) month period to persons retained to provide IR Activities shall not exceed 2% of the issued and outstanding Shares at the time of the grant of the Option.

8. TERMINATION OF OPTIONS

8.1 **Ceasing to be an Eligible Person (Death).** In the event an Optionee's employment or consulting arrangements (or, if applicable, those of its Consulting Company if the Consultant who is an Optionee is an individual) or term of office with the Corporation or a Subsidiary ceases by reason of the Optionee's death, then:

- (a) the executor or administrator of the Optionee's estate or the Optionee, as the case may be, may exercise any Options of the Optionee to the extent that the Options were exercisable at the date of such death and the right to exercise the Options terminates on the earlier of:
 - (i) the date that is twelve (12) months from the date of the Optionee's death; and
 - (ii) the date on which the Exercise Period of the particular Option expires;
- (b) any Options held by the Optionee that were not exercisable at the date of death immediately expire and are cancelled on such date; and
- (c) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the date of the Optionee's death.

8.2 **Ceasing to be an Eligible Person (Cause or Breach).** In the event:

- (a) an Optionee's employment or term of office with the Corporation or a Subsidiary is terminated by the Corporation or a Subsidiary for lawful cause, or
- (b) an Optionee's consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) with the Corporation or a Subsidiary are terminated by the Corporation or a Subsidiary for breach of agreement prior to the expiry of the original term or any subsequent renewal term of such arrangements;

then;

- (c) any Options held by such Optionee (or, if applicable, those of its Consulting Company), whether or not such Options are exercisable at the applicable Termination Date, immediately expire and are cancelled on the applicable Termination Date at a time determined by the Board, at its discretion; and
- (d) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the applicable Termination Date.

8.3 **Ceasing to be an Eligible Person (Without Cause or Breach)**. In the event:

- (a) an Optionee's employment or term of office with the Corporation or a Subsidiary terminates by reason of:
 - (i) voluntary resignation by such Optionee;
 - (ii) termination by the Corporation or a Subsidiary without cause (whether such termination occurs with or without any or adequate reasonable notice or with or without any or adequate compensation in lieu of such reasonable notice); or
 - (iii) the retirement of such Optionee in accordance with the then customary policies and practices of the Corporation in relation to retirement; or
- (b) an Optionee's consulting arrangements (or, if applicable, those of its Consulting Company) with the Corporation or a Subsidiary are terminated in circumstances other than those referred to in Subsection 8.2(b);
then;
- (c) any Options held by the Optionee (or, if applicable, those of its Consulting Company) that are exercisable at the Termination Date continue to be exercisable by the Optionee until the earlier of:
 - (i) the date determined by the Board, at its discretion, which is not less than 90 days and not more than is twelve (12) months following the applicable Termination Date; and
 - (ii) the date on which the Exercise Period of the particular Option expires;
- (d) any Options held by the Optionee (or, if applicable, those of its Consulting Company) that are not exercisable at the Termination Date immediately expire and are cancelled upon the Termination Date; and
- (e) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the Termination Date.

Without limitation, and for greater certainty only, this Section 8.3 will apply regardless of whether the Optionee received compensation in respect of any termination by the Corporation or a Subsidiary without cause or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Optionee.

8.4 **Discretion to Permit Exercise**. Notwithstanding the provisions of Sections 8.2 and 8.3, the Board may, in its discretion, at any time prior to or following the events contemplated in such sections and in any Option Agreement, permit the exercise of any or all Options held by the Optionee in the manner and on terms authorized by the Board, provided that:

- (a) any Options granted to any Optionee which are subject to Sections 8.2 and 8.3 shall expire at a time to be determined by the Board following the applicable Termination Date;

- (b) subject to an extension pursuant to Section 6.5, the Board will not, in any case, authorize the exercise of an Option pursuant to this section beyond the Expiry Date of the particular Option; and
- (c) the Board will not, in any case, authorize the exercise of any or all Options of the Optionee on a date that is more than one (1) year after the earlier of: (i) the death of such Optionee; or (ii) the Termination Date.

9. OPTION PROCEDURE

- 9.1 **Option Commitment.** Upon grant of an Option hereunder to an Optionee, a senior officer of the Corporation designated by the Board will deliver to the Optionee an Option Agreement detailing the terms of the Option. Upon the occurrence of an event to which Subsections 10.2(a) and 10.2(b) applies, and upon the surrender by the Optionee of the originally signed Option Agreement to which any Option relates, a senior officer of the Corporation designated by the Board may deliver to any Optionee with respect to any Option, a revised Option Agreement identified as such, with respect to Shares as to which the Option has not been exercised, reflecting the application of Subsections 10.2(a) and 10.2(b), as applicable, by reason of that event.
- 9.2 **Manner of Exercise.** Subject to the provisions of the Plan and the provisions of the Option Agreement issued to an Optionee, Options shall be exercisable by the Holder by delivering a fully completed Exercise Form to the Corporation specifying the number of Options to be exercised accompanied by payment in full of the aggregate Exercise Price therefor by cash payment, wire transfer or by certified cheque or bank draft payable to the Corporation (in each case in immediately available funds). The Exercise Form must be accompanied by: (a) the originally signed Option Agreement with respect to the Option being exercised; and (b) documents containing such representations, warranties, agreements and undertakings, including such as to the Holder's future dealings in such Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of Applicable Securities Laws or similar laws of any jurisdiction.
- 9.3 **Tax Matters.** Notwithstanding any other provision of this Plan, the Corporation's obligation to issue Shares to Holder pursuant to the exercise of an Option or otherwise pay an amount pursuant to the Plan or any Option shall be subject to the satisfaction of all federal, state, provincial, local and foreign tax obligations as may be required by applicable law, including, but not limited to, obligations to make withholdings, deductions or remittances in respect of any taxable benefits of a Holder arising under this Plan or any Option ("**tax withholding obligations**") and the Corporation shall have the power and right to:
 - (a) deduct or withhold from all amounts payable to a Holder pursuant to this Plan, any Option, or otherwise in the course of the employment of the Optionee in respect of the Option with the Corporation or its Subsidiary, and
 - (b) require the Holder to remit to the Corporation an amount sufficient to satisfy in full any tax withholding obligations as may be imposed on the Corporation by applicable law.

Further, the Corporation may require the Holder to satisfy, in whole or in part, such deduction or any tax withholding obligation by instructing the Corporation to withhold Shares that would otherwise have been received by the Holder upon exercise of any Options, and sell such Shares by Corporation as a trustee on behalf of the Holder, and remit the proceeds of such sale to the relevant taxing authority in satisfaction of the tax or withholding obligations. By participating in

the Plan, the Participant consents to the foregoing and authorizes the Corporation or its Affiliate, as applicable, to effect the sale of such Shares on behalf of the Holder and to remit the proceeds of such sale to the relevant taxing authority in satisfaction of the tax or withholding obligations. Neither the Corporation nor any applicable Affiliate shall be responsible for obtaining any particular price for the Shares nor shall the Corporation or any applicable Affiliate be required to issue any Shares under the Plan unless the Holder has made suitable arrangements with the Corporation and any applicable Affiliate to fund any withholding obligation.

- 9.4 **Issuance of Shares.** Subject to the provisions of the Plan and the provisions of the Option Agreement issued to an Optionee, and upon the Corporation being satisfied that all of the conditions and requirements in this Article 9 have been fully met, the Holder shall be deemed to be a holder of record of the Shares to be issued pursuant to an exercise of an Option, and thereafter the Corporation shall, within a reasonable amount of time, cause the transfer agent and registrar of the Shares to deliver to the Optionee a certificate or certificates or a statement of account, representing in the aggregate the acquired Shares. Any certificate or certificates representing the Shares will bear any restrictive legend required by Applicable Securities Laws and as may apply under foreign securities laws including the applicable securities laws of U.S. and state securities laws unless, in the written opinion of counsel for the Holder delivered to and for the benefit of the Corporation (which counsel shall be reasonably satisfactory to the Corporation), the Shares are not, at such time, required by law to bear such legend.

10. **CAPITAL ADJUSTMENTS AND OTHER TRANSACTIONS**

- 10.1 **General.** The existence of any Options does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this section would have an adverse effect on the Plan or any Option granted hereunder, subject to Subsections 10.2(a) and 10.2(b).

- 10.2 **Adjustment.** In the event of:

- (a) a subdivision, consolidation or reclassification of Shares or any similar capital reorganization, or any other change to be made in the capitalization of the Corporation including an exchange of Shares for another security of the Corporation that, in the opinion of the Board, acting reasonably and in good faith, would warrant the replacement or amendment of any existing Options in order to adjust:
- (i) the number of Shares or other securities that may be acquired on the exercise of any outstanding Options; or
 - (ii) the Exercise Price of any outstanding Options,
- (b) in order to preserve proportionately the rights and obligations of the Optionees, the Board will authorize such steps, subject to Regulatory Approval, if required, to be taken as are equitable and appropriate to that end, having regard to the availability of any deduction under the ITA to which the Optionee may be entitled.

- (c) an amalgamation, combination, merger or other reorganization involving the Corporation, by exchange of shares, by sale or lease of assets, or otherwise, that, in the opinion of the Board, acting reasonably and in good faith, warrants the replacement or amendment of any existing Options in order to adjust:
 - (i) the number of Shares or other securities that may be acquired on the exercise of any outstanding Options; or
 - (ii) the Exercise Price of any outstanding Options,
- (d) in order to preserve proportionately the rights and obligations of the Optionees, the Board will authorize such steps, subject to Regulatory Approval, if required, to be taken as are equitable and appropriate to that end, having regard to the availability of any deduction under the ITA to which the Optionee may be entitled.

Except as expressly provided in Subsections 10.2(a) and 10.2(b), neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to: (i) the number of Shares that may be acquired on the exercise of any outstanding Options; or (ii) the Exercise Price of any outstanding Options.

- 10.3 **Fractional Shares.** The Corporation will not be required to issue fractional Shares in satisfaction of its obligations hereunder and any fractional interest in a Share that would, except for the provisions of this Section 10.3, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Corporation.
- 10.4 **Disputes.** If any questions arise at any time with respect to the Exercise Price or number of Optioned Shares or other securities deliverable upon exercise of an Option in any of the events set out in Subsections 10.2(a) and 10.2(b), such questions will be conclusively determined by the Corporation's auditors, or, if they decline to so act, any other firm of chartered accountants that the Corporation may designate and who will have access to all appropriate records and such determination will be binding upon the Corporation and all Optionees.
- 10.5 **Sale of Corporation, etc.** If the Board at any time by resolution declares it advisable to do so in connection with a Merger and Acquisition Transaction, the Board has the right but not the obligation, and without the consent of any Optionee, to provide for the conversion, exchange, replacement or substitution of any outstanding Options into or for options, rights or other securities of similar value of, or the assumption of outstanding Options by any entity or Affiliate participating in or resulting from a Merger and Acquisition Transaction. Any such conversion, exchange, replacement, substitution or assumption shall be on such terms as the Board in good faith may consider fair and appropriate in the circumstances. In addition, and notwithstanding this Section 10.5, the Board has the right but not the obligation, and without the consent of any Optionee, to determine, at its sole discretion, that:
 - (a) any or all Options shall thereupon terminate; provided that only such outstanding Options that have vested shall remain exercisable until consummation of the Merger and Acquisition Transaction; or
 - (b) Options not exercisable may be exercisable in full provided, however, that were any vesting of Options is required by Exchange Policy, written approval of the Exchange is first obtained.

10.6 **Change of Control.** If the Board at any time by resolution declares it advisable to do so in connection with a Change of Control, the Board has the right but not the obligation, and without the consent of any Optionee, to:

- (a) within a specified period of time prior to the completion of the Change in Control as determined by the Board but subject to and conditional upon the completion of the Change of Control, accelerate the dates upon which any or all outstanding Options shall vest and be exercisable or settled, without regard to whether such Options have otherwise vested in accordance with their terms and provided, however, that were any vesting of Options is required by Exchange Policy, written approval of the Exchange is first obtained;
- (b) permit each Optionee, within a specified period of time prior to the completion of the Change in Control as determined by the Board but subject to and conditional upon the completion of the Change of Control, to exercise all of the Optionee's outstanding Options; or
- (c) subject to and conditional upon the completion of the Change of Control, deem the Plan and all outstanding Options, vested and unvested, terminate, without further act or formality, except to the extent required as determined by the Board.

The Optionee shall execute such documents and instruments and take such other actions, including exercise or settlement of Options vesting pursuant to Subsection 10.6(a) or the Option Agreement, as may be required consistent with the foregoing; provided, however, that the exercise or settlement of Options vesting pursuant to Subsection 10.6(a) or the Option Agreement shall be subject to the completion of the Change of Control event. In taking any of the actions contemplated by this Section 10.6, the Board shall not be obligated to treat all Options held by any Optionee, or all Options in general, identically.

11. **AMENDMENTS & TERMINATION OF PLAN**

11.1 **Amendment of Option.** Subject to Applicable Securities Law and Exchange Policy, the Board may amend the terms of any Option granted in accordance with the Plan upon obtaining, if required, Regulatory Approval and shareholder approval (including Disinterested Shareholder Approval, as applicable) provided that:

- (a) amendments to an Option to reduce the number of Shares under option; increase the Exercise Price; or cancel an Option will not require Regulatory Approval or shareholder approval provided there is a public announcement outlining the terms of the amendment;
- (b) no proposed amendment to an Option shall reduce the Exercise Price to an amount that is less than the Discounted Market Price at the time the amendment becomes effective;
- (c) if an amendment to an Option impairs such Option or is adverse to the Optionee thereof, the amendment shall only be made effective after the written consent of the affected Optionee to such amendment is received; and
- (d) if the amendment of an Option requires Regulatory Approval and/or shareholder approval (including Disinterested Shareholder Approval, as applicable), such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are granted.

- 11.2 **Amendment of Plan.** Subject to Applicable Securities Law and Exchange Policy, the Board may amend the Plan, or any portion thereof, upon obtaining Regulatory Approval and, if required, shareholder approval (including Disinterested Shareholder Approval, as applicable) provided that amendments to the Plan to fix typographical errors and amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions will not require shareholder approval.
- 11.3 **Termination of Plan.** The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further Options shall be granted, but the Options then outstanding shall continue in full force and effect in accordance with the provisions of the Plan for the duration of such time as any Option remains outstanding.

12. **GENERAL PROVISIONS**

- 12.1 **Effective Date and Approvals.** This Plan was approved and adopted by the Board on April 29, 2019 (the “**Adoption Date**”) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such Adoption Date subject to Regulatory Approval and initial shareholder approval and thereafter annual shareholder approval (including Disinterested Shareholder Approval, as applicable) as required pursuant to Applicable Securities Law and/or Exchange Policy. Any Options granted under the Plan prior to such approval shall be conditional upon such approval being given and no such Options may be exercised unless and until such approval have been obtained or given.
- 12.2 **Rights as Shareholder.** An Optionee has no rights whatsoever as a shareholder in respect of any of the Optioned Shares (including, without limitation, any right to receive dividends or other distributions therefrom or thereon) other than in respect of Optioned Shares purchased by and fully paid for and issued to the Optionee on exercise of the Option.
- 12.3 **Rights to Employment/Service.** Nothing contained in the Plan will confer upon any Optionee (or his Consulting Company) any right with respect to employment, term of office or consulting with the Corporation or a Subsidiary, or interfere in any way with the right of the Corporation to terminate the Optionee’s employment, term of office or consulting arrangements (or those of his Consulting Company) at any time.
- 12.4 **No Listing Representation.** The Corporation makes no representation or warranty as to whether it will be successful in obtaining, or if applicable, maintaining, a listing for the Shares on any stock exchange or as to the future market value of the Shares issued on the exercise of any Option.
- 12.5 **Notice.** Each notice, demand or communication required or permitted to be given under the Plan (each, a “**Notice**”) will be in writing and shall be given by personal delivery, facsimile transmission or by email, if to the Corporation, to or to the attention of the Corporate Secretary of the Corporation in each case at the address, facsimile number or email address set forth on the Corporation’s website or at such other address as the Corporation may advise an Optionee of, in writing, as being the address for delivery of a Notice to the Corporation, and if to an Optionee, at the most recent address, facsimile number or email address for the Optionee shown in the records of the Corporation. All such Notices given as aforesaid shall be deemed to have been given or made only at the time it is served by personal delivery upon the Corporate Secretary or Optionee, as the case may be, or if sent by facsimile or email transmission, upon receipt of confirmation that such transmission has been received; provided that if such delivery or electronic communication is made on a day which is a not a Business Day or later than 5:00 p.m. (Toronto time) on a day

which is a Business Day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a Business Day.

- 12.6 **Severability.** To the extent a provision of the Plan requires Regulatory Approval or shareholder approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in full force and effect. If any provision of this Plan, or the application thereof, is determined for any reason and to any extent to be invalid or unenforceable, the remainder of this Plan and the application of such provision to other persons and circumstances shall remain in full force and effect to the fullest extent possible.
- 12.7 **Compliance with Law.** Notwithstanding any other provision herein, the Corporation is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Board, on the advice of counsel for the Corporation, such action would require the filing and receipt of a prospectus or require the filing of a registration statement or otherwise constitute a violation by an Optionee or the Corporation of Applicable Securities Laws or any provision of any applicable law, including any statutory or regulatory enactment of any government or government agency. Optioned Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such Optioned Shares shall comply with all relevant provisions of law, including, without limitation, Applicable Securities Laws or similar laws of any jurisdiction, and the requirements of the Exchange, and such issuance shall be further subject to the approval of counsel for the Corporation with respect to such compliance. The inability of the Corporation to obtain from any regulatory body the authority deemed by the Corporation to be necessary for the lawful issuance and sale of any Optioned Shares under the Plan, or the inability of the Corporation to lawfully issue, sell, or deliver any Optioned Shares, shall relieve the Corporation of any liability with respect to the non-issuance, sale or delivery of such Optioned Shares.
- 12.8 **Merger of Stock Option Plan** Upon receipt of shareholder approval and Regulatory Approval of the Plan, the stock option plan of the Corporation entitled Baymount Incorporated - 2012 Stock Option Plan (the “**2012 Stock Option Plan**”) shall be deemed to be merged herein, such that all options, if any, outstanding under the 2012 Stock Option Plan shall be deemed to be outstanding under the Plan.

APPENDIX "C"
BAYMOUNT INCORPORATED
(the "Corporation")
BY-LAW NO. 1

A by-law relating generally to the transaction of the business and affairs of the Corporation.

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

ARTICLE 1 INTERPRETATION

1.1 Definitions. In the by-laws of the Corporation, unless the context otherwise requires:

“**Act**” means the *Business Corporations Act* (Ontario) and any statute that may be substituted therefor, as from time to time amended;

“**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory in Canada, as from time to time amended, the written rules, regulations and forms made or promulgated under any such legislation and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province or territory of Canada;

“**appoint**” includes “**elect**” and vice versa;

“**articles**” means the articles of incorporation of the Corporation, as from time to time amended or restated;

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

“**by-laws**” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“**cheque**” includes a bank draft;

“**day**” means a clear day and a period of days shall be deemed to commence on the day following the event that began the period and shall be deemed to terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or a holiday;

“**meeting of shareholders**” includes an annual meeting of shareholders, a special meeting of shareholders and an annual and special meeting of shareholders;

“**non-business day**” means Saturday, Sunday and any other day that is a holiday as defined in the *Legislation Act* (Ontario), as from time to time amended;

“**ordinary resolution**” means a resolution that is: (i) submitted to a meeting of the shareholders of a corporation and passed, with or without amendment, at the meeting by at least a majority of the votes cast; or (ii) signed by all of the shareholders entitled to vote on that resolution;

“**person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative;

“**recorded address**” means: (i) in the case of a shareholder, the address of the shareholder as recorded in the securities register; (ii) in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; (iii) in the case of an officer, auditor or member of a committee of the board, the latest address as recorded in the records of the Corporation; and (iv) in the case of a director, the latest address as recorded in the records of the Corporation or in the most recent notice filed under the *Corporations Information Act* (Ontario), whichever is more current;

“**resident Canadian**” means an individual who is:

- (a) a Canadian citizen ordinarily resident in Canada;

- (b) a Canadian citizen not ordinarily resident in Canada who is a member of a class of persons prescribed in the regulations to the Act; or
- (c) a permanent resident within the meaning of the *Immigration and Refugee Protection Act* (Canada) and ordinarily resident in Canada;

“**signing officer**” means, in relation to any instrument, any person authorized to sign the instrument on behalf of the Corporation by or pursuant to section 2.5;

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

“**special resolution**” means a resolution: (i) passed by a majority of not less than two-thirds of the votes cast by the shareholders who voted in respect of that resolution; or (ii) signed by all the shareholders entitled to vote on that resolution; and

“**unanimous shareholder agreement**” means either: (i) a lawful written agreement among all the shareholders of the Corporation, or among all the shareholders and one or more persons who are not shareholders; or (ii) a written declaration of the registered owner of all of the issued shares of the Corporation; in each case, that restricts, in whole or in part, the powers of the directors to manage, or supervise the management of the business and affairs of the Corporation, as from time to time amended.

1.2 Interpretation. Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein.

1.3 Number. Words importing the singular number include the plural and vice versa.

1.4 Gender. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

1.5 Headings. Headings are inserted in this by-law for reference purposes only and are not to be considered or taken into account in construing the terms or provisions hereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

1.6 Conflict with Unanimous Shareholder Agreement. Where any provision in the by-laws conflicts with any provision of any unanimous shareholder agreement, the provision of such unanimous shareholder agreement shall govern.

ARTICLE 2 BUSINESS OF THE CORPORATION

2.1 Registered Office. Until changed in accordance with the Act, the registered office of the Corporation shall be within the municipality or geographic township within Ontario initially specified in the articles and thereafter as the shareholders may, from time to time, determine by special resolution, and at such location therein as the board may, from time to time, determine by resolution.

2.2 Books and Records. Any records administered by or on behalf of the Corporation in the regular course of its business, including its securities register, books of account and minute books, and which may be maintained in a bound or loose-leaf book or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device, method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases). The Corporation shall make such records available for inspection pursuant to applicable law.

2.3 Corporate Seal. The corporate seal of the Corporation, if adopted, shall be in such form as the board may by resolution, from time to time, adopt. An instrument or agreement executed on behalf of the Corporation by a

director, an officer or an agent of the Corporation is not invalid merely because the corporate seal, if adopted, is not affixed to it.

2.4 Financial Year. The financial year of the Corporation shall end on such date in each year as shall be determined, from time to time, by resolution of the board.

2.5 Execution of Contracts, Etc. Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by any one director or officer of the Corporation, and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board shall have the power, from time to time, by resolution to appoint any one or more officers or other persons on behalf of the Corporation either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The corporate seal of the Corporation, if adopted, may be affixed to contracts, documents or instruments in writing signed by an officer or person appointed by resolution of the board.

The term “contracts, documents or instruments in writing” as used in this by-law shall include, without limitation, agreements, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, movable or immovable, powers of attorney, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities, instruments of proxy and all paper writings.

Without limiting the generality of the foregoing, any one director or officer is authorized to sell, assign, transfer, exchange, convert or convey all securities owned by or registered in the name of the Corporation and to sign and execute (under the corporate seal, if adopted, of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveyancing any such securities.

Subject to the Act and applicable electronic commerce legislation, any contracts, documents or instruments required to be created or provided in writing and required or permitted to be executed by one or more persons on behalf of the Corporation may be: (i) created in electronic document form and provided by electronic means; (ii) signed by mechanically reproduced signature or electronic signature, which signature or signatures shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the person or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of delivery or issue of such contract, document or instrument in writing; and (iii) executed in separate counterparts, each of which when duly executed by one or more of such persons shall be an original and all such counterparts together shall constitute one and the same such contract, document or instrument in writing. Notwithstanding the foregoing, the board may, from time to time, direct the manner in which and the person or persons by whom any particular contract, document or instrument in writing, or class of contracts, documents or instruments in writing, may or shall be signed.

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

2.7 Voting Securities in Other Issuers. The person or persons authorized under section 2.5 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the person executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may, from time to time, direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.8 Divisions. The board may cause the business and operations of the Corporation, or any part thereof, to be divided or segregated into one or more divisions having regard to, without limitation, the character or type of businesses or operations, geographical territories, product lines or goods or services as the board may consider appropriate in each case. From time to time, the board, or any officer authorized by the board, may authorize, upon such basis as may be considered appropriate in each case:

- (a) Sub-Division and Consolidation - the further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions and sub-units;
- (b) Name - the designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the legal name of the Corporation; provided that the Corporation shall set out its legal name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Corporation; and
- (c) Officers - the appointment of officers for any such division or other sub-unit, the determination of their powers and duties, and the removal of any such officer so appointed, without prejudice to such officer's rights under any employment contract or in law, provided that any such officers shall not, as such, be officers of the Corporation, unless expressly designated as such.

ARTICLE 3 BORROWING AND DEBT OBLIGATIONS

3.1 Borrowing Power. Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may, from time to time, on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidences of indebtedness or guarantees of the Corporation, whether secured or unsecured;
- (c) to the extent permitted by the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) charge, mortgage, hypothecate, pledge, or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

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

3.2 Delegation. The board may, from time to time, delegate to a committee of the board, one or more directors or officers of the Corporation or any other person as may be designated by the board all or any of the powers conferred on the board by section 3.1 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

ARTICLE 4 DIRECTORS

4.1 Number of Directors and Quorum. Until changed in accordance with the Act, the board shall consist of the number of directors, within the minimum and maximum number of directors provided for in the articles, as is determined by special resolution or, if such special resolution empowers the board to determine the number, by a resolution of the board; provided, however, that in the latter case, the directors may not, between meetings of

shareholders, increase the number of directors on the board to a total number greater than one and one-half times the number of directors required to have been elected at the last annual meeting of shareholders. Except as provided under section 4.17, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors determined in the manner set forth above; provided that where the board consists of fewer than three directors, all directors shall constitute a quorum at any meeting of the board.

4.2 Qualification. The following persons are disqualified from being a director of the Corporation: (i) a person who is less than 18 years of age; (ii) a person who has been found under the *Substitute Decisions Act, 1992* (Ontario) or under the *Mental Health Act* (Ontario) to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere; (iii) a person who is not an individual; or (iv) a person who has the status of bankrupt. A director need not be a shareholder. At least 25% of the directors shall be resident Canadians but where the Corporation has less than four directors at least one of the directors shall be a resident Canadian.

4.3 Election and Term. The election of directors shall take place at the first meeting and thereafter at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The election shall be by ordinary resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.4 Removal of Directors. Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at an annual meeting or special meeting called for such purpose remove any director or directors from office and the vacancy created by such removal may be filled at the same meeting failing which, provided a quorum remains in office, it may be filled by the board. Where the holders of any class or series of shares of the Corporation have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

4.5 Termination of Office. A director ceases to hold office when the director: (i) dies; (ii) is removed from office by the shareholders; (iii) ceases to be qualified for election as a director; or (iv) sends or delivers to the Corporation a written resignation or, if a time is specified in such resignation, at the time so specified, whichever is later.

4.6 Vacancies. Subject to the provisions of the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or, except as set out hereunder, in the maximum number of directors, as the case may be, or a failure to elect the number of directors required to be elected at any meeting of shareholders. Where the articles provide for a minimum and maximum number of directors and a special resolution has been passed empowering the directors to determine the number of directors, the directors may not, between meetings of shareholders, appoint an additional director if, after such appointment, the total number of directors would be greater than one and one-half times the number of directors required to have been elected at the last annual meeting of shareholders. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required by section 4.1, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors fail to call a meeting or if there are no directors then in office, any shareholder may call the meeting. A director appointed or elected to fill a vacancy holds office for the unexpired term of that director's predecessor.

4.7 Action by the Board. Subject to any unanimous shareholder agreement, the board shall manage, or supervise the management of, the business and affairs of the Corporation. Subject to section 4.8, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

4.8 Participation. If all the directors of the Corporation present at or participating in a meeting consent, a director may participate in a meeting of the board or of a committee of the board by means of telephonic, electronic or other communication facility that permits all participants to communicate simultaneously and instantaneously with each other during the meeting. A director participating in a meeting by such means is deemed to be present in person at the meeting for the purposes of the Act. Any consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board.

4.9 Place of Meetings. Meetings of the board may be held at any place within or outside Ontario and, in any financial year of the Corporation, any or all of the meetings of the board may be held at any place outside Canada.

4.10 Calling of Meetings. Meetings of the board shall be held, from time to time, at such place, at such time and on such day as the board, the chairperson of the board, the president (if the president is a director) or any two directors may determine.

4.11 Notice of Meeting. Notice of the time and place of each meeting of the board shall be given in the manner provided in section 11.1 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified. A director may, in any manner and at any time, waive a notice of or otherwise consent to a meeting of the board and, subject to the Act, attendance of a director at a meeting of the board is a waiver of notice of the meeting.

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

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

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

4.15 Chairperson. The chairperson of any meeting of the board shall be the first mentioned of the following officers as have been appointed and who is a director and is present at the meeting: chairperson of the board; president; chief executive officer; or a vice-president. If no such officer is present, the directors present shall choose one of their number to be chairperson. If the secretary of the Corporation is absent, the chairperson shall appoint some person, who need not be a director, to act as secretary of the meeting.

4.16 Votes to Govern. At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chairperson of the meeting shall not be entitled to a second or casting vote.

4.17 Conflict of Interest. A director or officer of the Corporation who is a party to, or who is a director or an officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation, shall disclose the nature and extent of his or her interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or the shareholders. Such director shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve such contract or transaction or proposed contract or proposed transaction unless the contract or transaction is:

- (a) one relating primarily to his or her remuneration as a director of the Corporation or an affiliate;
- (b) one for indemnity or insurance as specified under the Act; or
- (c) one with an affiliate.

If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of such director's interest in such contract or transaction, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the

resolution. Where all the directors are required to make disclosure under this section, the contract or transaction may be approved only by the shareholders.

4.18 Remuneration and Expenses. Subject to any unanimous shareholder agreement, the directors shall be paid such remuneration for their services as the board may, from time to time, determine and such remuneration shall be in addition to the salary paid to any officer or employee of the Corporation who is also a director. The directors may also by resolution award special remuneration to any director in undertaking any special services on behalf of the Corporation other than the normal work ordinarily required of a director. The confirmation of any such resolution or resolutions by the shareholders shall not be required, except as required by law or regulation. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

4.19 Resolution in Writing by Directors. A resolution in writing signed by all the directors entitled to vote on that resolution at a meeting is as valid as if it had been passed at a meeting of the directors unless a written statement or written representation with respect to the subject matter of the resolution is submitted by a director or the auditor, respectively, in accordance with the Act. A resolution in writing may be signed by the directors in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same resolution in writing, and by a director using a facsimile or other electronic signature, in which case the other directors, the Corporation and the shareholders are entitled to rely on such electronic signature as conclusive evidence that such resolution in writing has been duly executed by such director.

4.20 Only One Director. Where the Corporation has only one director, that director may constitute a meeting.

ARTICLE 5 COMMITTEES

5.1 Committees of the Board. The board may, from time to time, establish (or dissolve) one or more committees of directors, however designated, and delegate to any such committee any of the powers and duties of the board, subject to the limitations on such delegation contained in the Act. The board may appoint and remove the members of each committee subject to the requirements of the Act.

5.2 Audit Committee. If the Corporation is an offering corporation within the meaning of the Act, the board shall, and the board otherwise may, appoint annually from among its number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers or employees of the Corporation or any of its affiliates and all of whom must otherwise meet the requirements of applicable law. Each member of the audit committee shall hold office, at the pleasure of the board, until the next annual meeting of shareholders and, in any event, only so long as the director shall be a director. In addition to the powers and duties delegated by the board pursuant to section 5.1, the audit committee shall have the powers and duties provided in the Act and other applicable laws. The audit committee shall review the financial statements of the Corporation prior to approval thereof by the board. The auditor of the Corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the Corporation, to attend and be heard thereat; and, if so requested by a member of the audit committee, shall attend every meeting of the audit committee held during the term of office of the auditor. The auditor of the Corporation or any member of the audit committee may call a meeting of the audit committee.

5.3 Transaction of Business. Subject to the provisions of section 4.8, the powers of a committee of directors appointed by the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at such place or places designated in section 4.9.

5.4 Advisory Committees. The board may, from time to time, appoint such advisory bodies as it may deem advisable.

5.5 Procedure. Unless otherwise determined by the board, each committee and advisory body shall have the power to fix its quorum (provided a quorum is not less than a majority of its members), to elect its chairperson, and to regulate its procedure.

5.6 Limits on Authority. Despite any other provision of this by-law, no managing director and no committee of directors appointed by the board has authority to:

- (a) submit to the shareholders any question or matter requiring the approval of the shareholders;
- (b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officers, however designated, the chief financial officer, however designated, the chairperson or the president of the Corporation;
- (c) subject to the Act, issue securities except in the manner and on the terms authorized by the directors;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (f) pay a commission referred to in the Act;
- (g) approve a management proxy circular referred to in the Act;
- (h) approve a take-over bid circular, directors' circular or issuer bid circular referred to in the Applicable Securities Laws;
- (i) approve any financial statements referred to in the Act (unless otherwise permitted under the Act and Applicable Securities Laws);
- (j) approve an amalgamation between the Corporation and: (i) its holding body corporate; (ii) any one or more of its subsidiaries; and (iii) any one or more corporations where the Corporation and any such corporations are subsidiaries of the same holding body corporate;
- (k) approve an amendment to the Corporation's articles to: (i) divide any class of unissued shares into series and determine the designation, rights, privileges, restrictions and conditions thereof, where the articles authorize the directors to approve such amendment; and (ii) change a Corporation's name that is a numbered name to a name that is not a numbered name; or
- (l) adopt, amend or repeal by-laws.

ARTICLE 6 OFFICERS

6.1 Positions and Appointment. Subject to the articles or any unanimous shareholder agreement, the board may, from time to time, designate such offices of the Corporation and appoint such officers as the board may consider advisable, including, without limitation, a president, a secretary and a treasurer. None of such officers, other than a chairperson of the board, need be a director of the Corporation. Any two or more offices may be held by the same individual.

6.2 President. If appointed, the president shall, subject to the control of the board, have general supervision over the business and affairs of the Corporation, and he or she shall have such other powers and duties as the board may specify.

6.3 Secretary. If appointed, the secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he or she shall attend and be the secretary of all meetings of the board, shareholders and committees of the board; he or she shall enter or cause to be entered in the minute book of the Corporation minutes of all proceedings at such meetings and shall be custodian of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer

or agent has been appointed for that purpose; and he or she shall have such other powers and duties as the board may specify.

6.4 Treasurer. If appointed, the treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the custody of the funds and securities of the Corporation; he or she shall render to the board whenever required an account of all his or her transactions as treasurer and of the financial position of the Corporation, except when some other officer or agent has been appointed for that purpose; and he or she shall have such other powers and duties as the board may specify.

6.5 Powers and Duties. Subject to the articles or any unanimous shareholder agreement, and unless otherwise provided in this Article Six, the powers and duties of each officer of the Corporation shall be such as the terms of their engagement call for or as provided, from time to time, by resolution of the board. In the absence of such terms of engagement or resolution, the respective officers shall have the powers and duties and shall discharge the duties customarily and usually held and performed by like offices of corporations similar in organization and business purposes to the Corporation subject to the control of the board. Any such officer may, from time to time, delegate any of his or her powers and duties to another officer or employee of the Corporation, and such delegate may exercise and perform such powers and duties, unless the board otherwise directs.

6.6 Term of Office. The board, in its discretion, may remove any officer of the Corporation, with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise, each officer appointed by the board shall hold office until his or her successor is appointed or until the earlier of his or her resignation or death. The board may appoint a person to an office to replace an officer who has been removed or who has ceased to be an officer for any other reason.

6.7 Terms of Employment and Remuneration. The terms of employment and the remuneration of an officer appointed by the board shall be settled by the board, from time to time.

6.8 Disclosure of Interest. An officer shall disclose to the Corporation any interest in a material contract or material transaction, whether made or proposed, with the Corporation in accordance with section 4.17 and the Act.

6.9 Agents and Attorneys. Subject to the provisions of the Act, the Corporation, by or under the authority of the board, shall have power, from time to time, to appoint agents or attorneys for the Corporation in or outside Canada with such powers of management, administration or otherwise (including the power to sub-delegate) as may be thought fit.

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

ARTICLE 7 PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Limitation of Liability. Every director and officer of the Corporation shall, in exercising the powers and discharging the duties of office, act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the part of such director or officer, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of such director's or officer's office or in relation thereto; unless the same are occasioned by such director's or officer's own willful neglect or fault; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.2 Indemnity. Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, provided:

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

The Corporation shall also indemnify such individual in such other circumstances as the Act permits or requires. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.3 Insurance. Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any individual referred to in section 7.2 against such liabilities and in such amounts as the board may, from time to time, determine and as permitted by the Act.

ARTICLE 8 SHARES

8.1 Allotment of Shares. Subject to the Act, the articles or any unanimous shareholder agreement, the board may, from time to time, allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

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

8.3 Transfer Agents and Registrars. The board may, from time to time, appoint, for each class of securities issued by the Corporation: (a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons to keep branch registers; and (b) a registrar, trustee or agent to maintain a record of issued security certificates and, subject to the Act, one person may be appointed for the purposes of clauses (a) and (b) in respect of all securities of the Corporation or any class or classes thereof. The board may at any time terminate such appointment.

8.4 Registration of a Share Transfer. Subject to the provisions of the Act, no transfer of a share in respect of which a certificate has been issued shall be registered in a securities register except upon surrender of the certificate representing such share with an endorsement which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may, from time to time, prescribe upon payment of all applicable taxes and a reasonable fee (not to exceed the amount permitted by the Act) prescribed by the board upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in section.

8.5 Lien for Indebtedness. Unless the Corporation is an offering corporation within the meaning of the Act, the Corporation has a lien on the shares registered in the name of a shareholder or the shareholder's legal representative for a debt of that shareholder owed to the Corporation, to the extent of such debt; and the directors

may enforce such lien, subject to any other provision of the articles or to any unanimous shareholder agreement: (i) by applying any dividends or other distributions paid or payable on or in respect of the shares thereby affected in repayment of the debt of that shareholder to the Corporation; (ii) by the sale of the shares thereby affected; and/or (iii) by any other action, suit, remedy or proceeding authorized or permitted by law or by equity, and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

8.6 Non-Recognition of Trusts. Subject to the provisions of the Act, the Corporation may treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

8.7 Share Certificates. The shares of the Corporation may be represented by certificates. Share certificates shall be in the form approved by the board. Certificates representing shares of each class or series shall be signed in accordance with section 2.5 and need not be under corporate seal. Any or all such signatures may be electronic signatures. Although any officer, transfer agent or registrar whose manual or electronic signature is affixed to such a certificate ceases to be such officer, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such officer, transfer agent or registrar were still such at the date of its issue.

8.8 Replacement of Share Certificates. The board or any officer or agent designated by the board may direct the issue of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable fee (not to exceed the amount permitted by the Act) and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may, from time to time, prescribe, whether generally or in any particular case.

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

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

ARTICLE 9 DIVIDENDS AND RIGHTS

9.1 Dividends. Subject to the provisions of the Act and the articles, the board may, from time to time, declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation.

9.2 Dividend Cheques. A dividend payable in money shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which the dividend has been declared and mailed by prepaid ordinary mail to such registered holder at the recorded address of such holder, unless such holder otherwise directs. In the case of joint holders, the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address, or to the first recorded address if there are more than one. The mailing of a cheque in accordance with this section, unless not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.3 Non-Receipt of Cheques. In the event of non-receipt of any dividend cheque by the person to whom it is sent in accordance with section 9.2, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses, and evidence of non-receipt and of title as the board may, from time to time, prescribe, whether generally or in any particular case.

9.4 Record Date for Dividends and Rights. The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities; and notice of any such record date, unless waived in accordance with the Act, shall be given not less than seven days before such record date in the manner provided for by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.5 Unclaimed Dividends. Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

MEETINGS OF SHAREHOLDERS

10.1 Annual Meetings. The annual meeting of shareholders shall be held at such time and on such day in each year and, subject to section 10.3, at such place as the board may, from time to time, determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors (unless the Corporation is exempted under the Act from appointing an auditor) and for the transaction of such other business as may properly be brought before the meeting.

10.2 Special Meetings. The board shall have power to call a special meeting of shareholders at any time.

10.3 Place of Meetings. Meetings of shareholders shall be held at: (i) the registered office of the Corporation; (ii) elsewhere in the municipality in which the head office is situate; or (iii) if the board shall so determine, at some other place within or outside Ontario.

10.4 Meetings Held by Electronic Means. The directors or shareholders who call a meeting of shareholders pursuant to the Act, may determine that the meeting shall be held, in accordance with the Act and the regulations thereto, by means of a telephonic, electronic or other communication facility that permits all participants to communicate instantaneously and simultaneously with each other during the meeting, provided the Corporation makes provision for electronic voting at such meeting in accordance with the Act and section 10.21. Any person who participates in a meeting through those means shall be deemed for the purposes of the Act to be present in person at such meeting.

10.5 Notice of Meetings. Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Article Eleven not less than 10 days, unless the Corporation is an offering Corporation, in which case not less than 21 days, and in each case no more than 50 days before the date of the meeting to each director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than the consideration of minutes of an earlier meeting, consideration of the financial statements and auditor's report thereon (if any), election of directors and re-appointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasonable judgment thereon and shall state the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders, and, subject to the Act, attendance of any such shareholder or any such other person is a waiver of notice of the meeting.

10.6 List of Shareholders Entitled to Notice. For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting in accordance with the Act. If a record

date for the meeting is fixed pursuant to section 10.7, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given or, where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.

10.7 Record Date for Notice. The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as the record date for the determination of the shareholders entitled to notice of the meeting, and notice of any such record date shall, unless waived in accordance with the Act, be given not less than seven days before such record date, by newspaper advertisement in the manner provided in the Act. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

10.8 Meetings Without Notice. A meeting of shareholders may be held without notice at any time and place permitted by the Act: (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and (b) if the auditors and the directors are present or waive notice of, or otherwise consent to, such meeting being held; so long as such shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such meeting, any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Ontario, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

10.9 Chairperson, Secretary and Scrutineers. The chairperson of any meeting of shareholders shall be the first mentioned of the following officers as have been appointed and who is present at the meeting: chairperson of the board, president or a vice-president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairperson. If the secretary of the Corporation is absent, the chairperson of the meeting shall appoint a person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairperson of the meeting with the consent of the meeting.

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

10.11 Participation in Meeting by Electronic Means. Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the Act and the by-laws, by means of telephonic, electronic or other communications facilities that permits all participants to communicate instantaneously and simultaneously with each other during the meeting, provided the Corporation makes available such telephonic, electronic or other communications facility. A person participating in such a meeting is deemed to be present in person at the meeting and a shareholder or proxy holder entitled to vote at such a meeting may vote, in accordance with the Act, by means of the telephonic, electronic or other communications facility that the Corporation has made available for that purpose, whether such meeting is to be held at a designated place or solely by means of a telephonic, electronic or other communications facility.

10.12 Quorum. Subject to the Act, at each meeting of shareholders, A quorum for the transaction of business at any meeting of shareholders shall be all of the shareholders or two shareholder, whichever be the lesser, each being entitled to vote thereat or a duly appointed proxyholder or representative for a shareholder so entitled. If a quorum is

present at the opening of any meeting of shareholders, the shareholders present or represented may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

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

10.13 Separate Class Vote.

Subject to the Act, where a separate vote by a class or series or classes or series is required, a majority of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to vote on that matter and, in all matters other than the election of directors, the affirmative vote of the majority of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series.

10.14 Right to Vote. Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Corporation has prepared the list referred to in section 10.6, every person who is named in such list shall be entitled to vote the shares shown thereon opposite that person's name at the meeting to which such list relates except to the extent that, where the Corporation has fixed a record date in respect of such meeting pursuant to section 10.7, such person has transferred any shares after such record date and the transferee, having produced properly endorsed certificates evidencing such shares or having otherwise established ownership of such shares, has demanded not later than 10 days before the meeting that the transferee's name be included in such list. In any such case, the transferee shall be entitled to vote the transferred shares at the meeting. At any meeting of shareholders for which the Corporation has not prepared the list referred to in section 10.6, every person shall be entitled to vote at the meeting who at the time of the commencement of the meeting is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

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

10.16 Time for Deposit of Proxies. The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours (excluding non-business days) before which time proxies to be used at that meeting must be deposited with the Corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in the notice or, if no time is specified in the notice, it has been received by the secretary of the Corporation or by the chairperson of the meeting or any adjournment thereof prior to the time of voting.

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

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

or casting vote in addition to the vote or votes to which the chairperson is entitled as a shareholder or proxy nominee.

10.19 Show of Hands. Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairperson of the meeting that the vote upon the question has been carried, carried by a particular majority or defeated and an entry to that effect in the minutes of the meeting shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the question, and the result of the vote so taken shall be the decision of the shareholders upon the question.

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

10.21 Electronic Voting. Any vote referred to in sections 10.19 and 10.20 may be held entirely by means of a telephonic, electronic or other communication facility if the Corporation makes available such a communication facility; provided the facility enables the votes to be gathered in a manner that permits their subsequent verification.

10.22 Adjournment. The chairperson at a meeting of shareholders may, with the consent of the meeting, adjourn the meeting, from time to time, and place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earlier meeting that it has been adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as if for an original meeting.

In addition, the chairperson at a meeting of shareholders may, without the consent of the meeting, if the electronic platform at a meeting of shareholders held in part or entirely by means of a telephonic, electronic or other communication facility has become inadequate for the purposes referred to in sections 10.4 and 10.20, interrupt or adjourn the meeting. All business conducted at that meeting of shareholders up to the time of that adjournment shall be valid.

10.23 Resolution in Writing by Shareholders. A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting is as valid as if it had been passed at a meeting of the shareholders unless a written statement or written representation with respect to the subject matter of the resolution is submitted by a director or the auditor, respectively, in accordance with the Act. A resolution in writing may be signed by the shareholders in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same resolution in writing, and by a shareholder using a facsimile or other electronic signature, in which case the other shareholders, the Corporation and the directors are entitled to rely on such electronic signature as conclusive evidence that such resolution in writing has been duly executed by such shareholder.

10.24 Only One Shareholder. Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented by proxy constitutes a meeting.

ARTICLE 11 NOTICES

11.1 Method of Giving Notices. Any notice, communication or other document to be given by the Corporation to a shareholder, director, officer, or auditor of the Corporation under any provision of the articles or by-laws shall be sufficiently given if: (i) delivered personally to the person to whom it is to be given; or (ii) delivered to such person's last address as shown on the records of the Corporation; or (iii) mailed by prepaid post in a sealed envelope addressed to such person at the last address shown on the records of the Corporation; or (iv) sent by electronic document in accordance with the *Electronic Commerce Act, 2000* (Ontario) or electronic transmission, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases). A notice, communication or document so delivered shall be deemed to have been given when: (i) delivered personally, when it is delivered; (ii) delivered to such person's last address shown on the records of the Corporation, when delivered at the address aforesaid; (iii) mailed by prepaid post, on the fifth day after mailing, unless there are reasonable grounds for believing that the addressee did not receive the notice or document at that time or at all; and (iv) sent by way of electronic document, when it is sent through an information system used to generate, send, receive, store, or otherwise process an electronic document. The secretary may change the address on the records of the Corporation of any shareholder, director, officer, or auditor of the Corporation in accordance with any information believed by the secretary to be reliable.

11.2 Notice to Joint Holders. If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

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

11.4 Undelivered Notices. If any notice given or document sent to a shareholder pursuant to section 11.1 is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices or send further documents to the shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

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

11.6 Persons Entitled by Death or Operation of Law. Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom that person derives title to such share prior to the name and address of that person being entered on the securities register (whether such notice was given before or after the happening of the event upon which the person became so entitled) and prior to the person furnishing to the Corporation the proof of authority or evidence of entitlement prescribed by the Act.

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

**ARTICLE 12
FORUM SELECTION**

12.1 Forum for Adjudication of Certain Disputes. Unless the Corporation consents in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and the appellate Courts therefrom (or, failing such court, any other “court” as defined in the Act) having jurisdiction and the appellate Courts therefrom), shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Corporation to the Corporation; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the Act or the articles or the by-laws of the Corporation (as either may be amended, from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the “affairs” (as defined in the Act) of the Corporation. If any action or proceeding, the subject matter of which is within the scope of the preceding sentence, is filed in a Court other than a Court located within the Province of Ontario (a “Foreign Action”) in the name of any securityholder, such securityholder shall be deemed to have consented to: (a) the personal jurisdiction of the provincial and federal Courts located within the Province of Ontario in connection with any action or proceeding brought in any such Court to enforce the forum set out in the preceding sentence; and (b) having service of process made upon such securityholder in any such action or proceeding by service upon such securityholder’s counsel in the Foreign Action as agent for such securityholder.

**ARTICLE 13
EFFECTIVE DATE**

13.1 Effective Date. This by-law shall come into force when made by the board in accordance with the Act.

13.2 Repeal. All previous by-laws of the Corporation are repealed as of the coming into force of this by-law. Such repeal shall not affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles or predecessor charter documents of the Corporation obtained pursuant to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board or a committee of the board with continuing effect passed under any repealed by-law shall continue good and valid except to the extent inconsistent with this by-law and until amended or repealed.

The foregoing is the complete text of By-law No. 1 of the Corporation, as adopted by the board of the Corporation on April 29, 2019.

DATED April 29, 2019.

“Graham Simmonds”

President

“Graham Simmonds”

Secretary