Annual and Special Meeting of Shareholders

Management Information Circular

This Management Information Circular (this "Circular") is furnished in connection with the solicitation of proxies by and on behalf of the management of Sernova Corp. (the "Corporation"), for use at our Annual and Special Meeting of Shareholders to be held virtually on January 7, 2025, at the time and place and for the purposes set out in the accompanying Notice of Annual and Special Meeting of Shareholders and any adjournment or postponement thereof.

No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Annual and Special Meeting, other than as contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

SERNOVA CORP.

Notice of Annual and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN THAT the Annual and Special Meeting of Shareholders (the "**Meeting**") of Sernova Corp. (the "**Corporation**") will be held virtually on Tuesday, January 7, 2025 at 1:00 p.m. (Eastern Time).

The Meeting will be conducted as a virtual meeting only. Shareholders and duly appointed proxyholders may attend the virtual Meeting at https://virtual-meetings.tsxtrust.com/1722. The Meeting is being held for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for its fiscal year ended October 31, 2024 (the "**2024 Financial Statements**"), together with the auditor's report thereon;

2. to elect the directors of the Corporation for the ensuing year;

3. to reappoint KPMG LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors to fix the auditor's remuneration to be paid to the auditor;

4. to consider, and if appropriate, to approve, with or without variation, a special resolution, the full text of which is set out in the Circular, to approve the continuance of the Corporation as a British Columbia corporation to be governed by the provisions of the Business Corporations Act (British Columbia), to adopt the New Articles (as defined herein), and to alter the Corporation's authorized share structure by creating an unlimited number of Preferred Shares (as defined herein);

5. to consider, and if appropriate, to approve an ordinary resolution of shareholders to approve the increase of the fixed maximum number of common shares of the Corporation (the "**Common Shares**") to be reserved for issuance upon exercise of stock option grants (the "**Options**") pursuant to the stock option plan of the Corporation (the "**Option Plan**"), subject to regulatory approval, as described in the Circular;

6. to consider, and if appropriate, to approve an ordinary resolution of shareholders to approve the conditional grant on October 22, 2024 of an aggregate of 5,500,000 Options to officers of the Corporation under the Option Plan; and

7. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

No other matters are contemplated for consideration at the Meeting, however any permitted amendment to or variation of any matter identified in this Notice of Annual and Special Meeting of Shareholders (the "**Notice**") may properly be considered at the Meeting. The Meeting will be held **virtually**. You can participate online using your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Edge or Firefox. By participating online, you will be able to listen to a live audio cast of the Meeting, ask questions online and submit votes in real time. You may also provide voting instructions before the Meeting by completing the form of proxy (the "**Proxy Instrument**") or voting information form ("**VIF**") that has been provided to you.

Particulars of the foregoing matters are set forth in the Circular. The Corporation has elected to use the notice-and-access provisions under National Instrument 51-102 - *Continuous Disclosure Obligations* and National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting*

Issuer (collectively, the "**Notice-and-Access Provisions**") adopted by the Canadian Securities Administrators for the Meeting to reduce its mailing costs and volume of paper with respect to the materials distributed for the purpose of the Meeting. The Notice-and-Access Provisions are a set of rules that permit the Corporation to post the Meeting materials, 2024 Financial Statements and accompanying management's discussion and analysis ("**MD&A**"), online rather than making a traditional physical delivery of such materials. Under Notice-and-Access Provisions, instead of receiving a paper copy of the Circular, Shareholders will receive a Notice-and-Access Notification and a form of proxy. In the case of beneficial (non-registered) shareholders, they will receive the Notice-and-Access Notification and a VIF. The form of proxy / VIF enables Shareholders to vote. The Corporation will not use procedures known as "stratification" in relation to the use of the Notice-and-Access Provisions.

Shareholders are directed to read the Circular carefully and in full in evaluating the matters for consideration at the Meeting. The Circular, 2024 Financial Statements, MD&A and other relevant materials are available on the Corporation's website at www.sernova.com/investor/agm, for a minimum of one year, and under the Corporation's directory on SEDAR+ at www.sedarplus.ca. Any shareholder who wishes to receive a paper copy of such documents free of charge should contact the Corporation's registrar and transfer agent, TSX Trust Company by email at tsxt-fulfilment@tmx.com, or by phone at 1-888-433-6443 (toll free). In order to be certain of receiving such materials in time to submit their vote by **1:00 p.m. (Eastern Time) on January 3, 2025** (the "**Proxy Deadline**") to vote before the Meeting, the request should be received by the TSX Trust Company by December 20, 2024. A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

The record date for the determination of shareholders of the Corporation entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof (the "**Record Date**"), is November 12, 2024. Shareholders of the Corporation whose names have been entered in the register of shareholders of the Corporation at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Voting Method	**Registered Shareholders** (if your securities are held in your name and represented by a physical certificate or DRS statement) **AND** **Non-Objecting Beneficial Owners** ("**NOBOs**" as defined in the Circular)	**Objecting Beneficial Owners** ("**OBOs**" as defined in the Circular)
	Go to www.meeting-vote.com. Enter the control number printed on your form of proxy (or Voting Instruction Form ("**VIF**")) and follow the instructions on screen. or Complete, date and sign the proxy (or VIF), then scan and email your completed proxy (or VIF) to proxyvote@tmx.com.	Go to www.proxyvote.com. Enter the 16-digit control number printed on your VIF and follow the instructions on screen.

Mail 	Enter voting instructions, sign and date the form of proxy (or VIF) and return your completed form of proxy (or VIF) in the enclosed postage paid envelope to: **TSX Trust Company** **P.O. Box 721** **Agincourt, Ontario** **M1S 0A1**	Enter your voting instructions, sign and date the VIF, and return the completed VIF in the enclosed postage paid envelope.

While registered shareholders are entitled to attend the Meeting, we strongly recommend that all Shareholders vote by proxy, so that their votes are received for the Meeting. Accordingly, we ask that registered shareholders complete, date and sign the enclosed form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Circular. To be effective, the Proxy must be duly completed and signed and then deposited with the Corporation's registrar and transfer agent, TMX Trust Company, P.O. Box 72, Agincourt, Ontario, M1S 0A1, or voted via telephone, or via the internet (online) as specified in the Proxy, no later than 1:00 p.m. (Eastern Time), on January 3, 2025.

If you hold your Common Shares in a brokerage account, you are a non-registered shareholder ("**Beneficial Shareholder**")**.** Beneficial Shareholders who hold their Common Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of proxy or VIF provided to them by their intermediary, in order to cast their vote, or in order to notify the Corporation if they plan to attend the Meeting.

DATED at London, Ontario this 30th day of November, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Jonathan Rigby"
Jonathan Rigby
Chief Executive Officer and Chair

MANAGEMENT INFORMATION CIRCULAR

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Suite 114, 700 Collip Circle,
London, Ontario
N6G 4X8

MANAGEMENT INFORMATION CIRCULAR

Except where indicated otherwise, the following information is dated as at November 30, 2024 and all dollar amounts are in Canadian dollars.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The information contained in this Management Information Circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Sernova Corp. (the "Corporation") for use at the Annual and Special Meeting (the "Meeting") of the holders (the "Shareholders") of our common shares ("Common Shares"), to be held on January 7, 2025 at 1:00 pm (Toronto time) and to be conducted virtually at https://virtual-meetings.tsxtrust.com/1722, **and at all adjournments or postponements thereof, for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders (the "Notice").**

The solicitation of proxies is being made by or on behalf of the management of the Corporation. It is expected that the solicitation of proxies will be primarily by mail, subject to the use of the Notice-and-Access Provisions (as defined below), but may be supplemented by telephone, facsimile or personal solicitation by our directors, officers, or other regular employees. The costs of solicitation will be borne by the Corporation. No additional compensation will be paid to directors, officers, or other regular employees for such services. None of the directors of the Corporation have informed management in writing that he or she intends to oppose any action intended to be taken by management at the Meeting.

Notice-and-Access

The Corporation has decided to use the notice-and-access model ("**Notice-and-Access Provisions**"), provided for under National Instrument 51-102 - *Continuous Disclosure Obligations*, ("**NI 51-102**") and National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for the delivery of the Meeting materials to its Shareholders. Under the Notice-and-Access Provisions, instead of receiving printed copies of the Circular, Shareholders will receive the Notice-and-Access Notification containing instructions on how to access such materials electronically. Together with the Notice-and-Access Notification, Shareholders will also receive a proxy (the "**Proxy**") (in the case of registered Shareholders) or a voting instruction form (the "**VIF**") (in the case of non-registered Shareholders) (collectively, the "**Meeting Materials**"), enabling them to submit their voting instructions

ahead of the Meeting. The Corporation has not adopted a stratification procedure whereunder printed copies of the Meeting Materials are delivered to certain shareholders and not to others.

Notice-and-Access Provisions concerning the delivery of proxy-related materials are found, in the case of registered Shareholders, in Section 9.1.1 of NI 51-102, and, in the case of non-registered or beneficial Shareholders, in Section 2.7.1 of NI 54-101. The Notice-and-Access Provisions allow an issuer to make the information circular forming part of proxy-related materials available to shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met. In keeping with Notice-and-Access Provisions, reporting issuers, other than investment funds, must deliver proxy-related materials to registered holders and beneficial owners of securities of such issuer by posting the proxy-related materials on the System for Electronic Document Analysis and Retrieval Plus ("**SEDAR+**"), and on a non-SEDAR+ website (usually the reporting issuer's website and sometimes the registrar and transfer agent's website) rather than by sending such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both general and special shareholder meetings. Pursuant to Notice-and-Access Provisions, registered and beneficial Shareholders are entitled to request delivery of a paper copy of the Circular at the issuer's expense. Reporting issuers may still choose to continue to deliver such materials by mail.

The use of Notice-and-Access Provisions reduces paper waste and mailing costs to the Corporation. To utilize Notice-and-Access Provisions the Corporation must send a notice ("**Notice-and-Access Notification**") to all Shareholders including Registered and Beneficial Shareholders, at least thirty (30) days before the Meeting date, which Notice-and-Access Notification must indicate that the proxy-related materials have been posted on the internet, explain how a Shareholder can access the Meeting proxy materials via the internet, and explain how a Shareholder may obtain a paper copy of the Circular. The Meeting materials have been posted under the Corporation's SEDAR+ directory at www.sedarplus.ca and on the Corporation's website at www.sernova.com/investor/agm.

In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least forty (40) days prior to the meeting in order to ensure there is sufficient time for the Meeting materials to be posted on the applicable website and other materials to be delivered to shareholders. The requirements of the Notice-and-Access Notification, which oblige the Corporation to provide basic information about the Meeting and the matters to be voted on, to explain how a Shareholder can obtain a paper copy of the Circular and any related financial statements and management's discussion and analysis, and to explain the Notice-and-Access Provisions process, have been built into the Notice-and-Access Notification.

Individualized copies of the Proxy (or VIF) and a separate Financial Statements Request Form will be mailed together with the Notice-and-Access Notification (together the "**Meeting Materials**") to all Shareholders entitled to receive notice of the Meeting. The Meeting Materials will also be furnished to banks, securities dealers, and clearing agencies ("**Intermediaries**") holding in their names our Common Shares, beneficially owned by others to forward to such beneficial owners.

The Corporation will pay intermediaries to deliver Meeting Materials to NOBOs (as defined below under Beneficial Shareholders) and the Corporation will pay for delivery of Meeting Materials to OBOs (as defined below under Beneficial Shareholders).

Any Shareholder may request a paper copy of the Meeting Materials, including, in particular, the Circular, be mailed to them at no cost by contacting TSX Trust by email at tsxt-fulfilment@tmx.com, or by phone at 1-888-433-6443 (toll free). A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

To allow adequate time for a Shareholder to receive and review a paper copy of the Circular and then to submit their vote prior to 1:00 p.m. (Eastern Time) on Friday, January 3, 2025, a Shareholder requesting a paper copy of the Circular as described above, should ensure such request is received by the Corporation no later than December 20, 2024.

Appointment of Proxyholders

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

Voting by Proxyholder

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

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

In respect of a matter for which a Shareholder does not specify a choice in the Proxy (or VIF), the persons named in the Proxy (or VIF) will vote the Common Shares represented by the Proxy (or VIF) for the approval of such matter and for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

Registration of Registered Shareholder for Voting at Meeting

Registered Shareholders entitled to vote at the Meeting may attend and vote at the Meeting virtually by following the steps listed below:

1. Type in https://virtual-meetings.tsxtrust.com/1722 on your browser at least fifteen (15) minutes before the Meeting starts.
2. Click on "**I have a control number**".
3. Enter your 13-digit control number (on your proxy form).
4. Enter the password: **sernova2025** (case sensitive).
5. When the ballot is opened, click on the "**Voting**" icon. To vote, simply select your voting direction from the options shown on screen and click "**Submit**". A confirmation message will appear to show your vote has been received.

If you are a registered Shareholder and you want to appoint someone else (other than the Management nominees) to vote online at the Meeting, **you must (1) first submit your proxy indicating who you are appointing; and (2) you or your appointee must then register with TSX Trust in advance of the Meeting by calling (866) 751-6315 or via online request form at https://www.tsxtrust.com/control-**

number-request. You may wish to vote by proxy whether or not you attend the Meeting. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it to TSX Trust via fax to 416-595-9593 (within the 416 area code); by mail, TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1; through email at proxyvote@tmx.com; through internet voting at www.meeting-vote.com; or telephone at 1-888-489-5760. In all cases, to be represented at the Meeting, proxies submitted must be received no later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or adjournment thereof (unless the Chair of the Meeting determines, in the Chair's sole discretion, that proxies may be received by delivery to the Meeting scrutineer at the Meeting).

Beneficial Shareholders (NOBOs and OBOs)

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

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

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of intermediaries, which include banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans.

In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States of America (the "**U.S.**" or the "**United States**"), the majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Corporation (which acts as depositary for many U.S. brokerage firms and custodian banks).

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

Registration of Beneficial Shareholder (NOBOs and OBOs) for Voting at Meeting

Beneficial Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:

1. Appoint yourself as proxyholder by writing your name in the space provided on the VIF.
2. Sign and send it to your intermediary, following the voting deadline and submission instructions on the VIF.
3. Obtain a new control number by contacting TSX Trust Company by calling (866) 751-6315 or via online request form at https://www.tsxtrust.com/control-number-request.
4. Type in https://virtual-meetings.tsxtrust.com/1722.
5. Click on "**I have a control number**".

6. Enter the control number provided by TSX Trust.
7. Enter the password: **sernova2025** (case sensitive).
8. When the ballot is opened, click on the "**Voting**" icon. To vote, simply select your voting direction from the options shown on screen and click on "**Submit**". A confirmation message will appear to show your vote has been received.

Voting by Proxy for NOBOs

NOBOs electing to submit a proxy may do so by:

- **Internet**: Go to www.meeting-vote.com. Enter the 16-digit control number printed on the VIF and follow the instructions on screen.
- **Email**: Complete, date and sign the VIF, then scan and email your completed VIF to proxyvote@tmx.com.
- **Telephone**: Call TSX Trust Company at 1-888-489-5760 and follow the instructions.
- **Mail**: Enter your voting instructions, sign and date the VIF, and return the completed VIF in the enclosed postage paid envelope.

Voting by Proxy for OBOs

OBOs electing to submit a proxy may do so by:

- **Internet:** Go to www.proxyvote.com. Enter the 16-digit control number printed on the VIF and follow the instructions on screen.
- **Telephone:** Call the telephone number printed on your VIF. Enter the 16-digit control number printed on the VIF and follow the interactive voice recording instructions to vote your shares.
- **Mail:** Enter your voting instructions, sign and date the VIF, and return the completed VIF in the enclosed postage paid envelope.

If you are a Beneficial Shareholder and want to vote online at the Meeting, **you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by calling (866) 751-6315 or via online request form at https://www.tsxtrust.com/control-number-request.**

Voting for Beneficial Shareholders

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

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

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

There are two kinds of Beneficial Shareholders – OBOs and NOBOs.

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

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a VIF in lieu of a proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge's instructions. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted at the Meeting as per your instructions; or (b) have an alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the Provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the Provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the Provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is currently incorporated under the *Canada Business Corporations Act* (the "**CBCA**"), certain of its directors and its executive officers are residents of Canada and a substantial portion or all of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

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

a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder or the registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to TSX Trust (see "*Registered Shareholders*" above), or at the address of the registered office of the Corporation at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

b) personally attending the Meeting online as described under "*Registered Shareholders - Registration of Registered Shareholder for Voting"* at Meeting above, and voting the registered shareholder's Common Shares.

If you are a beneficial shareholder and wish to revoke a previously submitted VIF, contact your securities dealer, broker, bank, trust company or other nominee or intermediary for instructions.

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Corporation has fixed November 12, 2024 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares of the Corporation without par value. The Common Shares of the Corporation are listed for trading on the Toronto Stock Exchange (the "**TSX**"). As of November 12, 2024, there were 325,324,786 Common Shares without par value issued and outstanding, each carrying the right to one vote. There is no class of security holders with the right to elect a specified number of directors, or which has cumulative or similar voting rights.

To the knowledge of the directors and executive officers of the Corporation, no person or Corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding Common Shares of the Corporation.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein, except (a) the Continuance Resolution must be approved by special resolution of at least two-thirds of the votes cast at the Meeting, and (b) where a resolution, if any, must be passed by disinterested shareholder vote. If there are more nominees for election as directors or appointment of the Corporation's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. Where

only one nominee is up for election for each board seat and less than 50% of the votes cast by shareholders are "for" a particular director nominee, such nominee will not be elected as a director. However, if an incumbent director is not elected by a majority of "for" votes at the meeting, they will be permitted to continue in office until the earlier of (a) the 90th day after the day of the election; and (b) the day on which their successor is appointed or elected.

BUSINESS OF THE MEETING

At the Meeting, Shareholders will be asked:

1. to receive the audited consolidated financial statements of the Corporation for its fiscal year ended October 31, 2024 (the "**2024 Financial Statements**"), together with the auditor's report thereon;

2. to elect the directors of the Corporation for the ensuing year;

3. to reappoint KPMG LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix the auditor's remuneration to be paid to the auditors;

4. to consider, and if appropriate, to approve, with or without variation, a special resolution, the full text of which is set out in the Circular, to approve the continuance of the Corporation as a British Columbia corporation to be governed by the provisions of the Business Corporations Act (British Columbia), to adopt the New Articles (as defined herein), and to alter the Corporation's authorized share structure by creating an unlimited number of Preferred Shares (as defined herein);

5. to consider, and if appropriate, to approve an ordinary resolution of shareholders to approve the increase of the fixed maximum number of common shares of the Corporation (the "**Common Shares**") to be reserved for issuance upon exercise of stock option grants (the "**Options**") pursuant to the stock option plan of the Corporation (the "**Option Plan**"), subject to regulatory approval, as described in the Circular;

6. to consider, and if appropriate, to approve an ordinary resolution of shareholders to approve the conditional grant on October 22, 2024 of an aggregate of 5,500,000 Options to officers of the Corporation under the Option Plan; and

7. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The annual audited consolidated financial statements of the Corporation for the year ended October 31, 2024 together with the auditor's report thereon which may be obtained from SEDAR+ at www.sedarplus.ca, will be presented at the Meeting.

ELECTION OF DIRECTORS

The term of office of each of the five current directors will end at the conclusion of the Meeting. The directors have determined that there will be six persons elected to the Board at the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the CBCA, each director elected will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected.

Advance Notice By-Law

On February 26, 2014, the Board approved and adopted By-Law No. 3 of the Corporation, which Board approval and adoption was confirmed by ordinary resolution of the shareholders passed at the annual meeting of the shareholders of the Corporation held April 28, 2014. By-Law No. 3 relates to the nomination of directors of the Corporation (the "**Advance Notice By-Law**"), for the purpose of providing shareholders, directors and management of the Corporation with a clear framework for nominating directors of the Corporation in connection with any annual or special meeting of the Corporation's shareholders.

The purpose of the Advance Notice By-Law is to: (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of shareholders of the Corporation. The Advance Notice By-Law fixes the deadlines by which shareholders of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Corporation for any director nominee to be eligible for election at such annual or special meeting of shareholders.

A copy of the Advance Notice By-Law can be found under the Corporation's profile at www.sedarplus.ca, filed on April 3, 2014, and on the Corporation's website. The Advance Notice By-Law is subject to annual review by the Board, and, as necessary, is updated to conform with statutory corporate and securities acts and regulations.

At the Meeting, any nominations for the position of director that are not proposed in this Circular or that are not provided pursuant to the Advance Notice By-Law, will not be accepted or considered at the Meeting. Pursuant to the Advance Notice By-Law, the requirements of the Advance Notice By-Law may be waived at the sole discretion of the Board at any time.

Nominations for Election as Director

The following table sets out the names of management's six nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for each new director nominee), the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at November 12, 2024.

Name, Position and Residence of Director Nominees	**Present Principal Occupation, Business or Employment[(4)]**	**Common Shares[(4)]**
Ross Haghighat *Massachusetts, USA* Director nominee	Mr. Haghighat is an experienced executive and board member with more than 30 years of experience in founding, growing and exiting private and public companies across life sciences and technology space. In the past 10 years, his companies have raised in excess of U.S. $1.4B in investment capital and have successfully managed multiple listings on Nasdaq, NYSE and	-

	ASX, having created nearly U.S. $5B in shareholder value. Mr. Haghighat's most recent biotech venture was Chinook Therapeutics – a precision medicine kidney therapy company (Nasdaq IPO in 2019) which was acquired by Novartis in a U.S. $3.4B acquisition in 2023. Earlier, Mr. Haghighat co-founded Aduro Biotech (2015 IPO) a clinical stage immuno-oncology company that forged partnerships with 3 leading biopharmas (Novartis, Merck, Janssen). Mr. Haghighat is currently Chairman of the Board of Triton Systems, an early-stage technology incubator with a private equity investment arm, and Managing Partner of Newburyport Partners, a private equity investment company. He serves on the Board of Avertix Medical – a commercial stage Class III implantable cardiac monitor device for detection of silent heart attacks. Mr. Haghighat attended Carroll School of Management at Boston College for his MBA, and has Masters and Bachelor's Degrees in organometallic chemistry from Rutgers University.	
Tanya Lewis *Massachusetts, USA* Director nominee	Ms. Lewis joined the Board as an Observer in October 2024. Most recently she served as Chief Development Operations Officer at Replimune, Inc. ("**Replimune**"), where she led Regulatory Affairs, Clinical Operations, Quality Affairs, IT, Pharmacovigilance Portfolio Strategy and Program Management. Prior to Replumune, Ms. Lewis served as Chief Regulatory Strategy and Strategic Operations Officer at Karyopharm Therapeutics, where she led teams responsible for the approval and commercialization of XPOVIO in the US and EU for the treatment of multiple myeloma. Ms. Lewis currently serves as an independent director of Diamedica Therapeutics, a company developing treatments for ischemic diseases. She holds a Bachelor of Science degree in Biology from Northeastern University and a Master of Science degree from Massachusetts College of Pharmacy and Health Sciences	-

Bernd Muehlenweg[(1)(2)(3)] *Director* *Hamburg, Germany* Director since April 2024	Bernd Muehlenweg joined the Board as an independent director in April 2024. He currently serves as Senior Vice President, Head of Global Business Development, Cell Therapy, at Evotec (Germany). During his tenure, Bernd has been involved in establishing numerous collaboration and licensing agreements for the company and was also part of creating spin-off companies and M&A transactions. Before Evotec he served as Chief Business Officer for Nanobiotix S.A. (France), an oncology company listed on Euronext and NASDAQ. He is co-founder of Panoptes Pharma, an Austrian ophthalmology company that was acquired by NASDAQ listed Eyegate Pharmaceuticals (now Kiora Pharmaceuticals). Previously he worked at Wilex AG, an oncology company, spanning business development and alliance management roles. Bernd holds a PhD in chemistry from the Technical University of Munich, Germany.	-
David Paterson[(1)(2)(3)] *Director* *Colorado, USA* Director since September 2024	Mr. Paterson joined the Board as an independent director in September 2024. He is the Assistant Vice President for Research Translation and Commercialization at Colorado State University ("**CSU**") and is responsible for the translation and commercialization of research providing guidance to CSU faculty, research facilities and colleges in cultivating new industry-related partnerships. Prior to CSU, he served in a number of business and corporate development roles at Impax Laboratories, Inc. including Head of Impax Laboratories, BV in the Netherlands; Vice President for Out-Partnering and Alliance Management and Vice President for Business Development at Impax Laboratories where he established a number of global industry partnerships. Previously he was Senior Director of Business Development at Sepracor (now Sunovion), and also served as the Director of Business Development at GlaxoSmithKline, and Vice President for Business Development at Skyepharma, Inc. He holds a Ph.D. in Plant Biology from the University of Illinois Urbana-Champaign and a B.Sc. (Hons) in botany from the University of Glasgow in Scotland. He has served on the boards of Impax Labs, B.V, Neurogastrx, Inc, and Lakeside Biotechnology, Inc.	-

Jonathan Rigby *President & CEO, Chair* *Louisiana, USA* Director since May 2024	Mr. Rigby is Sernova's President & CEO since August 2024 and a board member since May 2024. Previously until January 2024 was the Group CEO of Revolo Biotherapeutics, where he led a team focused on the development of therapies for autoimmune and allergic diseases. Previously, he was the CEO of SteadyMed Ltd., which he led through a NASDAQ listing and sale to United Therapeutics Corporation. Prior to his time at SteadyMed, Mr. Rigby co-founded Zogenix, Inc., a CNS-focused specialty pharmaceutical company that was acquired by UCB in a transaction valued at up to approximately U.S. $1.9 billion. Before co-founding Zogenix, Mr. Rigby held roles of increasing responsibility in commercial and business development functions at large pharmaceutical companies such as Merck, Bristol Myers Squibb, and Profile Therapeutics (now Phillips Medical). Mr. Rigby is also a member of the Board of Directors of BioPlus Acquisition Corp. and Oncolytics Biotech, Inc. He holds a B.S. with Honors in Biological Sciences from Sheffield University, UK, and an M.B.A. from Portsmouth University, UK.	-
Dr. Steven Sangha[(1)(2)(3)] *Director* *British Columbia, Canada* Director since April 2023	Dr. Sangha joined the Board as an independent director in April 2023. Dr. Sangha has over 25 years of experience in investment banking, business development, and asset management. Dr. Sangha's extensive experience with public companies and finance has led him to successfully run a Private Family Office since 1998. Dr. Sangha holds a Doctorate of Dental Surgery (DDS) from the University of Western Ontario in London, Ontario, and a Bachelor of Pharmaceutical Science (BscPharm) from the University of British Columbia, and has managed a professional dental practice since 1998. Dr. Sangha is a member of the Board of Directors of BlockchainK2 and Goldhills Holding Ltd., and is a corporate advisor for Better Life Pharma Inc.	13,037,000

Notes:

(1) Member of the Audit Committee
(2) Member of the Compensation Committee.
(3) Member of the Nomination and Governance Committee
(4) The information as to principal occupation and shares beneficially owned or over which control or direction is exercised is not within the knowledge of the Corporation, and therefore has been furnished by each director or director nominee individually.

No person proposed for election as director of the Corporation is to be elected under any arrangement or understanding between the person proposed for election as director and any other person or company, except the current directors and executive officers of the Corporation acting solely in such capacity.

Cease Trade Orders and Bankruptcies

No person proposed for election as director of the Corporation is, as of the date of this Circular, or has been, within the ten years prior to the date hereof, a director or chief executive officer or chief financial officer of any company (including the Corporation) that: (i) was subject to an order that was issued while the proposed director was acting as a director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. Except as disclosed herein, no person proposed for election as director of the Corporation is, at the date of this Circular, or has been within ten 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.

Penalties and Sanctions

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

Individual Bankruptcies

No person proposed for election as director of the Corporation has, within the ten 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 the proposed director.

APPOINTMENT AND REMUNERATION OF THE AUDITORS

At the Meeting the Shareholders will be asked to appoint KPMG LLP, Chartered Professional Accountants ("**KPMG**"), to the position of auditor of the Corporation for the ensuing year.

KPMG of 140 Fullarton Street, Suite 1400, London, Ontario, N6A 5P2, will be nominated at the Meeting for appointment as auditor of the Corporation for the Corporation's ensuing fiscal year, at remuneration to be fixed by the Board. KPMG became the auditor of the Corporation on October 21, 2022.

Unless authority to vote is withheld, the persons named in the accompanying form of proxy intend to vote for the appointment of KPMG as the auditor of the Corporation, to hold office until the next annual meeting of the shareholders, and to authorize the directors to fix the auditor's remuneration.

To be approved, the resolution must be passed by a simple majority of the votes cast by the holders of Common Shares at the Meeting. **Management recommends a vote "for" in respect of the resolution**

approving appointment of the auditor and authorizing the directors to fix the auditor's remuneration.

CONTINUANCE UNDER *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA) AND ADOPTION NEW ARTICLES, AND CREATION OF PREFERRED SHARES

Management of the Corporation believes it to be in the best interests of the Corporation to continue the Corporation into the governing jurisdiction of the Province of British Columbia (the "**Continuance**") to adopt new articles in accordance with the *Business Corporations Act* (British Columbia) (the "**New Articles**"), and to alter its authorized share structure by creating an unlimited number of preferred shares without par value (the "**Preferred Shares**").

The Corporation is currently a corporation incorporated under the federal laws of Canada and is subject to the provisions of the *Canada Business Corporations Act* (the "**CBCA**"). At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a special resolution authorizing the Board, in its sole discretion, to apply for the discontinuance of the Corporation from the federal jurisdiction of Canada under the CBCA and to continue the Corporation into the provincial jurisdiction of British Columbia (the "**Continuance**") under the *Business Corporations Act* (British Columbia) ("**BCBCA**"), to adopt the New Articles, and to alter the Corporation's authorized share structure by creating an unlimited number of Preferred Shares (collectively, the "**Continuance Resolution**").

The Continuance will affect certain of the rights of Shareholders as they currently exist under the CBCA. Shareholders should consult their legal advisors regarding implications of the Continuance, which may be of particular importance to them.

The BCBCA permits companies incorporated outside of British Columbia to be continued into British Columbia. On Continuance, the CBCA will cease to apply to the Corporation and the Corporation will thereupon become subject to the BCBCA, as if it had been originally incorporated under the BCBCA. The Continuance will not create a new legal entity, affect the continuity of the Corporation or result in a change to its business or affect the share capital. The persons elected as directors by the Shareholders at the Meeting will continue to constitute the Board upon the Continuance becoming effective.

The BCBCA provides that when a foreign corporation continues under the BCBCA:

(a) the property, rights and interests of the foreign corporation continue to be the property, rights and interests of the company;

(b) the company continues to be liable for the obligations of the foreign corporation;

(c) an existing cause of action, claim or liability to prosecution is unaffected;

(d) a legal proceeding being prosecuted or pending by or against the foreign corporation may be prosecuted or its prosecution may be continued, as the case may be, by or against the company; and

(e) a conviction against, or a ruling, order or judgement in favour of or against the foreign corporation may be enforced by or against the company.

Reason for Continuance

Management has determined that the Continuance is in the best interest of the Corporation because there is greater flexibility in provisions of the BCBCA that they believe would benefit the Corporation, including in respect of residency requirements for the directors of a company existing under the BCBCA. Management is of the view that the BCBCA will provide Shareholders with substantially the same rights as those that are available to Shareholders under the CBCA.

Continuance Process

To effect the Continuance:

(a) the Continuance Resolution must be approved by special resolution of at least two-thirds of the votes cast at the Meeting in person or by proxy;

(b) the Corporation must make an application to the Director under the CBCA for consent to continue (the "**Letter of Satisfaction**") under the BCBCA, such application to establish to the satisfaction of the Director that the proposed Continuance will not adversely affect the Corporation's creditors or Shareholders;

(c) once the Continuance Resolution is passed and the Corporation has obtained the Letter of Satisfaction, the Corporation must file a continuation application and the Letter of Satisfaction, along with prescribed documents under the BCBCA, with the British Columbia Registrar of Companies to obtain a Certificate of Continuation;

(d) on the date shown on the Certificate of Continuation issued by the British Columbia Registrar of Companies, the Corporation will become a company registered under the laws of the Province of British Columbia as if it had been incorporated under the laws of the Province of British Columbia; and

(e) the Corporation must then file a copy of the Certificate of Continuation with the Director under the CBCA and receive a Certificate of Discontinuance under the CBCA.

Effect of Continuance

Upon completion of the Continuance, the CBCA will cease to apply to the Corporation and the Corporation will thereupon become subject to the BCBCA, as if it had been originally incorporated as a British Columbia company.

The Continuance will not create a new legal entity, affect the continuity of the Corporation or result in a change in its business. The persons elected as directors by the Shareholders at the Meeting will continue to constitute the Board upon the Continuance becoming effective. Nor will the Continuance affect the Corporation's status as a listed company on Toronto Stock Exchange or as a reporting issuer under applicable securities laws of any jurisdiction of Canada. The Corporation will remain subject to the requirements of all applicable securities legislation.

As of the effective date of the Continuance, the Corporation's current constating documents (i.e. its Existing Articles and the By-Laws under the CBCA) will be replaced with a Notice of Articles and the New Articles under the BCBCA that are proposed to be adopted in connection with the Continuance.

The legal domicile of the Corporation will be the Province of British Columbia and the Corporation will no longer be subject to the provisions of the CBCA.

Each previously outstanding Common Share will continue to be a common share of the Corporation as a company governed by the BCBCA.

Corporate Governance Differences

In general terms, the BCBCA provides to the Shareholders substantively the same rights as are available to the Shareholders under the CBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions. There are, however, important differences. The following is a summary comparison of certain provisions of the BCBCA and the CBCA which pertain to rights of the Shareholders. **This summary is not intended to be exhaustive and the Shareholders should consult their legal advisers regarding all of the implications of the Continuance.**

Charter Documents

Under the BCBCA, the charter documents will consist of a Notice of Articles, which sets forth, among other things, the name of the corporation and the amount and type of authorized capital, and indicates if there are any rights and restrictions attached to the issued shares, and New Articles, which will set the rules for the Corporation's conduct following the Continuance. The continuation application (with a form of the Notice of Articles) is filed with the British Columbia Registrar of Companies, and the New Articles will be filed only with the Corporation's records office.

Similarly, under the CBCA, the charter documents consist of a corporation's articles of incorporation (the "**Existing Articles**"), which set forth, among other things, the name of the corporation and the amount and type of authorized capital, and by-laws (the "**By-Laws**"), which govern the management of the corporation. The Existing Articles are filed with Corporations Directorate, Industry Canada, and the By-Laws are filed only with the Corporation's registered office.

In connection with the Continuance, it is necessary that the Corporation adopt new notice of articles and articles under the BCBCA. Accordingly, as part of the Continuance Resolution, Shareholders will also be asked to approve the adoption by the Corporation of the Notice of Articles and New Articles, which comply with the requirements of the BCBCA, in substitution for the Existing Articles and the By-Laws of the Corporation and any amendments thereto to date. The Continuance to British Columbia and the adoption of the Notice of Articles and New Articles will not result in any material changes to the constitution, powers or management of the Corporation, except as otherwise described herein.

The New Articles are attached hereto as Schedule "A" and if the Continuation is subsequently completed, a copy of the Notice of Articles will be available from the British Columbia Registrar of Companies.

Requirements for Special Resolutions

The CBCA requires that certain matters be approved by special resolution of the Shareholders. Under the BCBCA, the Corporation may provide for a different level of approval for some matters. The Corporation proposes to adopt the more flexible approach under the BCBCA in order to be able to react and adapt to changing business conditions. As a result, subject to the BCBCA, the proposed New Articles will provide that the Corporation may:

(1) by directors' resolution or by ordinary resolution of Shareholders, in each case as determined by the directors:

- create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- increase, reduce or eliminate the maximum number of shares that the Corporation is authorized to issue of any class or series of shares or establish a maximum number of shares that the Corporation is authorized to issue out of any class or series of shares for which no maximum is established;
- subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- if the Corporation is authorized to issue shares of a class of shares with par value:
  - decrease the par value of those shares; or
  - if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- change all or any of its unissued shares with par value into shares without par value or any of its unissued shares without par value into shares with par value or change all or any of its fully paid issued shares with par value into shares without par value; or
- alter the identifying name of any of its shares;
- create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares if none of those shares have been issued; or vary or delete any special rights or restrictions attached to the shares of any class or series of shares if none of those shares have been issued;
- authorize an alteration of its Notice of Articles in order to change its name and adopt or change any translation of that name; and
- if the BCBCA does not specify the type of resolution and the Corporation's New Articles do not specify another type of resolution, alter the Corporation's articles;

(2) by ordinary resolution of Shareholders otherwise alter its shares or authorized share structure; and

(3) by special resolution of the Shareholders of the class or series affected, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares if shares of the class or series of shares have been issued; or vary or delete any special rights or restrictions attached to the shares of any class or series of shares if shares of the class or series of shares have been issued;

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

Amendments to Charter Documents

Under the CBCA, changes to the by-laws of the corporation generally require shareholder approval by ordinary resolution. Fundamental changes to the articles of a corporation, such as an alteration of special

rights and restrictions attached to the issued shares or a proposed amalgamation or continuation of a corporation out of the jurisdiction, generally require special resolutions passed by not less than 66⅔% of the votes cast by the shareholders voting on the resolutions authorizing the alteration at a special meeting of shareholders and, in certain instances, where the rights of the holders of a class or series of shares are affected differently by the alteration than those of the holders of other classes or series of shares, special resolutions passed by not less than 66⅔% of the votes cast by the holders of shares of each class or series so affected, whether or not they are otherwise entitled to vote.

Under the BCBCA, a corporation may amend its articles or notice of articles by (i) the type of resolution specified in the BCBCA, (ii) if the BCBCA does not specify a type of resolution, then by the type of resolution specified in the corporation's articles, or (iii) if neither the BCBCA nor the corporation's articles specify a resolution, then by special resolution. A special resolution must be passed by (i) the majority of votes that the articles specify is required for the corporation to pass a special resolution, provided that such majority is at least 66⅔% and not more than 75% of the votes cast on such resolution, or (ii) if the articles do not contain such a provision, 66⅔% of the votes cast on the resolution. Certain other fundamental changes, including continuances out of the jurisdiction and certain amalgamations also require approval by at least a special majority of shareholders. In addition, a right or special right attached to issued shares must not be prejudiced or interfered with under the BCBCA or a corporation's notice of articles or articles unless the shareholders holding shares of the class or series of shares to which the right or special right is attached consent by a special separate resolution of those shareholders.

Sale of Undertaking

The CBCA requires approval of the holders of shares of each class or series of a corporation represented at a duly called meeting by not less than 66⅔% of the votes cast upon special resolutions for a sale, lease or exchange of all or substantially all of the property (as opposed to the "undertaking") of a corporation, other than in the ordinary course of business of the corporation. If such a transaction would affect a particular class or series of shares of the corporation in a manner different from the shares of another class or series of the corporation entitled to vote on such transaction, the holders of such first mentioned class or series of shares, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series.

Under the BCBCA, a corporation may sell, lease or otherwise dispose of all or substantially all of the undertaking of the corporation if it does so in the ordinary course of its business or if it has been authorized to do so by special resolution passed by the majority of votes that the articles of the corporation specify is required, if that specified majority is at least 66⅔% and not more than 75% of the votes cast on the resolutions, or, if the articles do not contain such a provision, special resolutions passed by at least 66⅔% of the votes cast on the resolutions.

Rights of Dissent and Appraisal

Under the CBCA, shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair value of such shares. Subject to specified exceptions, dissent rights may be exercised by a holder of shares of any class or series of shares entitled to vote where a corporation is subject to an order of the court permitting such shareholder to dissent or where a corporation proposes to:

- amend its articles to add, change or remove any provision restricting or constraining the issue or transfer of shares of that class;
- amend its articles to add, change or remove any restrictions on the business or businesses that the corporation may carry on;

- enter into certain statutory amalgamations;
- continue out of the jurisdiction;
- sell, lease or exchange all or substantially all of its property, other than in the ordinary course of business;
- carry out a going-private transaction or squeeze-out transaction; or
- amend its articles to alter the rights or privileges attaching to shares of any class where such alteration triggers a class vote.

Under the BCBCA, shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair value of such shares. The dissent right may be exercised by a shareholder, whether or not their shares carry the right to vote, where a corporation proposes to:

- amend its articles to alter restrictions on the powers of the corporation or on the business that the corporation is permitted to carry on;
- adopt an amalgamation agreement;
- continue out of the jurisdiction;
- sell, lease or otherwise dispose of all or substantially all of the corporation's undertaking;
- adopt a resolution to approve an amalgamation into a foreign jurisdiction; or
- adopt a resolution to approve an arrangement, the terms of which arrangement permit dissent.

In certain circumstances, the BCBCA also permits shareholders to dissent in respect of a resolution if dissent is authorized by such resolution, or if permitted by court order.

Oppression Remedies

The CBCA contains rights that are broader than the BCBCA in that they are available (without seeking leave from a court) to a larger class of complainants. Under the CBCA, a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and former officer of a corporation or any of its affiliates, the Director under the CBCA, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where, in respect of a corporation or any of its affiliates, (i) any act or omission of the corporation or its affiliates effects a result, (ii) the business or affairs of the corporation or its affiliates are, or have been, carried on or conducted in a manner, or (iii) the powers of the directors of the corporation or any of its affiliates are, or have been, exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director or officer.

Under the BCBCA, a shareholder (including a beneficial shareholder and any other person a court considers to be appropriate) of a corporation has the right to apply to a court on the ground that: (i) the affairs of the corporation are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant or (ii) some act of the corporation has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant. On such an application and if the court is satisfied that the application was brought in a timely manner, the court may make such order as it sees fit with a view to remedying or bringing an end to the matters complained of, including, among other things, an order to prohibit any act proposed by the corporation.

Shareholder Derivative Actions

The CBCA extends rights to bring a derivative action to a broad range of complainants as it affords the right to a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and a former officer of a corporation or any of its affiliates, the Director appointed under the CBCA, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the CBCA permits derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries. No leave may be granted unless the court is satisfied that:

(a) the complainant has given at least 14 days' notice to the directors of the corporation or its subsidiary of the complainant's intention to apply to the court if the directors of the corporation or its subsidiary do not bring, diligently prosecute, defend or discontinue the action;

(b) the complainant is acting in good faith; and

(c) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

Under the BCBCA, a complainant, being a shareholder (including a beneficial shareholder and any other person a court considers to be appropriate) or director of a corporation may, with leave of the court, bring an action in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation. Similarly, a complainant may, with leave of the court and in the name and on behalf of the corporation, defend an action against a corporation. Under the BCBCA, a court may grant leave if:

(a) the complainant has made reasonable efforts to cause the directors of the corporation to prosecute or defend the legal proceeding;

(b) notice of the application for leave has been given to the corporation and to any other person the court may order;

(c) the complainant is acting in good faith; and

(d) it appears to the court that it is in the best interests of the corporation for the legal proceeding to be prosecuted or defended.

Short Selling

Under the CBCA, insiders of a corporation are prohibited from short selling any securities of the corporation. The BCBCA has no such restriction.

Place of Meetings

Subject to certain exceptions, the CBCA provides that meetings of shareholders shall be held at any place within Canada provided by the by-laws, or in the absence of such a provision, at the place within Canada that the directors determine. Meetings of shareholders may be held outside of Canada if the place is specified in the articles or if all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

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

(a) the location is provided for in the articles;

(b) the articles do not restrict the corporation from approving a location outside of British Columbia and the location is approved by the resolutions required by the articles for that purpose, or, if no resolutions are specified, then approved by ordinary resolution before the meeting is held; or

(c) the location is approved in writing by the British Columbia registrar of companies before the meeting is held.

Requisition of Meetings

The CBCA permits the holders of not less than 5% of the issued shares that carry the right to vote at a meeting sought to be held to require the directors to call and hold a meeting of the shareholders of the corporation for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

The BCBCA provides that one or more shareholders of a corporation holding not less than 5% of the issued voting shares of the corporation may give notice to the directors requiring them to call and hold a general meeting which meeting must be held within 4 months of receiving the requisition. Subject to certain exceptions, if the directors do not call such a meeting within 21 days of receiving the resolution, any one or more of the requisitioning shareholders who hold not less than 2.5% of the issued shares carrying the right to vote may call a meeting.

Shareholder Proposals

Under the CBCA, a registered or beneficial shareholder may submit a proposal, although the registered or beneficial shareholder must either: (i) have owned for at least six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least $2,000, or (ii) have the support of persons who, in the aggregate, have owned for at least six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least $2,000.

Under the BCBCA, in order for one or more registered or beneficial shareholders to be entitled to submit a proposal, they must have held voting shares for an uninterrupted period of at least two years before the date the proposal is signed by the shareholders. In addition, the proposal must be signed by shareholders who, together with the submitter, are registered or beneficial owners of (i) at least 1% of the corporation's voting shares, or (ii) shares with a fair market value exceeding an amount prescribed by regulation (at present, $2,000).

Majority Voting Rules

For a corporation governed by the CBCA and which is a reporting issuer under securities laws, the corporation must allow shareholders to vote "for" or "against" individual director nominees in an uncontested election, rather than vote "for" or "withhold" their vote under the BCBCA. Subject to the corporation's articles, where only one nominee is up for election for each board seat and less than 50% of the votes cast by shareholders are "for" a particular director nominee, such nominee will not be elected as a director. However, if an incumbent director is not elected by a majority of "for" votes at the meeting,

they will be permitted to continue in office until the earlier of (a) the 90th day after the day of the election; and (b) the day on which their successor is appointed or elected.

In limited circumstances, the elected directors may also reappoint the incumbent director even though they did not receive majority support in the most recent election. More specifically, the CBCA allows reappointment in two circumstances:

- where it is required to satisfy the CBCA's Canadian residency requirement; or
- where it is required to satisfy the CBCA's requirement that at least two directors of a reporting issuer not also be officers or employees of the corporation or its affiliates.

If the shareholders fail to elect the number or minimum number of directors required by the issuer's articles due to a lack of a majority of "for" votes for any director nominee(s), the directors who were elected at the meeting may exercise all their powers as directors provided that they constitute a quorum.

The BCBCA does not have majority voting requirements for uncontested director elections. In an uncontested election, all director nominees who receive any "for" votes will be elected.

If the Continuance Resolution is approved by special resolution and the Corporation continues into the provincial jurisdiction of British Columbia under the BCBCA, the Corporation will adopt a Majority Voting Policy in compliance with the requirements of the TSX.

Diversity Disclosure

Corporations governed by the CBCA and which are reporting issuers must include certain disclosure related to diversity in their information circulars mailed to shareholders in connection with every annual general meeting. The BCBCA does not have such a requirement.

Director Residency Requirements

The CBCA requires a distributing corporation whose shares are held by more than one person to have a minimum of three directors, but it also requires that at least one-quarter of the directors be resident Canadians. If a corporation has less than four directors, at least one director must be a resident Canadian. Subject to certain exceptions, an individual has to be a Canadian citizen or permanent resident ordinarily resident in Canada to be considered a resident Canadian under the CBCA.

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

Removal of Directors

The CBCA provides that the shareholders of a corporation may remove one or more directors by an ordinary resolution at an annual meeting or special meeting. The CBCA further provides that where the holders of any class or series of shares of a 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.

The BCBCA provides that the shareholders of a corporation may remove one or more directors by a special resolution or, if the articles so provide, by a lower proportion of shareholders or by some other method. The BCBCA further provides that if holders of a class or series of shares have the exclusive right to elect or appoint one or more directors, a director so elected or appointed may only be removed by a

special separate resolution of the shareholders of that class or series or, if the articles so provide, by a majority of votes that is less than the majority of votes required to pass a special separate resolution or by some other method.

Capital Structure

Currently, the authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. If the Corporation's Shareholders approve the Continuance Resolution, the Corporation will continue to have an authorized share structure consisting of an unlimited number of Common Shares without par value. In addition, if the Corporation's shareholders approve the Continuance Resolution, the Corporation's authorized share structure will be altered to create an unlimited number of Preferred Shares. The special rights and restrictions of the Preferred Shares are set forth in Part 26 of the New Articles, as follows:

Special Rights and Restrictions Applicable to Class and Each Series

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

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

> *(a) determine the maximum number of shares of any of those series of shares that the Company is authorized to issue, determine that there is no maximum number or, if none of the shares of that series is issued, alter any determination so made, and authorize the alteration of the notice of articles accordingly;*
>
> *(b) alter the articles, and authorize the alteration of the notice of articles, to create an identifying name by which the shares of any of those series of shares may be identified or, if none of the shares of that series is issued, to alter any such identifying name so created;*
>
> *(c) alter the articles, and authorize the alteration of the notice of articles accordingly, to attach special rights or restrictions to the shares of any of those series of shares, including, but without in any way limiting or restricting the generality of the foregoing, the rate or amount of dividends, whether cumulative, non-cumulative or partially cumulative, the dates, places and currencies of payment thereof, the consideration for, and the terms and conditions of, any purchase or redemption thereof, including redemption after a fixed term or at a premium, conversion or exchange rights, the terms and conditions of any share purchase plan or sinking fund, the restrictions respecting payment of dividends on, or the repayment of capital in respect of, any other shares of the Company and voting rights and restrictions but no special right or restriction so created, defined or attached shall contravene the provisions of §0 and §0 of this Article, or, if none of the shares of that series is issued, to alter any such special rights or restrictions.*

26.3 Holders of Preferred shares shall be entitled, on the distribution of assets of the Company on the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or on any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, to receive, before any distribution shall be made to holders of Common shares or any other shares of the Company ranking junior to the Preferred shares with respect to repayment of capital on any such event, the amount required to be paid in accordance with the special rights and restrictions attached to the series of shares held by them, together with the fixed premium (if any) thereon, an amount equal to all accrued and unpaid cumulative dividends (if any and if preferential) thereon, which for such purpose shall be

calculated as if such dividends were accruing on a day-to-day basis up to the date of such distribution, whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any and if preferential) thereon. After payment to holders of Preferred shares of the amounts so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company except as specifically provided in the special rights and restrictions attached to any particular series.

26.4 Holders of Preferred shares shall only be entitled, as such, to receive notice of, and/or to attend and/or vote at, any general meeting of shareholders of the Company only as provided in the special rights and restrictions attached to any particular series.

Voting Rights for Preferred Shares

26.5 The holders of the Preferred Shares will not be entitled to receive notice of or to attend any general meeting of shareholders of the Company and, if in attendance, will not be entitled to vote at those meetings.

As a CBCA corporation, the Corporation's charter documents consist of the Existing Articles and the By-Laws and any amendments thereto to date. On completion of the Continuance, the Corporation will cease to be governed by the CBCA and will thereafter be deemed to have been formed under the BCBCA. There are some differences in shareholder rights under the BCBCA and CBCA and under the charter documents proposed to be adopted by the Corporation upon the Continuance.

Advance Notice Provision

If the Continuance is approved at the Meeting and subsequently completed, the Corporation intends to import to its BCBCA Articles, advance notice provisions, pursuant to which, any additional director nomination for an annual meeting of Shareholders must be received by the Chief Financial Officer of the Corporation in proper written form at the principal office of the Corporation, (i) in the case of an annual meeting of Shareholders, not less than thirty (30) days nor more than sixty-five (65) days prior to the date of the annual meeting of Shareholders; provided, however, that in the event that the annual meeting of Shareholders is to be held on a date that is less than fifty (50) days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the nominating Shareholder may be given not later than the close of business on the tenth (10th) day following the Notice Date; and (ii) in the case of a special meeting of the Shareholders (which is not also an annual meeting), not later than the close of business on the fifteenth day following the day on which the first public announcement of the date of the special meeting of Shareholders was made.

The Use of Uncertificated Securities

As a result of the proclamation of the Securities Transfer Act ("STA"), the STA permits the use of electronic record-keeping and uncertificated securities. The Corporation's New Articles contain provisions to ensure that confirmation is sent to each holder of an uncertificated share by written notice to the shareholder pursuant to the current provisions of the BCBCA. The New Articles modernize the Corporation's corporate charter to more readily permit the use of uncertificated shares and electronic trading and to ensure that the Corporation's corporate charter facilitates the use of uncertificated Shares and electronic record keeping systems currently in use worldwide.

<u>Continuance Resolution</u>

Management of the Corporation believes that it would be in the best interest of the Corporation to continue the Corporation into the provincial jurisdiction of British Columbia under the BCBCA. If the Continuance

is approved by the shareholders of the Corporation, then the Corporation intends to file with the British Columbia Registrar of Companies under the BCBCA a Continuation Application pursuant to Section 302 of the BCBCA.

The Continuance Resolution must be approved by special resolution in order to become effective. To pass, a special resolution requires a majority of not less than two-thirds of the votes cast by the Shareholders present at the Meeting in person or by proxy.

Even if the Continuance is approved, the Board retains the power to revoke it at all times without any further approval by shareholders. The Board will only exercise such power in the event that it is, in its opinion, in the best interest of the Corporation. For example, if a significant number of shareholders dissent in respect of the Continuance, the Board may determine not to proceed with the Continuance.

Shareholders will be asked at the meeting to consider and, if thought fit, approve the below resolution transferring the Corporation's jurisdiction of incorporation from the federal jurisdiction to British Columbia and to the adoption of the Notice of Articles and New Articles under the BCBCA by passing the Continuance Resolution, such resolution to be substantially in the form set forth below:

BE IT RESOLVED, as a special resolution, that:

1. the Continuance of the Corporation into British Columbia, be and the same is hereby authorized and approved subject to the right of the directors to abandon the application without further approval of the shareholders;

2. the Corporation apply to the Director under the *CBCA* (the "**CBCA**") for a Letter of Satisfaction pursuant to section 188(1) of the CBCA;

3. the authorized share structure of the Corporation be altered by creating an unlimited number of Preferred Shares without par value (the "**Preferred Shares**");

4. there be created and attached to the Preferred Shares the special rights and restrictions set out in Part 26 of the Articles attached hereto as Schedule "A";

5. the new form of Articles attached hereto as Schedule "A" be adopted, with such non-material amendments as the directors may approve, and that such new form of Articles not take effect until the Continuance Application and Notice of Articles are filed with the Registrar of Companies for British Columbia;

6. subject to such Continuance and the issue of a Certificate of Discontinuance from the CBCA, the Corporation adopt the Continuation Application and a form of Articles in compliance with the *Business Corporations Act* (British Columbia) in substitution for the Articles and By-laws of the Corporation;

7. a Continuance Application pursuant to Section 302 of the *Business Corporations Act* (British Columbia), and the Notice of Articles as tabled at the Meeting, with such non-material amendments as the directors may approve, be filed with the Registrar of Companies for British Columbia;

8. the Corporation apply to the Registrar of Companies to continue as a British Columbia company pursuant to section 302 of the *Business Corporations Act* (British Columbia) under the name

"Sernova Corp." or a similar name as may be required to comply with the provisions of the *Business Corporations Act* (British Columbia);

9. the Corporation deliver a copy of the Certificate of Continuation to the Director and request that the Director issue a Certificate of Discontinuance under section 188(7) of the CBCA;

10. McMillan LLP be appointed as the Corporation's agent to electronically file the Continuation Application with the Registrar of Companies, and to apply to the Director for a Letter of Satisfaction and a Certificate of Discontinuance;

11. any one director or officer of the Corporation be and is hereby authorized and instructed to take all such acts and proceedings and to execute and deliver all such applications, authorizations, certificates, documents and instruments, as in their opinion may be reasonably necessary or desirable for the implementation of this resolution; and

12. notwithstanding that the foregoing resolutions have been duly passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered, without further approval or authorization of the shareholders of the Corporation, to revoke any or all of these resolutions at any time prior to their being acted upon."

The Continuance and the Notice of Articles shall take effect immediately on the date and time the Notice of Continuation Application and Notice of Articles are filed with the British Columbia Registrar of Companies. The Articles shall have effect immediately upon completion of the Continuance.

A copy of the New Articles is attached hereto as Schedule "A" and will be made available at the Meeting.

Upon the applicable British Columbia Registrar of Companies filings, the Corporation's New Articles will be posted on SEDAR+ on the Corporation's SEDAR+ profile at www.sedarplus.ca.

Notwithstanding the approval of the Continuance by the Shareholders, the directors may abandon the Continuance without further approval from the Shareholders. If the Continuance is abandoned, the Corporation's jurisdiction of incorporation will remain under the CBCA and the Continuance will not be completed.

Unless a Shareholder directs that his, her or its Shares be voted against the Continuance Resolution, the management designees named in the enclosed form of proxy intend to vote such proxies IN FAVOUR of such special resolution approving the Continuance Resolution.

Rights of Dissent in Respect of the Continuance

The following description of rights of shareholders to dissent is not a comprehensive statement of the procedures to be followed by a dissenting shareholder who seeks payment of the fair value of its Common Shares and is qualified in its entirety by the reference to the full text of Section 190 of the CBCA which is attached to this Circular as Schedule "B". A dissenting shareholder who intends to exercise the right of dissent should carefully consider and comply with the provisions of Section 190 of the CBCA and should seek independent legal advice. Failure to comply strictly with the provisions of the CBCA and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Record shareholders who wish to dissent should take note that strict compliance with the dissent procedures is required.

Pursuant to Section 190 of the CBCA, a record shareholder is entitled, in addition to any other right that the shareholder may have, to dissent and to be paid by the Corporation the fair value of the shares in respect of which that shareholder dissents. "Fair value" is determined as of the close of business on the last business day before the day on which the Continuance is adopted. A shareholder may dissent only with respect to all of the shareholder's Common Shares or shares held by the shareholder on behalf of any one non-record holder. Further, a shareholder may only dissent in respect of shares registered in the dissenting shareholder's name. Persons who are non-record shareholders who wish to dissent with respect to their Common Shares should be aware that only record shareholders are entitled to dissent with respect to them. A record shareholder such as an intermediary who holds Common Shares as nominee for non-record shareholders, must exercise the right of dissent on behalf of non-record shareholders with respect to the Common Shares held for such non-record shareholders. In such case, the Notice of Objection should set forth the number of Common Shares it covers.

The delivery of a Notice of Objection does not deprive a record shareholder of its right to vote at the Meeting, however, a vote in favour of the Continuance will result in a loss of its rights under Section 190 of the CBCA. A vote against the Continuance, whether in person or by proxy, does not constitute a Notice of Objection, but a shareholder need not vote its Common Shares against the Continuance in order to object. Similarly, the revocation of a proxy conferring authority on the proxy holder to vote in favour of the Continuance does not constitute a Notice of Objection in respect of the Continuance, but any such proxy granted by a shareholder who intends to dissent should be validly revoked in order to prevent the proxy holder from voting such Common Shares in favour of the Continuance.

To exercise the right of dissent, a Shareholder must provide notice of this dissent to the Corporation by delivering a written objection to the continuance resolution (i) to the Corporation's Chief Executive Officer at 700 Collip Circle, Ste 114, London, ON Canada N6G 4X8, email: info@sernova.com or at the Corporation's registered office at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia Canada V6E 4N9 on or before the date of the Meeting; or (ii) at the Meeting, to the chairman of the Meeting.

A dissenting Shareholder may only claim with respect to all of the shares of a class held by him or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

If the dissenting Shareholder and the Corporation are unable to agree on the fair value of the shares, either party may apply to the applicable court to fix the fair value. The complete text of Section 190 of the CBCA is attached to this Circular as Schedule "B".

If the Continuance is approved at the Meeting or at an adjournment or postponement thereof, the Corporation is required to deliver to each shareholder who has filed a Notice of Objection and has not voted for the Continuation or not withdrawn that shareholder's Notice of Objection (each, a "**Dissenting Shareholder**"), within 10 days after the approval of the Continuance, a notice stating that the Continuance has been adopted (the "**Notice of Resolution**"). A Dissenting Shareholder then has 20 days after receipt of the Notice of Resolution or, if the Dissenting Shareholder does not receive a Notice of Resolution, within 20 days after learning that the Continuance has been adopted, to send to the Corporation a written notice (a "**Demand for Payment**") containing the Dissenting Shareholder's name and address, the number of Common Shares in respect of when it dissents and a demand for payment of the fair value of such Common Shares. A Dissenting Shareholder must within 30 days after sending the Demand for Payment, send the certificates representing the Common Shares in respect of which it is dissenting to the Corporation or its transfer agent, TSX Trust. The Corporation or TSX Trust must endorse the certificates with a notice that the holder is a Dissenting Shareholder under Section 190 of the CBCA and forthwith return the certificates to the Dissenting Shareholder. A Dissenting Shareholder who does not send the certificates within the 30-day period has no right to make a claim under Section 190 of the CBCA.

Dissenting Shareholder ceases to have any rights as a holder of Common Shares, other than the right to be paid their fair value, unless: (i) the Demand for Payment is withdrawn before the Corporation makes an Offer to Pay (as defined below); (ii) the Corporation fails to make a timely Offer to Pay to the Dissenting Shareholder and the Dissenting Shareholder withdraws the Demand for Payment; or (iii) the Continuation is not proceeded with. Not later than seven days after the later of the date shown on the Certificate of Continuation is issued by the British Columbia Registrar of Companies and the day the Corporation receives the Demand for Payment, the Corporation must send a written offer to pay ("**Offer to Pay**") in the amount considered by the Board to be the fair value of the Common Shares in respect of which the Dissenting Shareholder has dissented. The Offer to Pay must be accompanied by a statement showing how the fair value was determined. Every Offer to Pay made to Dissenting Shareholders must be on the same terms, and lapses if not accepted within 30 days after being made.

If the Offer to Pay is accepted, payment must be made within 10 days of acceptance.

If the Corporation does not make an Offer to Pay or if a Dissenting Shareholder fails to accept an Offer to Pay, the Corporation may, within 50 days after the date shown on the Certificate of Continuation is issued by the British Columbia Registrar of Companies or within such further period as a court of competent jurisdiction may allow, apply to the court to fix a fair value for the securities of any Dissenting Shareholder. If the Corporation fails to so apply to the court, a Dissenting Shareholder may do so for the same purpose within a further period of 20 days or such other period as the court may allow. A Dissenting Shareholder is not required to give security for costs in any application to the court. Applications referred to in this paragraph may be made to a court of competent jurisdiction in the place where the Corporation has its registered office or in the province where the Dissenting Shareholder resides if the Corporation carries on business in that province.

If the Corporation makes an application to the court, it must give notice of the date, place and consequences of the application and of the Dissenting Shareholder's right to appear and be heard to each Dissenting Shareholder who has sent the Corporation a Demand for Payment and has not accepted an Offer to Pay. All Dissenting Shareholders whose shares have not been purchased by the Corporation must be made parties to the application and are bound by the decision of the court. The court is authorized to determine whether any other person is a Dissenting Shareholder who should be joined as a party to such application.

The court must fix a fair value for the shares of all Dissenting Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the effective date of the Continuation until the date of payment of the amount so fixed. The final order of the court in the proceedings commenced by an application by the Corporation or a Dissenting Shareholder must be rendered against the Corporation and in favour of each Dissenting Shareholder.

The above is only a summary of the dissenting shareholder provisions of the CBCA. A shareholder of the Corporation wishing to exercise a right to dissent should seek independent legal advice. Failure to comply strictly with the provisions of the statute may prejudice the right of dissent.

Director Discretion

The Board of the Corporation reserves the right not to proceed with the transactions contemplated by the Continuance Resolution. Shareholders should be aware that the Board of the Corporation will not proceed with the Continuance if they receive a material number of Dissent Notices. This is due to the Corporation's limited amount of available capital. In such a case, Dissenting Shareholders will not be bought out as the Corporation will be abandoning the Continuance.

INCREASE IN THE FIXED MAXIMUM NUMBER OF COMMON SHARES RESERVED FOR ISSUANCE UNDER THE OPTION PLAN

On April 30, 2024, the shareholders of the Corporation approved certain amendments to the Corporation's Option Plan and deferred share unit plan (the "**DSU Plan**"). Additionally, the shareholders of the Corporation authorized an increase in the number of Common Shares reserved for issuance upon exercise of Options granted under the Option Plan up to a maximum of 40,001,152 Common Shares. The maximum number of Common Shares reserved for issuance upon exercise of deferred share units ("**DSUs**") under the DSU Plan is 5,510,001 Common Shares. Therefore, the prior approval limit for the Incentive Plan was 45,511,153 Common Shares.

As of the Record Date, there were 37,569,451 Options outstanding under the Option Plan and 4,445,001 DSUs outstanding under the DSU Plan, representing approximately 11.5% and 1.4% of the currently issued and outstanding Common Shares, respectively. On November 30, 2024, 3,160,000 DSUs were redeemed and 3,160,000 Common Shares were issued, resulting in there being 1,285,001 Common Shares being reserved for issuance upon exercise of DSUs.

Increase in the number of Common Shares Reserved for Issuance Under the Option Plan

On November 25, 2024, the Board approved an increase to the number of Common Shares that are reserved for issuance for Option grants under the Option Plan by 9,998,848 Common Shares, up to a maximum of 50,000,000 Common Shares, for which shareholder approval is being sought. At the Meeting, the Corporation will seek shareholder approval by a majority of shareholder votes to increase the current maximum number of Common Shares reserved for issuance on exercise of Options pursuant to the Option Plan to 50,000,000, which represents 15.2% of the Corporation's Common Shares outstanding as of November 30, 2024.

The maximum number of Common Shares reserved for issuance on conversion of DSUs will remain at 1,285,001, which represents 0.4% of the Corporation's Common Shares outstanding as of November 30, 2024. Together, assuming approval of the increase in the maximum number of Common Shares reserved for issuance under the Option Plan, the aggregate maximum number of Common Shares reserved for issuance authorized under the Option Plan and DSU Plan would be increased to 51,285,001 as of November 30, 2024 (from the 45,511,153 current approval limit which is an increase of 5,773,848 Common Shares reserved for issuance), which represents 15.6% of the Corporation's Common Shares outstanding as of November 30, 2024. The 5,773,848 increase represents 1.8% of the Corporation's Common Shares outstanding as of November 30, 2024.

As Sernova is a growing clinical-stage biotechnology company with substantial equity capital requirements, the Board uses the Option Plan to attract and retain high quality, skilled and experienced talent to Sernova. The Board has structured executive compensation with a higher weight towards the long-term incentive component compensation (incentive stock options and DSUs) relative to the cash component of compensation, which among other things, optimizes the uses of its cash resources. See "*COMPENSATION DISCUSSION AND ANALYSIS*" below for further details.

As of November 30, 2024, there are 37,569,451 Options outstanding under the Option Plan and 1,285,001 DSUs outstanding under the DSU Plan. Provided shareholder approval of the increase in the maximum number of Common Shares reserved for issuance the Option Plan is obtained, the Corporation will have 4,688,284 Common Shares available for further Options grants, which represents 1.4% of the Corporation's

Common Shares outstanding as of November 30, 2024, and no Common Shares available for further DSU awards, which represents 0.0% of the Corporation's Common Shares outstanding as of November 30, 2024.

For further details regarding the Corporation's Incentive Plan, please refer to the section entitled "*SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS*" above.

Shareholder Approval

The ordinary resolution to change the maximum number of Common Shares available for reserve for exercise of options under the Option Plan to the fixed maximum number of 50,000,000 as of November 30, 2024, which represents 15.2% of the Corporation's Common Shares outstanding as of November 30, 2024, will be submitted to the shareholders at the Meeting for approval, with or without variation, in the form set forth below.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, in favour of each of the following resolutions.

"BE IT RESOLVED, as a resolution of the shareholders, that:

1. the number of Common Shares reserved for exercise of Options granted pursuant to the Option Plan, be and is hereby set at a fixed maximum number of 50,000,000 Common Shares as of November 30, 2024; and

2. any one officer or director of the Corporation be and is hereby authorized to take such steps or execute such documents, whether or not under corporate seal, which are in his or her opinion necessary or advisable in order to give effect to this resolution."

The Board recommends that the shareholders vote in favour of the resolution to increase the fixed maximum number of Common Shares reserved under the Option Plan.

A copy of the Option Plan may be received upon request from the Corporation and will be posted under the Corporation's profile at www.sedarplus.ca along with this Management Information Circular.

If shareholders do not pass a resolution approving the increase to the fixed maximum number of Common Shares reserved under the Option Plan, the fixed maximum number of Common Shares reserved under the Option Plan will remain at 40,001,152 Common Shares.

CONDITIONAL OPTION GRANTS

On October 22, 2024, the Company granted: (i) 1,000,000 Options to acquire 1,000,000 Common Shares with an exercise price of $0.26 per Option with a term of ten (10) years to Marylyn Rigby, the Chief Communications Officer of the Company, and (ii) 4,500,000 Options to acquire 4,500,000 Common Shares with an exercise price of $0.26 per Option with a term of ten (10) years to James Parsons, the Chief Financial Officer of the Company, such grants being conditional upon the approval by an ordinary resolution of the shareholders (the "**Conditional Grants**"). The Options granted to (i) Marylyn Rigby vest over a period of three years, with 33.3% of the Options vesting after one year and the remaining Options vesting in even increments on a quarterly basis over the following two years, and (ii) James Parsons vest over a period of

four years, with 25% of the Options vesting after one year and the remaining Options vesting in even increments on a quarterly basis over the following three years. The Conditional Grants were made pursuant to the terms and conditions of the Option Plan.

At the meeting, shareholders will be asked to pass a resolution approving the Conditional Grants in substantially the following form:

"BE IT RESOLVED, as a resolution of the shareholders, that:

1. the Conditional Grants be and are hereby ratified, confirmed and approved; and

2. any one officer or director of the Corporation be and is hereby authorized to take such steps or execute such documents, whether or not under corporate seal, which are in his or her opinion necessary or advisable in order to give effect to this resolution."

The Board recommends that the shareholders vote in favour of the resolution to approve the Conditional Grants.

If shareholders do not pass a resolution approving the Conditional Grants, the Conditional Grants will be cancelled.

OTHER MATTERS COMING BEFORE THE MEETING

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

STATEMENT OF EXECUTIVE COMPENSATION

All dollar figures reported as "$" herein are represented in Canadian Dollars and all figures reported in US dollars are reported as "US$".

Compensation Discussion and Analysis

To ensure alignment with shareholder interests and conserve cash resources, the Corporation relies, when possible and prudent, on stock options ("**Options**") and other share compensation arrangements, in addition to cash payments to remunerate its officers, employees, consultants, and other service providers. To this end, the Corporation maintains an equity incentive plan (the "**Incentive Plan**"), comprised of a stock option plan (the "**Option Plan**") component and a deferred share unit plan (the "**DSU Plan**") component, under which directors, officers, employees, and consultants may be granted Options to purchase Common Shares and/or deferred share units ("**DSUs**") awarding Common Shares. The Corporation does not maintain any pension or retirement plan.

Compensation Oversight

The Board has appointed a Compensation Committee. The Board's oversight of and responsibilities relating to Named-Executive Officers ("**NEO**" or "**NEOs**") and director compensation, including the review and approval of the Corporation's base compensation structure and equity-based compensation program, and

evaluation of the performance of NEOs against annual goals and objectives, is based on recommendations of the Compensation Committee.

The current members of the Compensation Committee are Dr. Steven Sangha, David Paterson, and Bernd Muehlenweg, all of whom are independent directors of the Corporation.

The Compensation Committee assumes responsibility for reviewing and monitoring the long-range compensation strategy for the NEOs of the Corporation and reviews NEO compensation on at least an annual basis taking into account compensation paid by other issuers of similar size and activity.

Objectives of the Compensation Program

The compensation program for the executive officers of the Corporation is designed to ensure the level and form of compensation achieves the following objectives:

- attract and retain qualified executives,
- motivate and recognize the performance and contributions of these executives, and
- align their interests with those of the Corporation's shareholders.

The Corporation's compensation program is in place to ensure consistency with other biotechnology research and development companies at a similar stage of development.

Compensation Positioning

The Corporation targets total compensation positioned near the median of the comparator group, with salary, target bonus, and stock option awards. The Compensation Committee believes that this aligns executive compensation with the long-term interests of shareholders and with the Corporation's strategy.

Compensation Risk Assessment

In carrying out its mandate, the Compensation Committee and the Board from time to time review the risk implications of the Corporation's compensation policies and practices, including those applicable to the Corporation's executives. This review of the risk implications ensures that the compensation plans, in their design, structure and application, have a clear link between pay and performance and do not encourage excessive risk taking. Key considerations regarding risk management include the following:

- design of a compensation program to ensure all executives are compensated in an equitable way based on their respective functions, or, depending upon the mandate and term of appointment of a particular executive, substantially equivalent performance goals;
- a balance of short-term performance incentives with equity-based awards that vest over time;
- to ensure that the overall expense to the Corporation of the compensation program does not represent a disproportionate percentage of the Corporation's annual budget or financial resources, after giving consideration to the development stage of the Corporation; and
- to utilize compensation policies that do not rely solely on the accomplishment of specific tasks without consideration to longer-term risks and objectives.

For the reasons set forth below, the Board believes that the Corporation's current executive compensation policies and practices achieve an appropriate balance in relation to the Corporation's overall business strategy and do not encourage executives to expose the Corporation to inappropriate or excessive risks.

While an integral feature of the Corporation's current executive compensation practice is the grant of Options under the Incentive Plan, and while such compensation is "at risk" (that is: not guaranteed), the Corporation's long-term incentive plan is designed such that Options generally vest over a three to four-year period and therefore encourage sustainable Common Share price appreciation and reduce the risk of actions that may have short-term advantages. Additionally, the grant of Options is in accordance with the terms and provisions of the Corporation's Incentive Plan.

The base salaries for the Corporation's executives are set with the intention to provide a steady income regardless of the price performance of the Common Shares, allowing executives to focus on both near-term and long-term goals and objectives without undue reliance on short-term price performance or market fluctuations of the Common Shares.

The Compensation Committee and the Board have considered the implications of the risks associated with the Corporation's compensation practices and have not identified any risks from the Corporation's compensation policies or practices.

Hedging Policy

Pursuant to the Corporation's Insider Trading Policy, all Sernova representatives are prohibited, at any time, from: (i) entering into a sale of Sernova securities that they do not own or have a right to own (a speculative practice, called "*selling short*", which is done in the belief that the price of a stock is going to fall and the seller will then be able to cover the sale by buying the stock back at a lower price); (ii) equity monetization transactions that are the equivalent of "*selling short*"; and (iii) selling a "call option" or buying a "put option" in respect of any Sernova securities (as such persons could profit from Sernova's stock price falling).

Material Elements of Compensation

In compensating its executive officers and senior management, the Corporation has employed a combination of salary, short-term incentives (performance-based cash bonus), long-term incentives (Option grants) and benefits. Annually, the Board, based on recommendations from the Compensation Committee, approves any changes to NEO base salaries and the award of any short-term or long-term incentives.

Base Salary

In the view of the Compensation Committee, paying base salaries that are reasonable in relation to the level of service expected while remaining competitive in the life science markets in which the Corporation operates is necessary to attract and retain qualified and experienced executives. Historically, base salary for senior management has been positioned between the 25th and 50th percentile level.

Performance-Based Cash Bonus

NEOs of the Corporation are eligible to receive an annual performance-based cash bonus. The Compensation Committee conducts an evaluation and provides the Board with periodic recommendations for consideration and approval. The Board and its Compensation Committee does not consider the applicable periods set for bonus purposes to be heavily weighted to the short-term and believes it has

struck an appropriate balance between short-term performance incentives and longer-term awards that vest over time. Historically, the annual performance-based cash bonus opportunity for senior management has been positioned at the 50th percentile level.

Stock Options and Deferred Share Units

The Corporation believes that encouraging its executive officers and senior management to become shareholders is the best way of aligning their interests with those of its long-term shareholders. As a result, executive officers and senior management are provided with the opportunity to participate in the appreciation of the Corporation's share price. The Corporation has an equity incentive plan in place, which is currently comprised of a fixed number maximum Option Plan and a fixed number maximum DSU Plan. The Board administers the Corporation's Incentive Plan, and approves the individual grants, the number of Options, date of grant and expiry date, and the corresponding exercise price of all grants made under the Incentive Plan. Options and DSUs granted to NEOs and directors of the Corporation take into account many factors, including the amount and term of Options and/or DSUs previously granted, base salary, performance and market comparability. Historically with base salaries for executive management targeted at the 25th to 50th percentile level, long-term incentive awards have been positioned at the 50th to 75th percentile level.

Compensation Consultant

It is the Corporation's practice to retain an independent compensation consultant every 2-3 years to review and provide advice to the Compensation Committee regarding the Corporation's executive compensation program. In general, the mandate is to: (i) review the Corporation's executive compensation program; (ii) conduct a benchmarking of cash compensation for executives and directors relative to similar companies in terms of industry, size and stage of development; (iii) analyze the Corporation's equity-based compensation practices; and (iv) identify and make recommendations to address any noticeable gaps in the Corporation's compensation practices.

During the fiscal year ended October 31, 2019, the Corporation engaged Marsh & McLennan Agency LLC ("**Marsh**"), as an independent compensation consultant. Marsh's review and recommendations were delivered to the Compensation Committee during 2020FY Q2. During the fiscal year ended October 31, 2022, the Corporation engaged AON Radford ("**AON**"), as an independent compensation consultant. AON's review and recommendations were delivered to the Compensation Committee during 2023FYQ1.

Executive Compensation-Related Fees

There were no fees billed by the Corporation's compensation consultant in each of the last two financial years for services provided to the Corporation.

Comparator Group

As part of the independent compensation consultant's benchmarking and review process, a comparator group is developed taking into account direct competitors for talent, especially for industry specific roles. The Marsh comparator group was comprised of 26 publicly traded Canadian and U.S. biotechnology companies which ranged in size from approximately 25% to 500% of the market capitalization of the Corporation (including in determining market capitalization for the Corporation all securities convertible into Common Shares). The AON comparator group was comprised of 21 publicly traded Canadian and U.S. biotechnology companies which ranged in size from approximately 23% to 283% of the market capitalization of the Corporation (including in determining market capitalization for the Corporation all securities convertible into Common Shares).

Comparative statistics (including percentile rankings) on base salaries, bonus plans and security-based incentive plans were provided in the review. Based on benchmark data from the comparator group reported from the independent compensation consultant and taking into account experience in the role, scope of the role, performance and retention risk, and the Corporation's compensation philosophy, the Compensation Committee develops recommendations for executive compensation adjustments for approval by the Board.

Outlined below is a summary of the compensation paid, payable, awarded or granted by the Corporation during each of the three most recently completed fiscal years to our CEO, CFO and three other NEOs.

Summary Compensation Table

Outlined below is a summary of the compensation paid, payable, awarded or granted by the Corporation during each of the three most recently completed fiscal years ended October 31, 2024, 2023 and 2022 to our CEO, CFO and three other NEOs:

Name and Principal Position	Year	Salary[7] ($)	Share-based awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)		All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long term incentive plans		
Jonathan Rigby President & CEO and Chair[2] [9]	2024	210,501	-	2,738,730	-	-	6,532	2,955,763
Cynthia Pussinen Former CEO[3] [9]	2024 2023 2022	581,176 123,541 -	- - -	- 2,025,000 -	- - -	- - -	804,260 - -	1,385,436 2,148,541 -
Philip Toleikis Former CTO and former CEO[4]	2024 2023 2022	216,600 547,200 456,000	- -	- 438,000 4,859,668	- 114,000 262,200	- -	654,307 115,754 -	870,907 1,214,954 5,577,868
James Parsons CFO and Director[5]	2024 2023 2022	26,972 - -	- - 343,200	917,640 122,640 -	- - -	- - -	65,839 60,625 50,000	1,010,451 183,265 393,200
David Swetlow Former CFO[6]	2024 2023 2022	114,622 339,467 268,000	- - -	- 262,800 2,893,864	- 53,600 123,280	- - -	8,658 43,292 -	123,280 699,159 3,285,144
Frank Shannon SVP, Clinical Development & Regulatory Affairs[7]	2024 2023 2022	323,718 316,667 250,000	- - -	- 115,340 315,300	- 31,250 71,000	- - -	12,115 - -	335,833 463,257 636,300
Modestus Obochi Chief Business Officer[8] [9]	2024 2023 2022	408,300 59,772 -	- - -	- 695,000 -	91,187 - -	- - -	- - -	499,487 754,772 -

Notes:

(1) Amounts for fiscal 2024 represent the grant date fair value of the awards ranging from $0.25 to $0.28 using the Black-Scholes option pricing model with the following ranges of assumptions: risk-free interest rate 2.7% to 3.2%, dividend yield 0%, expected volatility 82.8% to 82.6%, and expected life of 5.3 to 6.1 years.

(2) Was a Board Director from May 28, 2024 to July 11, 2024; Executive Chair from July 11, 2024 to August 8, 2024 and President & CEO and Chair of the Board of Directors beginning August 9, 2024. Mr. Rigby's annual compensation as CEO is US$560,000. All other compensation includes director fees prior to his Executive Chair appointment.

(3) Was employed by the Corporation from September 1, 2023 to August 9, 2024. All other compensation includes 12 months of severance and vacation paid out.

(4) Was employed as the Chief Technology Officer from September 1, 2023 to April 30, 2024 and prior was the CEO of the Corporation. All other compensation includes a transition bonus, severance and vacation paid out for 2024, and vacation paid out in 2023.

(5) Currently a director of the Corporation; became CFO on October 7, 2024 with an annual salary of $393,250. All other compensation represents director fees.

(6) Last day of employment with the Corporation on March 8, 2024. All other compensation represents vacation paid out in 2024 and 2023.

(7) Was promoted to Senior Vice President, Clinical Development and Regulatory Affairs on October 1, 2024. All other compensation represents vacation paid out.

(8) First day of employment with the Corporation was September 8, 2023 with an annual salary of US$300,000.

(9) Mr. Rigby, Ms. Pussinen and Mr. Obochi are paid in US dollars. Their compensation was converted to Canadian dollars using an average annual exchange rate of CDN $1.3610 = US$1.00 for 2024 and CDN $1.3487 = US$1.00 for 2023.

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Incentive Plan Awards

The outstanding option-based awards for each NEO as at October 31, 2024 are presented in the table below:

Option-based Awards					**Share-based Awards**		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date (m-d-y)**	**Value of unexercised in-the-money options ($)**[(1)]	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Jonathan Rigby President & CEO and Chair	420,000	0.29	July 26, 2034	-	-	-	-
	900,000	0.29	July 26, 2034	-	-	-	-
	10,824,507	0.26	August 12, 2034	-	-	-	-
	3,036,126	0.26	August 12, 2034	-	-	-	-
Philip Toleikis Former CTO and former CEO	2,500,000	0.21	December 31, 2024	100,000	-	-	-
	1,250,000	0.25	December 31, 2024	-	-	-	-
	750,000	0.225	December 31, 2024	18,750	-	-	-
	750,000	0.26	December 31, 2024	-	-	-	-
	750,000	0.84	December 31, 2024	-	-	-	-
	7,706,419	1.32	December 31, 2024	-	-	-	-
James Parsons CFO and Director	210,000	1.20	April 25, 2033	-	10,833	2,708	318,542
	360,000	0.29	July 26, 2034	-	-	-	-
	4,500,000[(2)]	0.26	October 22, 2034	-	-	-	-
Modestus Obochi Chief Business Officer	1,000,000	0.96	July 24, 2033	-	-	-	-
Frank Shannon SVP, Clinical Development and Regulatory Affairs	500,000	1.32	December 9, 2026	-	-	-	-
	197,500	0.84	April 25, 2033	-	-	-	-

Notes:

(1) Calculated based on the October 31, 2024 closing Common Share price on the TSX of $0.25.
(2) Option grant subject to shareholder approval.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned from incentive plan awards during the year for NEOs was as follows:

Name	Option-based awards – Value vested during the year[1] ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Jonathan Rigby President & CEO	750	-	-
Cynthia Pussinen Former CEO	-	-	-
Philip Toleikis Former CTO	-	-	-
James Parsons CFO	-	20,474	-
David Swetlow Former CFO	-	-	-
Modestus Obochi Chief Business Officer	-	-	-
Frank Shannon SVP, Clinical Development and Regulatory Affairs	-	-	-

Note:

(1) Aggregate dollar value that would have been realized, by determining the difference between the closing market price of the Common Shares on the TSX and the exercise price of the underlying option on each date during the fiscal year when an option award vested.

Pension Plan Benefits

The Corporation does not have any pension plans for its directors, officers or employees.

Termination of Employment, Change of Control Benefits and Employment Contracts

Mr. Rigby's employment agreement provides for continuation of his salary for 12 months for termination without cause or 18 months of salary for termination due to a change of control. If Mr. Rigby's employment is terminated without cause in connection with a change in control, any stock options granted will vest immediately prior to the date of such termination. Mr. Rigby is also eligible to receive a bonus corresponding to achievement of corporate objectives at the discretion of the Board. The estimated additional payment to Mr. Rigby in the case of termination without cause, excluding benefits, assuming that a termination took place on October 31, 2024 is $779,296 (US$560,000). In the case of termination without cause in connection with a change in control, the incremental severance as at October 31, 2024 is $389,648 (US$280,000). Mr. Rigby's employment agreement contains provisions relating to: (i) non-disclosure or use of the Corporation's confidential information; and (ii) non-solicitation of the Corporation's clients and employees.

Mr. Parsons' employment agreement provides for continuation of his salary for 12 months for termination without cause or 18 months of salary for termination due to a change of control. If Mr. Parsons' employment is terminated without cause in connection with a change in control, any stock options granted will vest immediately prior to the date of such termination. Mr. Parsons is also eligible to receive a bonus corresponding to achievement of corporate objectives at the discretion of the Board. The estimated

additional payment to Mr. Parsons in the case of termination without cause, excluding benefits, assuming that a termination took place on October 31, 2024 is $393,250. In the case of termination without cause in connection with a change in control, the incremental severance as at October 31, 2024 is $196,625. Mr. Parsons' employment agreement contains provisions relating to: (i) non-disclosure or use of the Corporation's confidential information; and (ii) non-solicitation of the Corporation's clients and employees.

Mr. Obochi's employment agreement provides for severance of 12 months for termination without cause or as a result of change of control. Mr. Obochi is also eligible to receive a bonus corresponding to achievement of corporate objectives at the discretion of the Board, continuation of health benefits for 12 months or a lump sum payment for the equivalent cash value of such benefits and all unvested Options will immediately vest. In the case of termination without cause in connection with a change in control, the incremental severance as at October 31, 2024 is nil.

Mr. Shannon's employment agreement provides for continuation of his salary for 9 months for termination without cause or due to a change of control. If Mr. Shannon's employment is terminated without cause in connection with a change in control, any stock options granted will vest immediately prior to the date of such termination. The estimated additional payment to Mr. Shannon in the case of termination without cause, excluding benefits, assuming that a termination took place on October 31, 2024 is $243,750. In the case of termination without cause in connection with a change in control, the incremental severance as at October 31, 2024 is nil. Mr. Shannon's employment agreement contains provisions relating to: (i) non-disclosure or use of the Corporation's confidential information; and (ii) non-solicitation of the Corporation's clients and employees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Corporation authorizes Common Shares for issuance under an equity compensation incentive plan (the "**Incentive Plan**"), which consists of two plans: the Option Plan and the DSU Plan.

The Incentive Plan was approved by shareholders at the Corporation's annual general meeting on April 30, 2024. The Incentive Plan authorized the Corporation to reserve an aggregate maximum of 40,001,152 Common Shares, which represented 15% of the issued Common Shares as at March 19, 2024, allocated between the plans as follows:

- 40,001,152 Common Shares (which represented 13.2% of the issued Common Shares as at March 19, 2024) were reserved for issuance upon exercise of options granted under the Option Plan; and

- 5,510,001 Common Shares (which represented 2.5% of the issued Common Shares as at March 19, 2024) were reserved for conversion of DSUs awarded under the DSU Plan.

On November 25, 2024, the Board approved an increase the number of Common Shares that are reserved for issuance for option grants, for which shareholder approval is being sought. See discussion above under *"Increase in the Fixed Maximum Number of Common Shares Reserved for Issuance under the Option Plan and Approval of Certain Stock Option Grants."*

Option Plan

Capitalized terms below refer specifically to terms defined in the Option Plan, which incorporate definitions from the policies of the TSX. The material terms of the Option Plan are as follows:

- the number of the Common Shares issued to insiders within any one-year period, when combined with all of the Corporation's other security based compensation arrangements (including the DSU Plan), must not exceed 10% of the Common Shares issued and outstanding;

- the number of the Common Shares issuable to insiders at any time, when combined with all of the Corporation's other security based compensation arrangements (including the DSU Plan), must not exceed 10% of the Common Shares issued and outstanding;

- the Option Plan is administered by the Board, which the Board may be delegated to a committee of directors;

- Options may be granted to a Director, Officer, Employee, or Consultant (includes a company, of which 100% of the share capital is beneficially owned by one or more of the foregoing);

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

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

    - the Eligible Participant remaining as a Director of the Company or any of its Affiliates during the vesting period;

- the term of Options may not exceed ten years;

- if the expiry date for an Option occurs during a blackout period, or within five business days thereafter, the expiry date for such Option will be extended to the tenth business day after the expiry date of the blackout period;

- Options may not be exercised after an Optionee's term of service to the Corporation has been terminated, except as follows:

    - in the case of the death, any vested Option held at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

    - in the case of voluntary termination of services or termination without cause, an Option granted will expire 90 days (or such other time, generally not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option);

    - in case of termination for cause, all rights to acquire Common Shares will terminate immediately unless otherwise determined by the Board; and

  - in the event of a change of control of the Corporation or a take-over bid being made for the Common Shares, the Board may, in its discretion, provide in the case of a particular Optionee, that the Options held by that Optionee may be exercised in full or in part at any time before vesting of those Options.

- Options are non-assignable and non-transferable;

- the Exercise Price must not be less than the Market Price, being the volume weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the relevant date;

- the Board may not, without shareholder approval, amend the Option Plan to:

  - increase the number of Common Shares reserved for issuance;

  - remove or increase the insider participation limit;

  - reduce the exercise price of an Option held by an insider;

  - extend the term of any Option beyond ten years;

  - add a cashless exercise feature;

  - change or delete the foregoing amending provisions of the Option Plan.

- the Board may amend the Option Plan without shareholder approval to:

  - make amendments that are of a typographical, grammatical or clerical nature;

  - change the vesting provisions of an Option granted under the Option Plan, subject to prior written approval of the Exchange, if applicable;

  - change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;

  - for an optionee who is not an Insider, subject to prior written approval of the Exchange, if applicable, reduce the exercise price of an Option or cancel and re-issue, within three months of cancellation, an Option to the same optionee at a lower exercise price than the Option cancelled;

  - for an optionee who is not an Insider, subject to prior written approval of the Exchange, if applicable, it may extend the term of the original expiry date of an Option;

  - it may make amendments necessary as a result of changes in securities laws applicable to the Corporation;

  - if the Shares becomes listed or quoted on another stock exchange or stock market other than the TSX, the Board may make such amendments as may be required by the policies of such other stock exchange or stock market; and

  - it may make such amendments as reduce, and do not increase, the benefits of this Option Plan to an Eligible Participant.

DSU Plan

Capitalized terms below refer specifically to terms defined in the DSU Plan, which incorporate definitions from the policies of the TSX. The material terms of the DSU Plan are as follows:

- the number of the Common Shares issued to insiders on conversion of DSUs within any one-year period, when combined with all of the Corporation's other security based compensation arrangements (including the Option Plan), must not exceed 10% of the Common Shares issued and outstanding;

- the number of the Common Shares issuable to insiders on conversion of DSUs at any time, when combined with all of the Corporation's other security based compensation arrangements (including the Option Plan), must not exceed 10% of the Common Shares issued and outstanding;

- the DSU Plan is administered by the Board, which the Board may delegate to a committee of directors;

- all DSU awards will vest in accordance with the vesting schedule as determined by the Board, in the case of death or disability of the Participant, in the event of a change of control or take-over bid of the Corporation, or in the case of an Officer upon termination by the Corporation without cause or resignation at the request of the Corporation;

- DSUs shall cease to vest on the Separation Date (except as otherwise provided herein and in the DSU Plan) and any DSUs that have not vested on the separation Date shall be cancelled;

- DSU awards may be granted to a Director or an Officer;

- on redemption, the Board may elect to redeem the DSUs in cash, in Shares issued from treasury or from purchases on the secondary market, or any combination of the foregoing;

- the redemption value for the DSUs is equivalent to the sum obtained by multiplying the number of DSUs to be so redeemed by the market value per Common Share as of the redemption date;

- if the redemption date occurs during a blackout period, or within ten trading days thereafter, the redemption date will be extended by ten trading days immediately after the expiry date of the blackout period;

- if a dividend is declared and paid by the Corporation, a Participant's DSU account will be credited on the payment date of such dividend in accordance with the terms of the DSU Plan;

- DSU are non-assignable and non-transferable;

- the Board may not, without shareholder approval, amend the DSU Plan to change:

  - the number of Shares reserved for issuance;

  - the insider participation limits;
  - the definition of "Participant" or the eligibility requirements for participating, where such amendment would have the potential of broadening or increasing Insider participation;
  - any right of a Participant under this Plan resulting in an extension beyond the date on which such right would originally have expired; or
  - the amendment provisions of the DSU Plan.

- the Board may amend the DSU Plan without shareholder approval to:
  - amend the definition of "Participant" or the eligibility requirements for participating in this Plan, where such amendment would not have the potential of broadening or increasing Insider participation;
  - amend the manner in which Participants may elect to participate in this Plan or elect redemption dates;
  - amend the provisions of this Plan relating to the redemption of DSUs and the dates for the redemption of the same;
  - make any amendment which is intended to ensure compliance with applicable Laws and the requirements of the Exchange;
  - make any amendment which is intended to provide additional protection to shareholders of the Corporation (as determined at the discretion of the Board);
  - make any amendment which is intended to remove any conflicts or other inconsistencies which may exist between any terms of this Plan and any provisions of any applicable laws and the requirements of the Exchange;
  - make any amendment which is intended to cure or correct any typographical error, ambiguity, defective or inconsistent provision, clerical omission, mistake or manifest error;
  - make any amendment which is not expected to materially adversely affect the interests of the shareholders of the Corporation; and
  - make any amendment which is intended to facilitate the administration of this Plan.

The foregoing is a summary of the principal terms of the Option Plan and the DSU Plan, which is qualified by reference to the applicable Plan. Copies of the Option Plan and the DSU Plan are available upon request from the Corporation.

The following table sets out equity compensation plan information as at the Corporation's October 31, 2024 financial year-end.

Equity Compensation Plan Information

		Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders - the Plan	Option Plan	37,580,158	$0.57	178,729
	DSU Plan	4,445,001	N/A	nil
Equity compensation plans not approved by securityholders	N/A	N/A	N/A	N/A
Total		**42,025,159**	**$0.51**	**178,729**

Note:

(1) The DSUs are subject to vesting criteria but do not require payment of an exercise price.

The following table sets out the annual burn rate[(1)] for the Corporation's equity compensation plans:

	Fiscal year ended October 31		
	2024[(2)]	**2023**[(3)]	**2022**
The Option Plan	7.40%	2.88%	5.11%
The DSU Plan	0.00%	0.00%	0.50%

Note:

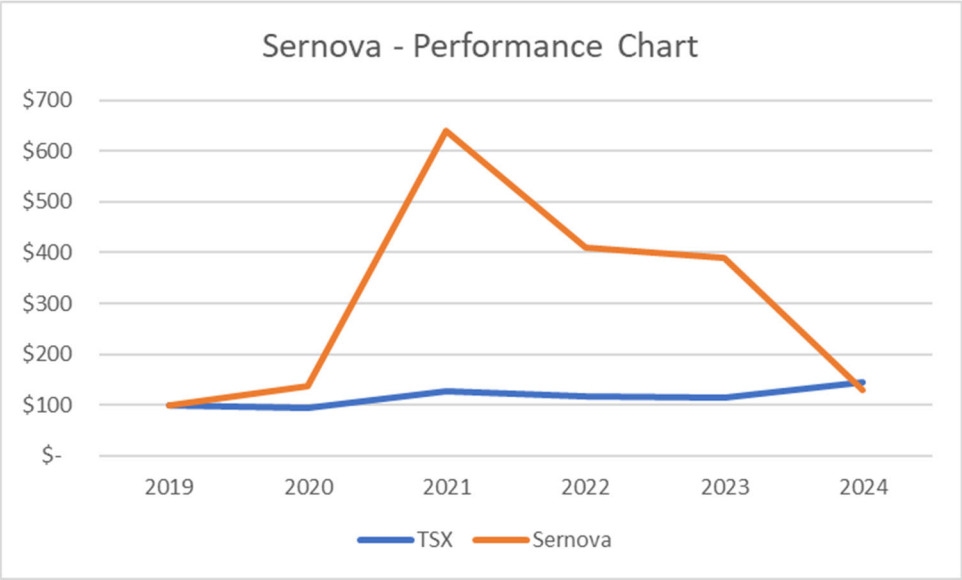
(1) The annual burn rate is calculated as the number of securities granted under the arrangement during the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year.

(2) The number of securities granted under our equity compensation arrangement in 2024 include initial hiring grants for the CEO and other senior executives. Calculation includes a total of 5,500,000 stock options granted to the CFO and CCO which are subject to shareholder approval.

(3) The number of securities granted under our equity compensation arrangement in 2022, represent two years of annual awards for the 2020 and 2021 fiscal years.

Performance Graph

The following graph compares the total cumulative return to a Shareholder who invested $100 in Common Shares of the Corporation on October 31, 2019 to the year end of October 31, 2024 with the cumulative total return of the S&P/TSX Composite Index ("**TSX Index**"). The Common Shares began trading on the TSX on June 2, 2022 and prior to that traded on the TSX Venture Exchange.



The performance trend shown by the above graph does not reflect the trend in our compensation to NEOs reported over the same period. The market price of the Common Shares, similar to the share prices of many publicly-traded biotechnology companies, has historically been highly volatile. Our approach to compensation is designed to attract and retain quality executives while promoting long-term profitability and maximizing shareholder value. Our NEOs are compensated on the basis of individual and corporate performance and compensation is benchmarked to other life sciences companies, rather than on factors strictly tied to the short-term performance of our Common Shares in the market.

DIRECTOR COMPENSATION

The Corporation currently compensates its directors mainly through the award of stock options. During the fiscal year ended October 31, 2024, compensation was paid to directors, who are not also a NEO, as set out in the following table:

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	All other compensation ($)	Total ($)
Daniel Mahony[(1)]	28,750	-	-	-	-	28,750
Bernd Muehlenweg[(2)]	30,423	-	83,580	-	-	114,003
James Parsons	(6)	(6)	(6)	(6)	(6)	(6)
David Paterson[(3)]	6,750	-	73,080	-	-	79,830

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	All other compensation ($)	Total ($)
Bertram von Plettenberg[4]	28,750	-	-	-	-	28,750
Cynthia Pussinen	(6)	(6)	(6)	(6)	(6)	(6)
Jonathan Rigby	(6)	(6)	(6)	(6)	(6)	(6)
Steven Sangha	55,250	-	71,640	-	-	126,890
Philip Toleikis	(6)	(6)	(6)	(6)	(6)	(6)
Brett Whalen[5]	53,266	-	-	-	-	53,266

Notes:

(1) Ceased to be a Director of the Corporation effective April 30, 2024.
(2) Appointed as a Director of the Corporation effective April 22, 2024.
(3) Appointed as a Director of the Corporation effective September 16, 2024.
(4) Ceased to be a Director of the Corporation effective April 23, 2024.
(5) Ceased to be a Director of the Corporation effective July 10, 2024.
(6) Refer to NEO Compensation Summary Table.

Incentive Plan Awards – Directors

The outstanding share-based awards held by directors, who were not also a NEO, as at October 31, 2024 were as follows:

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date (m-d-y)	Value of unexercised in-the-money options ($)[1]	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Daniel Mahony[2]	210,000	1.20	April 30, 2025	-	-	-	-
Bernd Muehlenweg[3]	420,000	0.29	July 26, 2034	-	-	-	-
James Parsons	(7)	(7)	(7)	(7)	(7)	(7)	(7)
David Paterson[4]	420,000	0.27	September 17, 2034	-	-	-	-
Bertram von Plettenberg[5]	-	-	-	-	-	-	-
Cynthia Pussinen	(7)	(7)	(7)	(7)	(7)	(7)	(7)
Jonathan Rigby	(7)	(7)	(7)	(7)	(7)	(7)	(7)

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date (m-d-y)**	**Value of unexercised in-the-money options ($)[1]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
	210,000	1.20	July 28, 2033	-	-	-	-
Steven Sangha	360,000	0.29	July 26, 2034	-	-	-	-
Philip Toleikis[2]	(7)	(7)	(7)	(7)	(7)	(7)	(7)
Brett Whalen[6]	-	-	-	-	-	-	-

Note:

(1) Calculated based on the October 31, 2024 closing Common Share price on the TSX of $0.25.
(2) Ceased to be a Director of the Corporation effective April 30, 2024.
(3) Appointed as a Director of the Corporation effective April 22, 2024.
(4) Appointed as a Director of the Corporation effective September 16, 2024.
(5) Ceased to be a Director of the Corporation effective April 23, 2024.
(6) Ceased to be a Director of the Corporation effective July 10, 2024.
(7) Refer to NEO Compensation Summary Table.

Incentive Plan Awards – Value Vested or Earned During the Year – Directors

The value vested or earned from incentive plan awards during the Corporation's fiscal year ended October 31, 2024 for directors, who were not also a NEO, was as follows:

Name	**Option-based awards – Value vested during the year ($)**	**Share-based awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)**
Daniel Mahony[1]	-	-	-
Bernd Muehlenweg[2]	-	-	-
James Parsons	(6)	(6)	(6)
David Paterson[3]	-	-	-
Bertram von Plettenberg[4]	-	-	-
Cynthia Pussinen	(6)	(6)	(6)
Joanathan Rigby	(6)	(6)	(6)
Steven Sangha	-	-	-
Philip Toleikis[1]	(6)	(6)	(6)
Brett Whalen[5]	-	-	-

Note:

(1) Ceased to be a Director of the Corporation effective April 30, 2024.
(2) Appointed as a Director of the Corporation effective April 22, 2024.
(3) Appointed as a Director of the Corporation effective September 16, 2024.

(4) Ceased to be a Director of the Corporation effective April 23, 2024.
(5) Ceased to be a Director of the Corporation effective July 10, 2024.
(6) Refer to NEO Incentive Plan Awards – Value Vested or Earned During the Year table.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer or a 10% Shareholder of the Corporation. To the knowledge of management of the Corporation, no informed person or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation during the year ended October 31, 2024, or has any interest in any material transaction in the current year other than as set out herein or as disclosed in other than the payment of compensation to key management personnel of the Corporation in the ordinary course of business. Refer to Note 10 – *Related Party Transactions* in our audited annual consolidated financial statements for further information, which are incorporated by reference into this Management Information Circular.

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

To the knowledge of management of the Corporation, no director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation to the date of this Circular, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Conditional Grants to officers of the Corporation as set out herein.

CORPORATE GOVERNANCE DISCLOSURE

General

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

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "**CSA**") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), which prescribes certain disclosure by the Corporation of its corporate governance practices. This section sets out the

Corporation's approach to corporate governance and addresses the Corporation's compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the Board's view, be reasonably expected to interfere with the exercise of a director's independent judgment.

The independent directors of the Board, as of the date hereof, are as follows: Bernd Muehlenweg, David Paterson and Dr. Steven Sangha.

Jonathan Rigby, the Chief Executive Officer of the Corporation and James Parsons, the Chief Financial Officer of the Corporation, are not independent directors.

The Board facilitates its independent supervision over management by having (i) a majority of independent directors on the Board, (ii) only independent directors on committees of the Board, and (iii) an independent lead director. The Board uses regular in-camera sessions in order to ensure that the Board can function independently of management. The Board believes that the foregoing are sufficient to ensure that the Board can function independently of management.

Meeting Attendance

The following table sets forth the number of meetings held by the Board during the fiscal year ended October 31, 2024, and the attendance of each director at those meetings.

Director	**Board Meetings** (49 total meetings)
Daniel Mahony[(1)]	18
Bernd Muehlenweg[(2)]	27
James Parsons	48
David Paterson[(3)]	4
Bertram von Plettenberg[(4)]	21
Cynthia Pussinen	38
Joanathan Rigby	24
Steven Sangha	49
Philip Toleikis[(1)]	9
Brett Whalen[(5)]	34

Notes:

(1) Ceased to be a Director of the Corporation effective April 30, 2024.
(2) Appointed as a Director of the Corporation effective April 22, 2024.
(3) Appointed as a Director of the Corporation effective September 16, 2024.
(4) Ceased to be a Director of the Corporation effective April 23, 2024.
(5) Ceased to be a Director of the Corporation effective July 10, 2024.

The mandate of the Board is to manage corporate governance matters pertaining to the business and affairs of the Corporation. In fulfilling its mandate, the Board as a whole oversees the development and application of policies regarding corporate governance, deals with corporate governance issues, and is responsible for:

a) adopting a strategic planning process for the Corporation;

b) understanding the principal risks of the Corporation's business and ensuring the implementation of the appropriate systems to manage these risks;

c) succession planning for the Corporation, including identifying, appointing, training and monitoring senior management;

d) overseeing the integrity of the Corporation's internal controls and management information systems; and

e) maintaining a continuing dialogue with management in order to ensure the ability to respond to changes, both internal and external, which may affect the Corporation and its business operations from time to time.

In carrying out its mandate, the Board holds regular meetings, and has established three committees with specific responsibilities, from its members. The frequency of meetings, as well as the nature of the matters dealt with, will vary from year to year depending on the state of the Corporation's business and the opportunities or risks, which the Corporation faces from time to time.

Directorships

Certain of the directors and officers currently serve as directors and officers of other private and public companies. Some of the directors and officers may be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers may be serving another corporation with interests that could be in conflict with the Corporation. In the event of any conflicts of interest, such conflicts must be disclosed to the Corporation and dealt with in accordance with the provisions of the CBCA.

The following table sets out the director nominees of the Corporation that are currently directors of other reporting issuers:

Name	Name of Reporting Issuer	Name of Exchange or Market
Jonathan Rigby	Oncolytics Biotech Inc.	NASDAQ/TSX
Dr. Steven Sangha	Goldhills Holding Ltd. BlockchainK2 Corp.	TSX-V TSX-V
Tanya Lewis	DiaMedica Therapeutics Inc.	NASDAQ

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the nature and operations of Corporation's business, the role of the board, and its committees and its directors. Board meetings may also include presentations by the Corporation's management to give the directors additional insight into the Corporation's business.

Ethical Business Conduct

The Board relies on the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation and securities laws to promote a culture of ethical business conduct.

To encourage corporate transparency and responsible corporate governance the Board has taken the further steps of approving and adopting both a Whistle Blower Policy and an Insider Trading Policy. Copies of each of these policies are available for review on the Corporation's website at www.sernova.com.

Nomination of Directors

The Nomination and Governance Committee identifies, evaluates and recommends to the Board candidates for appointment to the Board. A brief description of the Nomination and Governance Committee and disclosure relating to Board representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities are set forth below. The Board also considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

Board Committees

The Board has established an Audit Committee, Compensation Committee and Nomination and Governance Committee to perform certain advisory functions, to make recommendations and to report to the Board. A brief description of these committees, and their respective mandates, is set forth below.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires the Corporation to disclose annually in its Annual Information Form certain information concerning the constitution of its audit committee and its relationship with its independent auditor. The Audit Committee disclosure pursuant to NI 52-110 can be found in the Corporation's Annual Information Form dated January 26, 2024, which is available for review under the Corporation's SEDAR+ profile at www.sedarplus.ca, and such disclosure is incorporated by reference into this Management Proxy Circular.

Audit Committee Charter

The Audit Committee (the "**Audit Committee**") is a committee of the Board of the Corporation.

The Audit Committee has a charter (the "**Audit Committee Charter**") that sets out its mandate and responsibilities. A copy of the Audit Committee Charter is attached as Appendix "A" to the Corporation's Annual Information Form dated January 26, 2024, which is available for review under the Corporation's SEDAR+ profile at www.sedarplus.ca.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Corporation and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities are:

- overseeing the integrity of the Corporation's financial statements and reviewing the financial reports and other financial information provided by the Corporation to any governmental body or the public and other relevant documents;
- recommending the appointment and reviewing and appraising the audit efforts of the Corporation's external auditor, overseeing the external auditor's qualifications and independence and providing an open avenue of communication among the external auditor, financial and senior management and the Board;
- serving as an external and objective party to oversee and monitor the Corporation's financial reporting process and internal controls, the Corporation's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements; and
- encouraging continuous improvement of, and fostering adherence to, the Corporation's policies, procedures and practices at all levels.

Composition

The Audit Committee shall consist of a minimum of three directors of the Corporation, including the Chair of the Audit Committee, all of whom must be "independent" directors as such term is defined in NI 52-110. All members shall, to the satisfaction of the Board, be "financially literate" as defined in NI 52-110.

The members of the Audit Committee shall be appointed by a resolution of the Board at the annual organizational meeting of the Board. The Board may remove a member of the Audit Committee at any time in its sole discretion by resolution of the Board. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by majority vote of the full membership of the Audit Committee.

The Chair's responsibilities shall include (i) providing leadership to enhance the effectiveness and focus of the Audit Committee, (ii) calling and chairing meetings of the Audit Committee ensuring that the Audit Committee meets on a regular basis, at least quarterly, (iii) setting with the Chief Financial Officer the agenda for each meeting, (iv) ensuring that the Audit Committee receives adequate and regular updates from management on all matters necessary for the Audit Committee to discharge its responsibilities, including but not limited to matters regarding audits, financial statements, MD&A, press releases, and procedures for disclosure of financial information and disclosure controls, (v) acting as liaison between the Audit Committee and the external auditors with respect to the annual audit and (vi) acting as liaison between the Audit Committee and the Board including reporting regularly to the Board on all proceedings and deliberations of the Audit Committee. The Chair shall also appoint a Secretary of the Audit Committee who need not be a director.

Current members of the Audit Committee are Dr. Steven Sangha (Chair), Bernd Muehlenweg and David Paterson all of whom are independent (as defined in NI 52-110). The Audit Committee will be reconstituted upon the election of directors at the forthcoming AGM. All current Audit Committee members are "financially literate" (as defined in NI 52-110).

Responsibilities of the Audit Committee

The Audit Committee must, among other things:

a) take reasonable steps, at the time the auditor's appointment is under consideration, to ensure that the auditor is independent of management of the Corporation in accordance with applicable standards,

b) determine whether the audit fees charged by the auditor appear adequate in relation to the work required to support an audit opinion, without regard to fees that might be paid to the auditor for other services,

c) meet with the auditor, regularly and when otherwise appropriate, without management present to determine whether there are any contentious issues between the auditor and management relating to the Corporation's financial disclosure and, if so, whether those issues have been resolved to the auditor's satisfaction;

d) establish, and monitor compliance with, the Corporation's policies regarding (i) the auditor's providing services beyond the scope of the Corporation's audit, and (ii) the Corporation's hiring individuals formerly employed by the auditor to fill senior officer positions of the Corporation; and

e) annually review the steps it has taken to ensure that the auditor is independent of management of the Corporation, including (i) the policies and procedures followed so that any contracts for non-audit services to be provided by the auditor do not compromise the auditor's independence, and (ii) the nature of any non-audit service contracts entered into and the amount of the related fees.

Relevant Education and Experience

See disclosure under the above heading "*Election of Directors*" pertaining to relevant education and experience of the audit committee members. Each member of the Audit Committee has:

a) an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising individuals engaged in such activities; and

c) an understanding of internal controls and procedures for financial reporting, as evidenced by their respective experience set out under the above heading "*Election of Directors*".

Each Audit Committee member has gained financial literacy through his/her previous working and educational experience and has a significant understanding of the life sciences business which the Corporation engages in and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

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

Reliance on Certain Exemptions

In the financial year ended October 31, 2024 and to the date of this Circular, the Corporation has not relied on exemptions contained in sections 2.4 (*De Minimis Non-audit Services*), 6.1.1 or 8.1 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy requiring pre-approval by the Audit Committee for the engagement of non-audit services by the Corporation's external auditors, which policy is contained in the Audit Committee Charter referenced above.

External Auditor Service Fees

The fees paid by the Corporation to its auditor in the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	All Other Fees[(4)]
October 31, 2024	$452,416	-	$49,665	-
October 31, 2023	$327,338	-	-	$48,685

Notes:

(1) "**Audit Fees**" include, where applicable, fees necessary to perform the annual audit and the quarterly review of the Corporation's consolidated financial statements. Audit Fees include fees for the review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees include audit and other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "**Audit Related Fees**" include, where applicable, services that are traditionally performed by the auditor. These audit-related services include employee benefits audits, due diligence assistance, accounting consultants on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "**Tax Fees**" include, where applicable, fees for all tax services other than those included in "Audit Fees" and "Audit Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes Assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "**All Other Fees**" includes, where applicable, all other non-audit services.

The Audit Committee reviews the annual and quarterly financial statements of the Corporation and certain other public disclosure documents required by regulatory authorities and makes recommendations to the Board with respect thereto. The Audit Committee also reviews with the auditors and management the adequacy of the Corporation's financial reporting and internal control procedures to ensure they are effective and appropriate.

Compensation Committee

The current members of the Compensation Committee are all independent directors, namely: Bernd Muehlenweg, David Paterson and Dr. Steven Sangha. The Compensation Committee reviews the Corporation's compensation policies and practices, compensation of senior management and succession planning and reviews the Corporation's corporate governance practices and makes recommendations to the Board.

Nomination and Governance Committee and Disclosure Relating to Diversity

The Nomination and Governance Committee identifies, evaluates and recommends to the Board candidates (i) for appointment to the Board or to serve as nominees for election as directors at annual meetings of shareholders, and (ii) for appointment to committees of the Board. In addition, the Committee annually evaluate the performance of the Board, and develops and reviews the Corporation's corporate governance policies.

The current members of the Nominating and Governance Committee are all independent directors, namely: Bernd Muehlenweg, David Paterson and Dr. Steven Sangha.

The process by which the Committee identifies new candidates for board nomination begins with the approval by the Board of the skill-sets and background which are desired in a new candidate. Board members or management may suggest candidates for consideration by the Committee. Prospective candidates are interviewed by the Chair and by other Board members on an ad hoc basis. An invitation to join the Board is extended only after the Board has thoroughly considered the qualifications, fit and suitability of the candidate.

The Corporation has not adopted term limits for its directors or other mechanisms of Board renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board of Directors, and therefore does occasionally add new members; however, it values continuity on the Board of Directors and maintaining in-depth knowledge of the Corporation held by at least one of its members who has a long-standing relationship with the Corporation. The Board has added seven (7) new directors within the last five (5) years.

The Corporation does not currently have a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities as directors. Historically, the Corporation has not felt that such a policy was needed. When the Nomination and Governance Committee recommends candidates for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Board to perform efficiently and act in the best interest of the Corporation and its shareholders.

The Corporation is aware of the benefits of diversity on the Board and at the executive and senior management levels, and therefore the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities is one factor taken into consideration during the search process for directors and for executives and senior management positions. The Board also considers the composition of the group of directors and senior management, including the representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities, to best bring together a selection of candidates allowing the Corporation's management to perform efficiently and act in the best interest of the Corporation and its shareholders.

Given the stage of development of the Corporation, the Board has not adopted a "target" number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board of Directors or in executive or senior management positions. However, in the appointment of new management or directors, the Board always consider enhancing diversity in Sernova leadership. There is at present no women on the Board, representing 0.0% of the directors, however Ms. Lewis is currently seeking election as a director as one of management's nominees. There is one person who self identifies as a member of a visible minority, representing 20% of the directors. There are at present no Aboriginal peoples, or persons with disabilities on the Board of Directors. Of the executive

officers of the Corporation, there is one woman, representing 20.0% of the executive officers, and one person who self identifies as a member of a visible minority, representing 20.0% of the executive officers. There are at present no Aboriginal peoples or persons with disabilities as executive officers.

There are no committees of the Board other than the Audit Committee, the Compensation Committee and the Nomination and Governance Committee.

Assessments

The Board conducts an annual Board Effectiveness Survey of the Corporation's directors to assess the effectiveness of the Board's function.

SHAREHOLDER PROPOSALS

Shareholder proposals must be submitted no later than October 9, 2025 (being the 90th day before the anniversary date of the 2024 annual shareholder meeting), to be considered for inclusion in the management information circular to be prepared for the 2026 annual meeting of shareholders of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on www.sedarplus.ca. Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis, which is filed on www.sedarplus.ca. The Corporation will provide to any person or company, upon request to the Chief Financial Officer of the Corporation, one copy of the comparative financial statements of the Corporation filed with the applicable securities regulatory authorities for the Corporation's most recently completed financial year in respect of which such financial statements have been issued, together with the report of the auditor, related management's discussion and analysis and any interim financial statements of the Corporation filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements.

Copies of the above documents are available without charge to shareholders upon written request to the Corporation to:

Sernova Corp.
700 Collip Circle, Suite 114
London, Ontario
N6G 4X8

OTHER MATTERS

As of the date of this Circular, the Board and management of the Corporation are not aware of any matters to come before the Meeting other than those matters specifically identified in the accompanying Notice of Meeting. However, if such other matters properly come before the Meeting or any adjournment(s) thereof, the persons designated in the accompanying form of proxy will vote thereon in accordance with their judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

BOARD APPROVAL

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

DATED this 30th day of November, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Jonathan Rigby"

Jonathan Rigby
Chief Executive Officer and Chair

SCHEDULE "A"
FORM OF NEW ARTICLES

[See attached]

Number: C

BUSINESS CORPORATIONS ACT

ARTICLES

of

SERNOVA CORP.

TABLE OF CONTENTS

Number: C

BUSINESS CORPORATIONS ACT

ARTICLES

of

SERNOVA CORP.
(the "**Company**")

PART 1

INTERPRETATION

Definitions

1.1 In these Articles, unless the context otherwise requires:

(a) "**Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

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

(c) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(d) "**legal personal representative**" means the personal or other legal representative of the shareholder;

(e) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register;

(f) "**seal**" means the seal of the Company, if any;

(g) "**share**" means a share in the share structure of the Company; and

(h) "**special majority**" means the majority of votes described in §11.2 which is required to pass a special resolution.

Act and Interpretation Act Definitions Applicable

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

PART 2

SHARES AND SHARE CERTIFICATES

Authorized Share Structure

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

Form of Share Certificate

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

Shareholder Entitled to Certificate, Acknowledgment or Written Notice

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

Delivery by Mail

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

Replacement of Worn Out or Defaced Certificate or Acknowledgement

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

(a) cancel the share certificate or acknowledgment; and

(b) issue a replacement share certificate or acknowledgment.

Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

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

(a) proof satisfactory to it of the loss, theft or destruction; and

(b) any indemnity the directors consider adequate.

Splitting Share Certificates

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

Certificate Fee

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

Recognition of Trusts

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

PART 3

ISSUE OF SHARES

Directors Authorized

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

Commissions and Discounts

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

Brokerage

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

Conditions of Issue

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

(a) consideration is provided to the Company for the issue of the share by one or more of the following:

(i) past services performed for the Company;

(ii) property;

(iii) money; and

(b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under §3.1.

Share Purchase Warrants and Rights

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

PART 4

SHARE REGISTERS

Central Securities Register

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

PART 5

SHARE TRANSFERS

Registering Transfers

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

(a) except as exempted by the Act, a written instrument of transfer in respect of the share has been received by the Company (which may be a separate document or endorsed on the share certificate for the shares transferred) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;

(b) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;

(c) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and

(d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer and the right of the transferee to have the transfer registered.

Form of Instrument of Transfer

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

Transferor Remains Shareholder

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

Signing of Instrument of Transfer

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

(a) in the name of the person named as transferee in that instrument of transfer; or

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

Enquiry as to Title Not Required

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

Transfer Fee

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

PART 6

TRANSMISSION OF SHARES

Legal Personal Representative Recognized on Death

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

person as a legal personal representative of a shareholder, the Company shall receive the documentation required by the Act.

Rights of Legal Personal Representative

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

PART 7

PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES

Company Authorized to Purchase, Redeem or Otherwise Acquire Shares

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

Purchase When Insolvent

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

(a) the Company is insolvent; or

(b) making the payment or providing the consideration would render the Company insolvent.

Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

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

(a) is not entitled to vote the share at a meeting of its shareholders;

(b) must not pay a dividend in respect of the share; and

(c) must not make any other distribution in respect of the share.

Company Entitled to Purchase, Redeem or Otherwise Acquire Share Fractions

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

PART 8

BORROWING POWERS

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

(a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;

(b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;

(c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(d) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

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

PART 9

ALTERATIONS

Alteration of Authorized Share Structure

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

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

(b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;

(d) if the Company is authorized to issue shares of a class of shares with par value:

(i) decrease the par value of those shares; or

(ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;

(e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;

(f) alter the identifying name of any of its shares; or

(g) otherwise alter its shares or authorized share structure when required or permitted to do so by the Act where it does not specify by a special resolution;

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

Special Rights or Restrictions

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

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

(b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued,

and alter its Notice of Articles and Articles accordingly.

Change of Name

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

Other Alterations

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

PART 10

MEETINGS OF SHAREHOLDERS

Annual General Meetings

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

Resolution Instead of Annual General Meeting

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

Calling of Meetings of Shareholders

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

Notice for Meetings of Shareholders

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

auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

(a) if the Company is a public company, 21 days;

(b) otherwise, 10 days.

Record Date for Notice

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

(a) if the Company is a public company, 21 days;

(b) otherwise, 10 days.

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

Record Date for Voting

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

Failure to Give Notice and Waiver of Notice

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

Notice of Special Business at Meetings of Shareholders

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

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

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

(i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and

(ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

Place of Meetings

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

Electronic Meetings

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

Electronic Voting

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

PART 11

PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

Special Business

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

(a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;

(b) at an annual general meeting, all business is special business except for the following:

(i) business relating to the conduct of or voting at the meeting;

(ii) consideration of any financial statements of the Company presented to the meeting;

(iii) consideration of any reports of the directors or auditor;

(iv) the setting or changing of the number of directors;

(v) the election or appointment of directors;

(vi) the appointment of an auditor;

(vii) the setting of the remuneration of an auditor;

(viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;

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

Special Majority

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

Quorum

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

One Shareholder May Constitute Quorum

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

(a) the quorum is one person who is, or who represents by proxy, that shareholder, and

(b) shareholder, in attendance at the meeting or represented at the meeting by proxy, may constitute the meeting.

Persons Entitled to Attend Meeting

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

Requirement of Quorum

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

Lack of Quorum

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

(a) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and

(b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

Lack of Quorum at Succeeding Meeting

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

Chair

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

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

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

Selection of Alternate Chair

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

Adjournments

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

Notice of Adjourned Meeting

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

Decisions by Show of Hands or Poll

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

Declaration of Result

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

Motion Need Not be Seconded

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

Casting Vote

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

Manner of Taking Poll

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

(a) the poll must be taken:

(i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and

(ii) in the manner, at the time and, if applicable, the place that the chair of the meeting directs;

(b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and

(c) the demand for the poll may be withdrawn by the person who demanded it.

Demand for Poll on Adjournment

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

Chair Must Resolve Dispute

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

Casting of Votes

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

No Demand for Poll on Election of Chair

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

Demand for Poll Not to Prevent Continuance of Meeting

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

Retention of Ballots and Proxies

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

PART 12

VOTES OF SHAREHOLDERS

Number of Votes by Shareholder or by Shares

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

(a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and

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

Votes of Persons in Representative Capacity

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

Votes by Joint Holders

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

(a) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

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

Legal Personal Representatives as Joint Shareholders

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

Representative of a Corporate Shareholder

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

(a) for that purpose, the instrument appointing a representative must be received:

(i) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(ii) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;

(b) if a representative is appointed under this §12.5:

(i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and

(ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

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

Proxy Provisions Do Not Apply to All Companies

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

Appointment of Proxy Holders

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

Alternate Proxy Holders

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

Proxy Holder Need Not Be Shareholder

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

Deposit of Proxy

12.10 A proxy for a meeting of shareholders must:

(a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(b) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

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

Validity of Proxy Vote

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

(a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(b) at the meeting or any adjourned meeting by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Form of Proxy

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

[Name of Company]
(the "Company")

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

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

Signed [month, day, year]

_____
[Signature of shareholder]

_____
[Name of shareholder—printed]

Revocation of Proxy

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

(a) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Revocation of Proxy Must Be Signed

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

(a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or the shareholder's legal personal representative or trustee in bankruptcy;

(b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under §12.5.

Production of Evidence of Authority to Vote

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

PART 13

DIRECTORS

First Directors; Number of Directors

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

(a) subject to §(b) and §(c), the number of directors that is equal to the number of the Company's first directors;

(b) if the Company is a public company, the greater of three and the most recently set of:

(i) the number of directors set by a resolution of the directors (whether or not previous notice of the resolution was given); and

(ii) the number of directors in office pursuant to §14.4;

(c) if the Company is not a public company, the most recently set of:

(i) the number of directors set by a resolution of the directors (whether or not previous notice of the resolution was given); and

(ii) the number of directors in office pursuant to §14.4.

Change in Number of Directors

13.2 If the number of directors is set under §13.1(b)(i) or §13.1(c)(i):

(a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; or

(b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number then the directors, subject to §14.8, may appoint directors to fill those vacancies.

Directors' Acts Valid Despite Vacancy

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

Qualifications of Directors

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

Remuneration of Directors

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

Reimbursement of Expenses of Directors

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

Special Remuneration for Directors

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

Gratuity, Pension or Allowance on Retirement of Director

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

PART 14

ELECTION AND REMOVAL OF DIRECTORS

Election at Annual General Meeting

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

(a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and

(b) all the directors cease to hold office immediately before the election or appointment of directors under §(a), but are eligible for re-election or re-appointment.

Consent to be a Director

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

(a) that individual consents to be a director in the manner provided for in the Act;

(b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(c) with respect to first directors, the designation is otherwise valid under the Act.

Failure to Elect or Appoint Directors

14.3 If:

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

(b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by §10.2, to elect or appoint any directors;

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

(c) when his or her successor is elected or appointed; and

(d) when he or she otherwise ceases to hold office under the Act or these Articles.

Places of Retiring Directors Not Filled

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

Directors May Fill Casual Vacancies

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

Remaining Directors Power to Act

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

Shareholders May Fill Vacancies

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

Additional Directors

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

(a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this §14.8.

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

Ceasing to be a Director

14.9 A director ceases to be a director when:

(a) the term of office of the director expires;

(b) the director dies;

(c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(d) the director is removed from office pursuant to §14.10 or §14.11.

Removal of Director by Shareholders

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

Removal of Director by Directors

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

Nomination of Directors

14.12

(a) Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):

(i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or

(iii) by any person (a "**Nominating Shareholder**") (A) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (B) who complies with the notice procedures set forth below in this §14.12.

(b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with this §14.12 and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in §14.12(e).

(c) To be timely under §14.12(b)(i), a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:

(i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and

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

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

(d) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company, under §14.12(b)(i) must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (D) a statement as to whether such person would be "independent" of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and

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

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

(f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this §14.12; provided, however, that nothing in this §14.12 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

(g) For purposes of this §14.12:

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

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

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

person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;

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

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

(vi) "**owned beneficially**" or "**owns beneficially**" means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person's Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (B) any such shares as to which such person or any of such person's Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty's Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all

securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and

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

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

(i) In no event shall any adjournment or postponement of a Meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described in §14.12(c) or the delivery of a representation and agreement as described in §14.12(e).

PART 15

POWERS AND DUTIES OF DIRECTORS

Powers of Management

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

Appointment of Attorney of Company

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

PART 16

INTERESTS OF DIRECTORS AND OFFICERS

Obligation to Account for Profits

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

Restrictions on Voting by Reason of Interest

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

Interested Director Counted in Quorum

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

Disclosure of Conflict of Interest or Property

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

Director Holding Other Office in the Company

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

No Disqualification

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

Professional Services by Director or Officer

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

Director or Officer in Other Corporations

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

PART 17

PROCEEDINGS OF DIRECTORS

Meetings of Directors

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

Voting at Meetings

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

Chair of Meetings

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

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

(b) in the absence of the chair of the board, the president, if any, if the president is a director; or

(c) any other director chosen by the directors if:

(i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;

(ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or

(iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

Meetings by Electronic, Telephonic, Hybrid or Other Communications Medium

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

(a) in person; or

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

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

Calling of Meetings

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

Notice of Meetings

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

When Notice Not Required

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

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

(b) the director has waived notice of the meeting.

Meeting Valid Despite Failure to Give Notice

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

Waiver of Notice of Meetings

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

Quorum

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

Validity of Acts Where Appointment Defective

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

Consent Resolutions in Writing

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

(a) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or

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

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

PART 18

EXECUTIVE AND OTHER COMMITTEES

Appointment and Powers of Executive Committee

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

(a) the power to fill vacancies in the board of directors;

(b) the power to remove a director;

(c) the power to change the membership of, or fill vacancies in, any committee of the directors; and

(d) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

Appointment and Powers of Other Committees

18.2 The directors may, by resolution:

(a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;

(b) delegate to a committee appointed under §(a) any of the directors' powers, except:

(i) the power to fill vacancies in the board of directors;

(ii) the power to remove a director;

(iii) the power to change the membership of, or fill vacancies in, any committee of the directors; and

(iv) the power to appoint or remove officers appointed by the directors; and

(c) make any delegation referred to in §(b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

Obligations of Committees

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

(a) conform to any rules that may from time to time be imposed on it by the directors; and

(b) report every act or thing done in exercise of those powers at such times as the directors may require.

Powers of Board

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

(a) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;

(b) terminate the appointment of, or change the membership of, the committee; and

(c) fill vacancies in the committee.

Committee Meetings

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

(a) the committee may meet and adjourn as it thinks proper;

(b) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(c) a majority of the members of the committee constitutes a quorum of the committee; and

(d) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

PART 19

OFFICERS

Directors May Appoint Officers

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

Functions, Duties and Powers of Officers

19.2 The directors may, for each officer:

(a) determine the functions and duties of the officer;

(b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

(c) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

Qualifications

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

Remuneration and Terms of Appointment

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

PART 20

INDEMNIFICATION

Definitions

20.1 In this Part 20:

(a) "**eligible party**", in relation to a company, means an individual who:

(i) is or was a director or officer of the Company;

(ii) is or was a director or officer of another corporation

(A) at a time when the corporation is or was an affiliate of the Company, or

(B) at the request of the Company; or

(iii) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director or officer of a partnership, trust, joint venture or other unincorporated entity;

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

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

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

(i) is or may be joined as a party; or

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

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

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

Mandatory Indemnification of Eligible Parties

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

Indemnification of Other Persons

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

Authority to Advance Expenses

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

Non-Compliance with Act

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

Company May Purchase Insurance

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

PART 21

DIVIDENDS

Payment of Dividends Subject to Special Rights

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

Declaration of Dividends

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

No Notice Required

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

Record Date

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

Manner of Paying Dividend

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

Settlement of Difficulties

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

(a) set the value for distribution of specific assets;

(b) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and

(c) vest any such specific assets in trustees for the persons entitled to the dividend.

When Dividend Payable

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

Dividends to be Paid in Accordance with Number of Shares

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

Receipt by Joint Shareholders

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

Dividend Bears No Interest

21.10 No dividend bears interest against the Company.

Fractional Dividends

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

Payment of Dividends

21.12 Any dividend, bonuses or other distribution payable in money in respect of shares may be paid by cheque sent through the post or by electronic transfer, so authorized by the shareholder, directed to the registered address of the shareholder or the account specified by such

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

Capitalization of Retained Earnings or Surplus

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

PART 22

ACCOUNTING RECORDS AND AUDITOR

Recording of Financial Affairs

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

Inspection of Accounting Records

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

PART 23

NOTICES

Method of Giving Notice

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

(a) mail addressed to the person at the applicable address for that person as follows:

(i) for a record mailed to a shareholder, the shareholder's registered address;

(ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or

the mailing address provided by the recipient for the sending of that record or records of that class;

(iii) in any other case, the mailing address of the intended recipient;

(b) delivery at the applicable address for that person as follows, addressed to the person:

(i) for a record delivered to a shareholder, the shareholder's registered address;

(ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;

(iii) in any other case, the delivery address of the intended recipient;

(c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;

(e) physical delivery to the intended recipient; or

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

Deemed Receipt of Mailing

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

(a) mailed to a person by ordinary mail to the applicable address for that person referred to in §23.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;

(b) faxed to a person to the fax number provided by that person referred to in §23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and

(c) emailed to a person to the e-mail address provided by that person referred to in §23.1 is deemed to be received by the person to whom it was e-mailed on the day that it was emailed.

Certificate of Sending

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

Notice to Joint Shareholders

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

Notice to Legal Personal Representatives and Trustees

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

(a) mailing the record, addressed to them:

(i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and

(ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(b) if an address referred to in §(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

Undelivered Notices

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

PART 24

SEAL

Who May Attest Seal

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

(a) any two directors;

(b) any officer, together with any director;

(c) if the Company only has one director, that director; or

(d) any one or more directors or officers or persons as may be determined by the directors.

Sealing Copies

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

Mechanical Reproduction of Seal

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

PART 25

SPECIAL RIGHTS AND RESTRICTIONS COMMON SHARES

Special Rights and Restrictions Applicable to Common Shares

25.1 There are attached to the Common shares the special rights and restrictions set forth in this Article.

Voting Rights for Common shares

25.2 The holders of the Common shares will be entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and are entitled to one vote for each Common share held.

PART 26

SPECIAL RIGHTS AND RESTRICTIONS PREFERRED SHARES

Special Rights and Restrictions Applicable to Class and Each Series

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

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

(a) determine the maximum number of shares of any of those series of shares that the Company is authorized to issue, determine that there is no maximum number or, if none of the shares of that series is issued, alter any determination so made, and authorize the alteration of the notice of articles accordingly;

(b) alter the articles, and authorize the alteration of the notice of articles, to create an identifying name by which the shares of any of those series of shares may be identified or, if none of the shares of that series is issued, to alter any such identifying name so created;

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

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

them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company except as specifically provided in the special rights and restrictions attached to any particular series.

26.4 Holders of Preferred shares shall only be entitled, as such, to receive notice of, and/or to attend and/or vote at, any general meeting of shareholders of the Company only as provided in the special rights and restrictions attached to any particular series.

Voting Rights for Preferred Shares

26.5 The holders of the Preferred Shares will not be entitled to receive notice of or to attend any general meeting of shareholders of the Company and, if in attendance, will not be entitled to vote at those meetings.

Full name and signature of Director	**Date of signing**
_____ ●	

SCHEDULE "B"
CBCA DISSENT PROVISIONS

[See attached]

CBCA DISSENT PROVISIONS

CANADA BUSINESS CORPORATIONS ACT
SECTION 190 – RIGHT TO DISSENT

Right to dissent

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

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

Further right

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

If one class of shares

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

Payment for shares

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

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

Share certificate

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

Forfeiture

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

Endorsing certificate

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

Suspension of rights

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

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9), in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

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

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

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

Venue

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

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

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

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

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

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

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

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

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

Effect where subsection (26) applies

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

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

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.