



**BSM TECHNOLOGIES INC.
NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR**

**For the Annual General and Special Meeting of
Shareholders to be held at:**

**The National Club, Blake Lounge
303 Bay Street
Toronto, Ontario M5H 2R1
on Thursday, March 23, 2017
at 4:00 p.m.**

DATED: February 8, 2017

BSM TECHNOLOGIES INC.

Notice of Annual General and Special Meeting of Shareholders

To be Held on Thursday, March 23, 2017 at 4:00 p.m. (Toronto time)

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of holders of common shares (“**Shareholders**”) of BSM Technologies Inc. (the “**Company**”) will be held at The National Club, the Blake Lounge, 303 Bay Street, Toronto, Ontario M5H 2R1 on Thursday, March 23, 2017 at 4.00 p.m. (Toronto time) for the following purposes:

1. to receive and consider the financial statements of the Company for the fiscal year ended September 30, 2016, together with the auditors’ report thereon;
2. to elect the directors of the Company for the ensuing year, as more particularly described under the heading “*Business of Meeting – Election of Directors*” in the Company’s management information circular dated February 8, 2017 (the “**Circular**”);
3. to re-appoint PricewaterhouseCoopers LLP as the auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration, as more particularly described under the heading “*Business of Meeting – Appointment of Auditors*” in the Circular;
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the repeal of By-Law No. 4 to be replaced in its entirety by a new Amended By-Law No. 4, as more particularly described under the heading “*Business of Meeting – Approval of Amended By-Law No. 4*” in the Circular;
5. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

This notice is accompanied by the Circular, either a form of proxy for registered Shareholder or a voting instruction form for beneficial Shareholder (collectively, the “**Meeting Materials**”). Shareholders are able to request to receive copies of the Company’s audited consolidated annual financial statements, together with the auditor’s report thereon and the related management’s discussion and analysis (“**MD&A**”) and/or interim consolidated financial statements and related MD&A by marking the appropriate box on the form of proxy or voting instruction form, as applicable. The audited consolidated financial statements of the Company for the fiscal year ended September 30, 2016, together with the auditor’s report thereon and the related MD&A was sent to those Shareholders who previously requested to receive it. Otherwise, it is available upon request to the Company by email at InvestorRelationsGroup@bsmtechnologies.com and can also be found under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com or on the Company’s website at www.bsmwireless.com/ir/reports-and-filings.

Similar to last year, this year the Company has decided to deliver the Meeting Materials to Shareholders utilizing the notice-and-access mechanism that came into effect on February 11, 2013 under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer*. This means the Company will deliver the Meeting Materials to Shareholders by posting the Meeting Materials on its website at www.bsmwireless.com/ir/reports-and-filings. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs. The Meeting Materials will be available on the Company’s website as of February 8, 2017, and will remain on the website for one full year thereafter. In addition, the Meeting Materials will also be available under the Company’s profile on SEDAR at www.sedar.com as of February 8, 2017.

Prior to the Meeting, those Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-888-822-2768 or direct, from outside of North

America at (416) 675-1201. For up to one year after the Meeting, those Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-888-822-2768 or by email at InvestorRelationsGroup@bsmtechnologies.com. Meeting Materials will be sent to such Shareholders at no cost within three business days of their request, if such requests are made before the Meeting. In order to receive paper copies of the Meeting Materials in advance of the proxy deposit deadline, as set out below, your request should be received no later than March 13, 2017.

If you would like more information about the “notice-and-access” rules, please contact the Company by calling toll-free in North America at 1-888-822-2768.

Shareholders are invited to attend the Meeting. *Registered Shareholders* who are unable to attend the Meeting in person are requested to complete, date and sign the form of proxy and send it to the Corporate Secretary of the Company c/o Computershare Investor Services Inc. (“**Computershare**”), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, Facsimile: 1-866-249-7775. Electronic voting is also available for this Meeting through www.investorvote.com and telephone voting is available. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. *Non-Registered Shareholders* who receive the Meeting Materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided by their broker or intermediary.

The Company’s board of directors (the “**Board**”) has fixed the close of business on January 31, 2017, as the record date for determining Shareholders entitled to receive notice of and to vote at the Meeting and any adjournments or postponements thereof. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting.

The Board has, by resolution, fixed 4:00 p.m. (Eastern Daylight Time) on March 21, 2017, or 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company’s transfer agent. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

DATED at Toronto, Ontario, this 8th day of February, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS OF
BSM TECHNOLOGIES INC.**

(signed) Aly Rahemtulla

President and Chief Executive Officer

BSM TECHNOLOGIES INC.
Management Information Circular
for the
Annual General and Special Meeting of Shareholders
to be held on
Thursday, March 23, 2017

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GENERAL INFORMATION FOR THE MEETING

Time, Date and Place of Meeting

This management information circular (the “**Circular**”) is provided in connection with the solicitation, by or on behalf of the management of BSM Technologies Inc. (the “**Company**”), of proxies for use at the Company’s annual general and special meeting (the “**Meeting**”) of the holders (collectively, the “**Shareholders**”, or individually, a “**Shareholder**”) of common shares (the “**Common Shares**”) of the Company to be held at **The National Club, the Blake Lounge, 303 Bay Street, Toronto, Ontario M5H 2R1 on Thursday, March 23, 2017 at 4:00 p.m.** (Eastern Daylight Time) and for the purposes set forth below or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the “**Notice**”).

Unless otherwise stated herein, the information contained in this Circular is given as of February 8, 2017. All dollar amounts referenced in this Circular are stated in Canadian dollars. Information set forth herein as to shareholdings is based upon information supplied by the respective persons holding such Common Shares.

Record Date

The Company has fixed the close of business on January 31, 2017, as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject, in the case of voting by proxy, to the timely deposit of a properly completed, signed and dated proxy with the Company’s transfer agent and registrar, Computershare Investor Services Inc. (“**Computershare**”), as specified herein and in the Notice).

All holders of Common Shares of record at the close of business on the Record Date are entitled to vote the Common Shares registered in such Shareholder’s name at that date on each matter to be acted upon at the Meeting. The failure of any Shareholder to receive a copy of the Notice does not deprive a Shareholder of the right to vote at the Meeting.

Solicitation of Proxies

The enclosed proxy is being solicited by the management of the Company for use at the Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of communication by the directors, officers and employees of the Company, none of whom will be specifically remunerated therefor. The cost of any such solicitation will be borne by the Company.

In accordance with applicable securities law requirements, the Company will have distributed copies of the notice-and-access notification, the Notice, this Circular, and, as applicable, a form of proxy (which includes a consent to electronic delivery and a place to request copies of the Company’s audited annual consolidated financial statements, together with the auditor’s report thereon, and the related management’s discussion and analysis (“**MD&A**”) and/or interim consolidated financial statements and related MD&A) or voting instruction form (“**VIF**”) (collectively, the “**Meeting Materials**”). Similar to last year, this year, the Company has decided to use notice-and-access to deliver the Meeting Materials to Shareholders by posting the Meeting Materials on its website at www.bsmwireless.com/ir/reports-and-filings. The Meeting Materials will also be available under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com as of February 8, 2017. Shareholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Please see “*Notice-and-Access*” below.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with intermediaries (collectively, the “**Intermediaries**”, or individually, an “**Intermediary**”) or their nominees (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans) to forward the Meeting Materials to the Objecting Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward the Meeting Materials to Objecting Beneficial Shareholders unless an Objecting Beneficial Shareholder has waived the right to receive them. The Company has elected to pay for the delivery of the Meeting Materials to Objecting Beneficial Shareholders by the Intermediaries. The Company is sending the Meeting Materials directly to Non-Objecting Beneficial Shareholders (as defined below), through the services of Computershare.

Shareholders will also receive access to a supplementary mailing list return card to be used to request inclusion on the Company’s supplementary mailing list for its annual and interim financial statements.

All references to Shareholders in this Circular, the accompanying instrument of proxy and the Notice are to registered Shareholders unless specifically noted otherwise.

Appointment and Revocation of Proxies

The individuals named as proxyholders in the instrument of proxy accompanying this Circular are representatives of the Company’s management. **A Shareholder who wishes to appoint another person (who need not be a Shareholder) as his or her representative at the Meeting may do so by either: (a) crossing out the names of the designated proxyholders and printing the other person’s name in the blank space provided; or (b) completing another valid instrument of proxy.** In either case, the completed instrument of proxy must be delivered to Computershare at the place and within the time limits specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the designated proxyholders should notify the designated proxyholder(s), obtain his or her consent to act as proxy, and provide instructions on how the Shareholder’s Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In all cases the instrument of proxy should be dated and executed by a Shareholder or an attorney duly authorized in writing (with proof of such authorization attached, in the case where an appointed attorney has executed the instrument of proxy).

An instrument of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Company, c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, Facsimile 1-866-249-7775, not less than 48 hours before the time for holding the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays. Electronic voting is also available for this Meeting through www.investorvote.com and telephone voting is available. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy.

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it, any time before it is exercised, by an instrument in writing executed by such Shareholder or by his or her attorney authorized in writing and deposited either at the registered office of the Company (BSM Technologies Inc., 75 International Blvd., Suite 100, Toronto, ON M9W 6L9. Attention: Corporate Secretary) at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof.

Voting of Proxies

The persons named in the form of proxy have been selected by the directors of the Company and have indicated their willingness to represent Shareholders that appoint them as proxy. Each Shareholder may instruct his or her proxy how to vote his or her Common Shares by completing the blanks on the proxy form.

Common Shares represented by properly executed proxy forms in favour of the person designated on the proxy form will be voted or withheld from voting in accordance with the instructions given on the proxy forms and if a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. In the absence of such instructions, such Common Shares **WILL BE VOTED FOR THE APPROVAL OF ALL RESOLUTIONS IN THIS CIRCULAR.**

The form of proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice and with respect to any other matters which may properly come before the Meeting. As of the date hereof, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to Shareholders who do not hold their Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. 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 such Shareholder’s name on the records of the Company. 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), which acts as a nominee for many Canadian brokerage firms. Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients.

The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires Intermediaries 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, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically mails the VIFs or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instructions forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting

the voting of Common Shares held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance.

Note to Non-Objecting Beneficial Shareholders

Beneficial Shareholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own (the “**Objecting Beneficial Shareholders**”) and those who do not object to their identity being made known to the issuers of the securities they own (the “**Non-Objecting Beneficial Shareholders**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their Non-Objecting Beneficial Shareholders from Intermediaries via their transfer agent in order to distribute the Meeting Materials directly to such Non-Objecting Beneficial Shareholders. The Company is taking advantage of those provisions of NI 54-101, which permit the Company to send the Meeting Materials directly to Non-Objecting Beneficial Shareholders.

If you are a Non-Objecting Beneficial Shareholder, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

By choosing to send these materials to you directly, the Company (and not the Intermediary holding the Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified therein.

A Beneficial Shareholder may revoke a VIF or a waiver of the right to receive materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a VIF or of a waiver of the right to receive materials and to vote, which is not received by the Intermediary at least seven days prior to the Meeting.

Electronic Delivery of Documents

Every year, as required by laws governing public companies, the Company delivers documentation to Shareholders. To make this process more convenient, Shareholders may choose to be notified by email when the Company’s documentation, including the Meeting Materials, is posted on the Company’s website (www.bsmwireless.com/ir/reports-and-filings) and, accordingly, such documentation will not be sent in paper form by mail.

Delivery in an electronic format, rather than paper, reduces costs to the Company and benefits the environment. Shareholders **who do not** consent to receive documentation through email notification will continue to receive such documentation by mail or otherwise, in accordance with securities laws.

By consenting to electronic delivery, Shareholders: (i) agree to receive all documents to which they are entitled electronically, rather than by mail; and (ii) understand that access to the Internet is required to receive a document electronically and certain system requirements must be installed (currently Adobe Acrobat Reader to view Adobe’s portable document format (“**PDF**”). Such documents may include the interim consolidated financial statements and corresponding MD&A, the annual audited consolidated financial statements and corresponding MD&A, the notice of annual and/or special meetings of Shareholders, the related management information circular, other proxy-related materials and other corporate information about the Company.

At any time, the Company may elect not to send a document electronically, or a document may not be available electronically. In either case, a paper copy will be mailed to Shareholders.

Registered Shareholders can consent to electronic document delivery by completing and returning the consent included in the form of proxy accompanying the Meeting Materials to Computershare. Beneficial Shareholders can consent to electronic delivery by completing and returning the appropriate form received from the applicable Intermediary. The Company will notify Shareholders using the email address provided by the Shareholder on the form of proxy when the documents the Shareholder is entitled to receive are posted on the Company's website, with a link to the specific pages of the website containing the PDF document. Shareholders are not required to consent to electronic delivery.

Notice-and-Access

In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendment to securities laws governing the delivery of proxy-related materials by public companies. The notice-and-access mechanism came into effect on February 11, 2013 under NI 54-101. As a result, public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing physical copies of the materials.

The Company has decided to deliver the Meeting Materials to Shareholders by posting the Meeting Materials on its website www.bsmwireless.com/ir/reports-and-filings. The Meeting Materials will be available on the Company's website as of February 8, 2017, and will remain on the website for one full year thereafter. In addition, the Meeting Materials will also be available on SEDAR at www.sedar.com as of February 8, 2017.

All Shareholders entitled to receive the Meeting Materials will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Prior to the Meeting, those Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-888-822-2768 or direct, from outside of North America at (416) 675-1201. For up to one year after the Meeting, those Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-888-822-2768 or by email at InvestorRelationsGroup@bsmtechnologies.com. Meeting Materials will be sent to such Shareholders at no cost within three business days of their request, if such requests are made before the Meeting. To receive paper copies of the Meeting Materials in advance of the proxy deposit deadline, as set out below, your request should be received no later than March 13, 2017.

If you would like more information about the "notice-and-access" rules, please contact the Company by calling toll-free in North America at 1-888-822-2768.

Interest of Certain Persons or Companies in Business of Meeting

No (a) director or executive officer of the Company who has held such position at any time since the beginning of the fiscal year ended September 30, 2016; (b) proposed nominee for election as a director of the Company; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than directors of the Company having an interest in the election of directors.

Quorum

The quorum for the Meeting is two persons present in person, each being a Shareholder entitled to vote thereat or a duly appointed proxy or proxyholder for an absent Shareholders so entitled, holding or representing in the aggregate not less than 25% of the issued Common Shares of the Company enjoying voting rights at such meeting.

Voting Securities and Principal Holders Thereof

The authorized capital of the Company consists of: (i) an unlimited number of Common Shares, of which 82,599,471 Common Shares are issued as at the Record Date, of which 1,254,370 Common Shares are issued in escrow, the release of which is subject to future performance conditions outlined in the applicable escrow agreements; (ii) an unlimited number of First Preferred Shares without nominal or par value, of which Nil First Preferred Shares are issued and outstanding as at the Record Date; and (iii) an unlimited number of Second Preferred Shares without nominal or par value, of which Nil Second Preferred Shares are issued and outstanding as at the Record Date. Each Common Share carries the right to one vote per Common Share. No other voting securities are issued and outstanding as of the Record Date.

To the knowledge of the directors and the executive officers of the Company, as at the Record Date, no person beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued and outstanding Common Shares, other than as set out below:

Name of Shareholder	Number of Common Shares ⁽¹⁾	Percentage of Common Shares ⁽¹⁾⁽²⁾
Crescendo Advisors II LLC ⁽³⁾	8,344,800	10.10

Notes:

- (1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information and/or furnished by the Shareholder(s) listed above.
- (2) Calculated on a non-diluted basis on the basis of 82,599,471 Common Shares issued and outstanding as at February 8, 2017.
- (3) Crescendo Advisors II LLC (“**Crescendo Advisors**”) is the investment manager of each of Crescendo Partners II LP, Series R2 and Crescendo Partners III LP (collectively, the “**Crescendo Funds**”) and in such capacity has discretionary investment management authority over the investment portfolio of each Crescendo Fund and has control or direction over the securities held by each of them. Crescendo Advisors, together with its joint actors, the Crescendo Funds and Jamarant Capital, L.P. (“**Jamarant**”), have ownership and control over an aggregate of 8,344,800 Common Shares, representing approximately 10.10% of the issued and outstanding Common Shares. Jamarant is a company controlled by Messrs. Gregory Monahan and David D. Sgro who are directors of the Company.

BUSINESS OF MEETING

To the knowledge of the board of directors of the Company (the “**Board**”) and management of the Company, the only matters to be brought before the Meeting are those set out in the accompanying Notice and more particularly detailed below. **However, if other matters, which are not known to the management, should properly come before the meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.**

Presentation of Audited Annual Consolidated Financial Statements and the Auditor’s Report

The Company’s audited annual consolidated financial statements for the fiscal year ended September 30, 2016 (the “**2016 F/S**”), the report of the auditors thereon and the related MD&A (the “**2016 MD&A**”) were sent to Shareholders who requested a copy of such documents, and are additionally available under the Company’s profile on SEDAR at www.sedar.com and on the Company’s website at www.bsmwireless.com/ir/reports-and-filings. Pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”) and the Company’s by-laws, the Company will submit to Shareholders at the Meeting the 2016 F/S of the Company and the auditors’ report thereon. No formal action will be taken at the Meeting to approve the 2016 F/S, which were approved by the Board on recommendation by the Audit Committee of the Board (the “**Audit Committee**”) prior to their delivery to the Shareholders.

Election of Directors

The Company’s Articles of Amendment dated December 19, 1996 provide that the Board shall consist of a minimum of three and a maximum of 11 directors. The Company currently has seven directors and the Board has fixed the number of directors to be elected at the Meeting at seven. The following seven persons whose names are set out below (the “**Nominees**”) have been nominated by the Board for election as directors at the Meeting. The

following table sets forth the name, province or state and country of residence and principal occupation during the prior five year period of each Nominee and the number of voting securities of the Company beneficially owned, or over which control or direction is exercised, directly or indirectly, by each Nominee.

In addition, below are the biographies of each Nominee. For additional information regarding the current directors' meeting attendance and fees, please see "Director Compensation and Corporate Governance".

The Board adopted a policy regarding majority voting for the election of directors on January 19, 2012, which was amended by the Board on February 11, 2016. If, in an uncontested election of directors, the number of Common Shares "withheld" for any director nominee exceeds the number of Common Shares voted "for" such nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, he or she shall immediately tender his or her written resignation to the Board. The Compensation, Governance and Nominating Committee of the Board (the "CGN Committee") will consider such offer of resignation and will make a recommendation to the Board concerning the acceptance or rejection of the resignation. The Board will accept the resignation absent exceptional circumstances, and such resignation will be effective when accepted by the Board. In its deliberations, the CGN Committee may consider such extenuating circumstances as it deems appropriate. The Board must take formal action on the CGN Committee's recommendation within 90 days of the date of the applicable meeting of Shareholders and promptly announce its decision by press release, a copy of which shall be provided to the Toronto Stock Exchange (the "TSX"). If the Board declines to accept the resignation, such press release will fully state the reason or reasons for its decision.

At the Meeting, Shareholders will be entitled to cast their votes for, or withhold their votes from, the election of each Nominee.

Name, Province or State and Country of Residence	Director Since ⁽¹⁾	Principal Occupations During the Last Five Years ⁽²⁾	Common Shares Beneficially Owned or Controlled ⁽³⁾		BSM Options, BSM Replacement Options, DSUs and RSUs Beneficially Owned or Controlled ⁽³⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾
			Number	% of Total ⁽⁴⁾	
Andrew Gutman ⁽⁸⁾⁽⁹⁾ Utah, United States	September 30, 2015	Chief Executive Officer of Webtech; Consultant	253,299	0.31	106,800 BSM Replacement Options 70,979 DSUs
Aly Rahemtulla ⁽¹²⁾ Ontario, Canada	January 23, 2006	President and Chief Executive Officer of BSM	1,090,635	1.32	270,500 Options 899,312 RSUs
Frank Maw ⁽⁹⁾⁽¹⁰⁾ Ontario, Canada	June 10, 2008	Consultant to IT industry	88,400	0.11	75,000 Options 62,990 DSUs
Leonard Metcalfe ⁽⁸⁾ British Columbia, Canada	September 30, 2015	Retired; Former Chairman of LMI Technologies Inc.	70,519	0.09	45,490 DSUs
David D. Sgro ⁽¹¹⁾⁽¹³⁾ New Jersey, United States	June 28, 2016	Senior Managing Director of Crescendo, L.P.	428,103	0.52	37,694 DSUs

Name, Province or State and Country of Residence	Director Since ⁽¹⁾	Principal Occupations During the Last Five Years ⁽²⁾	Common Shares Beneficially Owned or Controlled ⁽³⁾		BSM Options, BSM Replacement Options, DSUs and RSUs Beneficially Owned or Controlled ⁽³⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾
			Number	% of Total ⁽⁴⁾	
Gregory Monahan ⁽⁸⁾⁽¹³⁾ Connecticut, United States	June 28, 2016	Senior Managing Director of Crescendo, L.P.	428,103	0.52	37,694 DSUs
Kelly Edmison ⁽⁸⁾ British Columbia, Canada	June 28, 2016	Chairman of Penderfund Capital Management Ltd.	6,859,992 ⁽¹⁴⁾	8.31 ⁽¹⁴⁾	37,694 DSUs

Notes:

- (1) Each director's term will continue until the next annual meeting of the Shareholders at which time it will expire or until the director resigns, becomes ineligible or unable to serve or until his or her successor is elected or appointed.
- (2) The information as to principal occupations, not being within the direct knowledge of the Company, has been furnished by the respective Nominees.
- (3) The information as to the number of Common Shares, stock options ("Options"), BSM Replacement Options (as defined herein), deferred share units ("DSUs") and restricted share units ("RSUs") beneficially owned, or over which control or direction is exercised, directly or indirectly, not being within the direct knowledge of the Company, has been furnished by the respective Nominees or obtained from the System for Electronic Disclosure by Insiders ("SEDI") and may include Common Shares owned or controlled by their spouses and/or children and/or companies controlled by them or their spouses and/or children.
- (4) Percentage of total Common Shares is based on 82,599,471 Common Shares issued as of February 8, 2017.
- (5) On September 30, 2015, the Company acquired all of the issued and outstanding common shares (the "Webtech Shares") of Webtech Wireless Inc. ("Webtech") and Webtech became a wholly-owned subsidiary of the Company, in connection with the business combination of the Company and Webtech by way of a court-approved plan of arrangement (the "Webtech Acquisition") involving the Company, Webtech and 1044266 B.C. Ltd. ("Subco"), a wholly-owned subsidiary of the Company. As part of the Webtech Acquisition, Webtech was amalgamated with Subco to form a new corporate entity continuing under the name of "Webtech Wireless Inc.". Under the terms of the Webtech Acquisition, each Webtech Share was exchanged for the issuance by the Company of \$0.52 in cash plus 2.136 Common Shares of the Company. In addition, all of the outstanding options of Webtech, whether vested or unvested, were deemed to have been exchanged under the Webtech Acquisition for an option (a "BSM Replacement Option") to acquire Common Shares of the Company. The term to expiry, conditions to and manner of exercising the BSM Replacement Options are the same as the Webtech option for which it was exchanged. Further information with respect to the Webtech Acquisition can be found in the joint management information circular of the Company and Webtech dated August 19, 2015 (the "Joint Circular") which is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.bsmwireless.com/ir/reports-and-filings.
- (6) DSUs are granted pursuant to the Company's deferred share unit plan (the "DSU Plan") and do not vest until there is loss of directorship.
- (7) RSUs are granted pursuant to the Company's restricted share unit plan (the "RSU Plan") and, generally, do not vest until the third anniversary of the RSU grant date.
- (8) Member of the Compensation, Governance and Nominating Committee of the Board (the "CGN Committee").
- (9) Member of the Audit Committee.
- (10) Chair of the CGN Committee.
- (11) Chair of the Audit Committee.
- (12) Mr. Rahemtulla, through the Adrienne Farquhar RRSP, a spousal RRSP over which he has direct or indirect control or direction over, owns an aggregate of 31,031 Common Shares. Mr. Rahemtulla, through the Aly Rahemtulla RRSP, his personal RRSP, owns an aggregate of 157,714 Common Shares. Mr. Rahemtulla, through the Aly Rahemtulla TFSA, his personal TFSA, owns an aggregate of 12,653 Common Shares. Mr. Rahemtulla, through ANR Automotive Assets Inc., a company under his control, owns or controls, directly or indirectly, an aggregate of 62,685 Common Shares. Mr. Rahemtulla, through ANR Capital Inc., a company under his control, owns or controls, directly or indirectly, an aggregate of 769,050 Common Shares. Mr. Rahemtulla, through DTM Holdings Inc., a company under his control, owns or controls, directly or indirectly, an aggregate of 12,500 Common Shares. Mr. Rahemtulla directly owns an aggregate of 45,002 Common Shares.
- (13) Messrs. David D. Sgro and Gregory Monahan, through Jamarant, a company under their control, own or control, directly or indirectly, an aggregate of 428,103 Common Shares. In addition, Messrs. Sgro and Monahan are senior managing directors of the Crescendo Advisors which, through the Crescendo Funds, own an aggregate of 7,913,997 Common Shares. Notwithstanding Messrs. Sgro and Monahan positions with the Crescendo Funds, Messrs. Sgro and Monahan do not have control or direction, whether direct or indirect, over the securities of the Crescendo Funds. Please see "Voting Securities and Principal Holders Thereof" above for additional details.
- (14) Mr. Edmison is the Chairman of PenderFund Capital Management Ltd. ("Pender"). Pender manages various mutual funds and pools which, collectively, beneficially own or control, directly or indirectly, an aggregate of 6,859,992 Common Shares. Notwithstanding Mr. Edmison's position with Pender, Mr. Edmison does not have control or direction, whether direct or indirect, over the securities of Pender.

As at the date of this Circular, to the Company's knowledge, the current and proposed directors of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over 9,219,992 Common Shares, representing approximately 11.16% of the issued and outstanding Common Shares (on a non-diluted basis).

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF EACH OF THE NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER, OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS; HOWEVER, IF FOR ANY REASON, ANY OF THE NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

Director Biographies

Andrew Gutman, Non-Executive Chairman of the Board

Mr. Gutman joined the Company as a director in September 2015, and is a member of the CGN Committee and the Audit Committee. Mr. Gutman has more than 10 years of experience in private equity/venture capital, as well as 15 years of experience in managing and/or advising profitable, growth and acquisition oriented software companies. In addition to his role as the prior Chief Executive Officer of Webtech, Mr. Gutman was also the Chief Executive Officer of Speedware Corporation ("**Speedware**") from 2001 to 2005 where he led the growth of the company from approximately \$15 million in revenues to \$62 million (\$16 million EBITDA) through a combination of acquisitions and successful execution of internal growth strategies. During this period, Speedware's market capitalization increased from approximately \$5 million in 2001 to \$143 million in 2005 when it was sold to Activant Solutions Inc. Mr. Gutman is currently a consultant to several technology companies.

Aly Rahemtulla, Director, President and Chief Executive Officer

Mr. Rahemtulla joined the Company as a director in January 2006, and is also the President and Chief Executive Officer of BSM. In addition to his role with BSM, Mr. Rahemtulla is also Chairman of ANR Capital Inc. and its subsidiary Onbelay Automotive Inc. Prior to joining BSM, Mr. Rahemtulla was a management consultant with A.T. Kearney Limited providing direction on corporate strategy to Fortune 100 corporations until 2004. With 12 plus years of experience in executive roles, Mr. Rahemtulla has led numerous strategic initiatives and corporate developments. Mr. Rahemtulla holds an honours degree in business administration from the Richard Ivey School of Business at the University of Western Ontario, is a local chapter and international member of the Young Presidents of Ontario and is a member of the Institute of Corporate Directors (ICD.D.).

Frank Maw, Independent Director

Mr. Maw joined the Company as a director in June 2008, and is the Chair of the CGN Committee and a member of the Audit Committee. Mr. Maw was a past President of Motorola Canada Limited having retired after 35 years of senior management experience in the information and communications technology and the consumer products industries. Mr. Maw is a graduate of the University of Western Ontario and has served as the Chairman of ITAC (Information and Telecommunications Technology Association of Canada), as a director on the Toronto Board of Trade, as the Chairman of the Canadian Wireless Telecommunications Association and President of the original Paging Services Council of Canada. Mr. Maw was the Chairman of Netistix Technologies Corporation which was acquired by BSM in December 2007.

Leonard Metcalfe, Independent Director

Mr. Metcalfe joined the Company as a director in September 2015, and is a member of the CGN Committee. Mr. Metcalfe is the former Chairman, Chief Executive Officer and director of LMI Technologies Inc. (“LMI”) and was with LMI from 1997 to 2011, when it was acquired by AUGUSTA Technologie AG. LMI supplied machine vision systems for various manufacturing industries from its offices in Canada, USA, Sweden, Ireland and The Netherlands. Mr. Metcalfe is a member of the International Society of Optical Engineers. Mr. Metcalfe received a Diploma of Technology in Control Electronics from the British Columbia Institute of Technology in Vancouver, in 1973.

David D. Sgro, Independent Director

Mr. Sgro joined the Company as a director in June 2016, and is the Chair of the Audit Committee. Mr. Sgro is a Senior Managing Director of Crescendo Partners, L.P. and has held various positions at Crescendo Partners since May 2005. He is also a Managing Member and Head of Research for Jamarant, a private investment fund. Mr. Sgro has served as a director of Hill International, a construction project management and claims consulting company, since August 2016. Mr. Sgro has also served as a director of Imvescor Restaurant Group, a restaurant franchisor, since March 2016 and as an officer of Harmony Merger Corp., a Special Purpose Acquisition Company, since May 2014. Mr. Sgro has been a director, and member of the audit committee of Pangaea Logistics Solutions Ltd., a provider of seaborne dry bulk transportation services to industrial customers, since October 2014. He previously served on the board of directors of Com Dev International Ltd., a supplier of space equipment and services; SAExploration Holdings, Inc., a provider of seismic data services to the oil and gas industries; Primoris Corporation, a speciality construction company; Bridgewater Systems, Inc., a telecommunications software provider; and Harmony Merger Corp., Quartet Merger Corp., and Trio Merger Corp., special purpose acquisition companies. Mr. Sgro is a Chartered Financial Analyst (CFA) Charterholder and holds a B.S. in Finance from The College of New Jersey and an M.B.A. from Columbia Business School.

Gregory Monahan, Independent Director

Mr. Monahan joined the Company as a director in June 2016, and is a member of the CGN Committee. Mr. Monahan has been a Senior Managing Director of Crescendo Partners, L.P., a New York-based investment firm, since December 2014 and has held various positions at Crescendo Partners since May 2005. He is also a Managing Member and Portfolio Manager for Jamarant Capital LP, a private investment firm. Previously, Mr. Monahan was the co-founder of Bind Network Solutions, a consulting firm focused on network infrastructure and security. Mr. Monahan is currently on the board of directors of Absolute Software Corp., a leader in firmware-embedded endpoint security and management for computers and ultra-portable devices. He also serves on the board of directors of Cott Corporation, a leading provider in the direct-to-consumer beverage services industry as well as one of the world’s largest producers of beverages on behalf of retailers, brand owners and distributors. He previously served on the board of COM DEV International Ltd., a supplier of space equipment and services, SAExploration Holdings Inc., a seismic data services company, ENTREC Corporation, a heavy haul and crane services provider, Bridgewater Systems, a telecommunications software provider, and O’Charley’s Inc., a multi-concept restaurant company. Mr. Monahan earned his Bachelor of Science degree in Mechanical Engineering from Union College and his M.B.A from Columbia Business School.

Kelly Edmison, Independent Director

Mr. Edmison joined the Company as a director in June 2016, and is a member of the CGN Committee. Mr. Edmison has been active in the business community for almost 40 years. Currently, Mr. Edmison is Chairman of Penderfund Capital Management Ltd., which manages a venture fund and a variety of value based mutual funds. Previously, Mr. Edmison was a lawyer for 25 years having spent his early years in Calgary and Hong Kong and then the core of his practicing years focused on the technology industry in Vancouver. In 2002, he founded Pender Financial and PenderFund Capital which he led until recently. For over 20 years, Mr. Edmison has been an officer and director of

many public and private technology companies. Mr. Edmison is a graduate of the University of Toronto and Queen's University.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

The following information, not being within the knowledge of the Company, has been furnished by each respective Nominee.

No Nominee is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or chief executive officer or chief financial officer of any company (including the Company) that: (a) was the subject of an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

No Nominee: (a) is, as at the date of this Circular, or was within 10 years before the date hereof a director or executive officer of a corporation (including the Company) 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; or (b) has within the 10 years before the date hereof, 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 director or proposed director.

No Nominee has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investor decision.

Appointment of Auditors

The independent auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants ("PwC"), located at PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2. PwC were first appointed auditors of the Company on October 14, 2011. The Board reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Company. PwC did not have any reservation in their auditor's reports for the financial statements of the Company for the fiscal years ended September 30, 2016 and 2015. The directors of the Company propose to nominate PwC for re-appointment as the auditor of the Company to hold office until the next annual meeting of Shareholders.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE RESOLUTION AUTHORIZING THE APPOINTMENT OF PWC AS AUDITOR OF THE COMPANY TO HOLD OFFICE FOR THE ENSUING YEAR AT A REMUNERATION TO BE FIXED BY THE BOARD, UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

Approval of Amended By-Law No. 4

On April 7, 2014, the Board approved a new By-Law No. 4 (“**By-Law No. 4**”) replacing the previous general By-Law No. 2A and borrowing By-Law No. 3. Subsequently, on February 2, 2017, the Board repealed By-Law No. 4 and approved an amended By-Law No. 4 (“**Amended By-Law No. 4**”) in order to align the by-law with recent updates to evolving industry guidelines and to incorporate other amendments of a housekeeping nature.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to approve, with or without variation, an ordinary resolution authorizing the repeal of the By-Law No. 4 to be replaced in its entirety by Amended By-Law No. 4, the full text of which is set forth as Schedule “A” hereto.

Specific enhancements to Amended By-Law No. 4 include, among others:

1. Revising Section 2.01 to confirm that the Company does not have to have a corporate seal and documents signed by directors, officers or agents are not invalid because the corporate seal was not affixed.
2. Adding Section 2.04 to allow documents to be signed on behalf of the Company without further authorization if they are signed in accordance with the Company’s policies and procedures in place from time to time. The remaining items of Section 2 were renumbered.
3. Reorganizing Section 3.04, the advance notice section, to provide greater clarity.
4. Adding Section 5.13 to permit the Board to require such officers, employees and agents of the Company as the Board deems necessary to furnish bonds for faithful discharge of their powers and duties.
5. Updating Section 11.01 and Section 11.02 to outline the use of technology for voting by shareholders, signatures on documents, the delivery of notices or other documents and/or to specify what constitutes proof of delivery to align with currently available technology.
6. Updating each of the following Sections to add officer titles, such as Chief Financial Officer, Chief Operating Officer, and Senior Vice-President, as applicable, to the list of officers who may take certain actions, or to revise the title of Secretary to Corporate Secretary to align the by-law with current practice: Section 2.03, Section 3.04, Section 3.11, Section 3.16, Section 5.01, Section 5.04, Section 5.05, Section 9.09, Section 9.14, Section 11.01, Section 11.03.

The Board has approved Amended By-Law No. 4, subject to Shareholder approval.

The Board recommends the adoption of the resolution relating to Amended By-Law No. 4 (the “**By-Law Resolution**”). To be effective, the By-Law Resolution must be approved by not less than a majority of the votes cast by the Shareholders present in person, or represented by proxy, at the Meeting.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO RATIFY, ADOPT AND APPROVE AMENDED BY-LAW NO. 4., UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST THE RESOLUTION.

The text of the resolution to be passed is set out below:

“IT IS HEREBY RESOLVED, THAT:

- (1) Amended By-Law No. 4 in the form set forth in Schedule “A” to the Circular, be and is hereby ratified, confirmed and approved;
- (2) By-Law No. 4 be and is hereby repealed as of the coming into force of Amended By-Law No. 4; and

- (3) any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to this resolution.”

Other Business

If other items of business are properly brought before the Meeting or any adjournment thereof, you (or your proxyholder, if you are voting by proxy) can vote as you see fit. We are not aware of any other items of business to be considered at the Meeting.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this compensation discussion and analysis is to provide information about the Company’s executive compensation philosophy, objectives and processes and to discuss compensation decisions relation to the Company’s President and Chief Executive Officer, Chief Financial Officer, and, if applicable, its three most highly compensated individuals acting as, or in a like capacity as, executive officers of the Company whose total compensation for the most recently completed financial year was individually equal to more than \$150,000 (the “NEOs” or “Named Executive Officers”) for the Corporation’s most recently completed fiscal year, being the fiscal year ended September 30, 2016. The five NEOs of the Company during the fiscal year ended September 30, 2016, were: (i) Aly Rahemtulla, President and Chief Executive Officer; (ii) Louis De Jong, Chief Financial Officer and Corporate Secretary; (iii) Lawrence (Larry) Juba, Chief Operating Officer; (iv) Peter Callaghan, Chief Sales Officer; and (v) Alban Hoxha, Chief Technology Officer (collectively, the “C-Level Officers”).

Compensation, Governance and Nominating Committee

The CGN Committee is appointed by the Board to assist in fulfilling its corporate governance responsibilities under applicable laws, to assist in setting director and executive compensation, to assist in administering the Company’s equity incentive plans and to develop and submit to the Board recommendations with respect to other compensation, governance and employee benefits matters as the CGN Committee sees fit.

As of the date of this Circular, the CGN Committee was comprised of five directors, namely Mr. Frank Maw (Chair), Mr. Andrew Gutman, Mr. Leonard Metcalfe, Mr. Gregory Monahan and Mr. Kelly Edmison.

The CGN Committee’s assessment of corporate performance is based on a number of qualitative and/or quantitative factors including achievement of financial targets, execution of on-going projects and transactions, operational performance and progress on key growth initiatives. The CGN Committee’s decisions with respect to compensation for NEOs for the fiscal year ended September 30, 2016, are noted below. Please see “*Compensation Decisions made for Fiscal 2016*”.

Objectives of the Compensation Program

The CGN Committee makes recommendations to the Board regarding the compensation for the Company’s C-Level Officers. The objectives of the Company’s C-Level Officer compensation program are to: (i) attract and retain executives with the management skills required to execute on the Company’s objectives; (ii) reward individual contributions in light of overall business results; (iii) be competitive with the companies with whom the Company competes for talent; and (iv) align the interests of the executives with the interests of Shareholders. As such, the CGN Committee annually reviews the C-Level Officers’ executive compensation components and levels and then makes a recommendation to the Board in setting compensation for the C-Level Officers each year. These recommendations are considered by, and subject to final approval of, the Board.

Elements of Executive Compensation

The Company's compensation program for C-Level Officers is comprised of the following elements:

- (i) base salary;
- (ii) short-term incentives in the form of an annual performance cash bonus plan;
- (iii) long-term incentives through the participation in the Company's: (A) Second Amended and Restated Stock Option Plan (the "**Option Plan**"), which is described in this Circular under the heading "*Second Amended and Restated Stock Option Plan*"; and (B) the RSU Plan, which is described in this Circular under the heading "*Restricted Share Unit Plan*"; and
- (iv) other perquisites and benefits.

The allocation of compensation among these different compensation elements is flexible and is intended to reflect market practices as well as the CGN Committee's discretionary assessment of an executive officer's past contribution and ability to contribute to future short-term and long-term business results. The CGN Committee understands that retention of executive officers is critical to business continuity and succession planning of the Company.

Base Salary

The base salary for each C-Level Officer is determined based on his or her responsibilities, individual performance factors, overall corporate performance, benchmark data, and the assessment of such individual as determined by the CGN Committee. The base salaries for the C-Level Officers are reviewed annually by the CGN Committee. Base salary is considered as a part of the overall compensation package and is intended to attract and adequately remunerate the C-Level Officers for properly fulfilling the minimum requirements of their position. Base salary provides compensation certainty to the C-Level Officers and allows them to make decisions that may be beneficial to the Company, or its stakeholders, independent of considering the impact such decisions might have on their compensation that is tied to either short-term or long-term corporate performance.

Short-term Incentives

The Company provides short-term incentives to its C-Level Officers through an annual performance cash bonus plan. Each C-Level Officer is eligible to receive a bonus payment, or bonus payments in the case of the Chief Sales Officer, pursuant to the terms of the Company's annual performance cash bonus plan. In the process of creating and approving the Company's annual budget, the Company establishes financial and performance targets for the C-Level Officers' annual performance cash bonus plan. The Company's annual performance cash bonus plan for the C-Level Officers is reviewed and approved by the CGN Committee and then recommended to the Board for final approval. The President and Chief Executive Officer, the Chief Financial Officer and Corporate Secretary, the Chief Operating Officer and the Chief Technology Officer's annual performance cash bonus plan is based upon financial and performance targets set for the Company in an applicable fiscal year. The Chief Sales Officer's annual performance cash bonus plan is based upon quarterly financial and performance targets set for the Company in an applicable fiscal year.

The CGN Committee attempts to align the financial and performance targets in the C-Level Officers' annual performance cash bonus plan with those which the CGN Committee believes will enhance future Shareholder value. In fiscal 2016, the key financial and performance targets were based on Adjusted EBITDA and revenue growth of the Company. Generally, the amounts available under the applicable annual performance cash bonus plan will be paid if the Company meets its annual or quarterly targets for Adjusted EBITDA and revenue growth as set out in the annual budget.

From time to time, the CGN Committee may change the C-Level Officers' annual performance cash bonus plan financial and performance targets in order to provide continued incentive to C-Level Officers and other employees throughout the year, if it becomes clear that the quarterly and annual targets as originally outlined become clearly unachievable.

Long-term Incentives – Options and RSUs

The Company provides long-term incentive compensation to the C-Level Officers through the granting of Options and RSUs. These long-term incentive arrangements are designed to motivate the C-Level Officers to achieve longer-term sustainable business results, to align their interests with those of Shareholders and to attract and retain current and future C-Level Officers. The Company has determined that RSUs provide greater tangible benefits to the Company than typical Options due to their enhanced ability to attract, retain and encourage both current and potential employees and C-Level Officers by affording them the opportunity to acquire a proprietary interest in the Company. RSUs tie pay to performance because the value of the RSUs when they vest is based solely on the share price at that time. Thus, declines in share price have a negative impact on C-Level Officers compensation, while increases have a positive impact. In addition, the three-year annual vesting period for RSUs pursuant to the terms of the RSU Plan, serves as a retention tool for the C-Level Officers and employees.

For a more detailed description of the considerations involved in granting Options and RSUs, please see "*Share-Based and Option-Based Awards*" below.

Benefits and Other Compensation

The Company provides a management benefit plan to its C-Level Officers, which include, health, medical and insurance benefits, along with a health spending account. In addition, the President and CEO also receives a car allowance and memberships with the Young Presidents of Ontario and the Institute of Corporate Directors, ICD.D. The Company believes its benefits program is reasonable and consistent with its overall executive compensation program and is based on competitive market practices. These perquisites are not afforded to all employees of the Company.

Market Benchmarking

The CGN Committee periodically benchmarks the Company's C-Level Officer compensation with a broad peer group of companies with particular emphasis on the technology industry. This comparison ensures that the Company's executive compensation and benefits package is competitive with those used in the survey. To ensure that the survey includes the most appropriate peer companies, the CGN Committee considers companies with a similar revenue size and market capitalization or companies with projected similar revenue size and market capitalization.

In fiscal 2016, the CGN Committee engaged Willis Towers Watson (the "**Consultant**") to assist in assessing the competitiveness of the compensation provided to the C-Level Officers. The Consultant was previously retained by the Company for similar services in fiscal 2013. Aside from the engagement in fiscal 2013, the Consultant has not provided any other services to the Company or to its affiliates, or to any of its directors or members of management.

As a part of the review for fiscal 2016, the Consultant compiled a list of peer group companies in the technology industry with similar revenue size and market capitalization or companies with projected similar revenue size and market capitalization. This list included a select sample of 13 Canadian and U.S. publicly traded organizations and the Consultant's 2016 executive compensation survey of 20 technology companies.

The peer companies reviewed in fiscal 2016 were:

- Sandvine Corporation
- Absolute Software Corporation
- Pure Technologies Ltd.
- Vecima Networks Inc.
- Solium Capital Inc.
- Mediagrif Interactive Technologies Inc.
- Tecsyst Inc.
- Park Electrochemical Corp.
- Blucora, Inc.
- TechTarget, Inc.
- American Software, Inc.
- Arotech Corporation
- Zix Corporation

Executive Compensation – Related Fees

The aggregate fees billed by the Consultant, or any of its affiliates, for all services provided in connection with the compensation review were \$nil in fiscal 2015 and \$32,590 in fiscal 2016. Neither the Consultant nor any of its affiliates provided any other services to the Company in fiscal 2015 or fiscal 2016.

How the Company Determines Compensation

The Role of the Compensation, Governance & Nominating Committee

The CGN Committee is responsible for, among other things, making recommendations to the Board with respect to remuneration of the C-Level Officers of the Company. In doing so, the CGN Committee uses information gathered from the independent consultant, if engaged, and its own assessment of performance and feedback from the President and Chief Executive Officer to establish pay strategies for the C-Level Officers. All of the C-Level Officers' compensation components and levels thereof are reviewed annually by the CGN Committee and are subject to review and final approval of the Board. The Board has ultimate discretion to increase or decrease, any and all elements of compensation for the C-Level Officers.

With respect to the Company's other senior management and employees, the C-level Officers develop the pay strategies and recommendations within the context of the Company's annual budget and general compensation philosophies as outlined by the CGN Committee and the Board. However, the authority to approve those strategies and recommendations resides with different parties according to the employee's level. For senior management, decisions must be approved by the respective C-level Officer responsible for each employee's functional area. Accordingly, to the extent that a non C-Level Officer becomes an NEO, their compensation will have been set by that employee's functional C-level Officer. For employees below the level of senior management, the C-level Officer and his or her designees have the authority to approve pay strategies. However, the CGN Committee is responsible for approving actions related to other aspects of these employees' compensation, such as any grant of Options or RSUs and any fiscal performance bonus pool.

During fiscal 2016, the Board accepted all of the recommendations of the CGN Committee. The CGN Committee has full discretion to adopt or alter management recommendations or to consult its own external advisors.

The CGN Committee believes it is important to follow appropriate governance practices in carrying out its responsibilities with respect to the development and administration of executive compensation and benefit programs. Governance practices followed by the CGN Committee include holding *in-camera* sessions without management present and, when necessary, obtaining advice from external consultants.

The Role of Management

Mr. Rahemtulla, the President and Chief Executive Officer of the Company, plays an important role in the compensation decision-making process. The CGN Committee engages in active discussions with Mr. Rahemtulla concerning the determination of performance objectives, including individual goals and initiatives for other members of the C-Level Officers, and whether, and to what extent, objectives for the previous year have been

achieved for those individuals. Mr. Rahemtulla also submits a self-assessment of his own individual performance objectives and/or results achieved to the CGN Committee.

Mr. Rahemtulla makes recommendations to the CGN Committee regarding the amount and type of compensation awards for other members of the C-Level Officers. Other than individual and corporate goal setting and performance benchmarking, Mr. Rahemtulla does not engage in discussions with the CGN Committee regarding his own compensation. The CGN Committee makes its own determination regarding Mr. Rahemtulla's compensation, guided by an assessment of whether the Company met or exceeded its performance goals for the year in question and Mr. Rahemtulla's success in meeting his individual goals, and makes a recommendation to the Board.

The CGN Committee has *in-camera* discussions to complete an independent assessment of the performance of Mr. Rahemtulla and the other members of the C-Level Officers. The CGN Committee then determines the overall individual performance for each of the C-Level Officers and considers this before making a recommendation to the Board.

Corporate Performance

The Board approves an annual strategic plan and budget outlining corporate objectives in line with the Company's key long-term strategies for growth and value creation. These quantitative and qualitative objectives are utilized by the CGN Committee when making compensation recommendations to the Board for the C-Level Officers.

At the end of each fiscal year, the CGN Committee reviews the results achieved and discusses them with management. For the purposes of compensation deliberations, the CGN Committee reviews actual corporate performance relative to an expected level of performance. The overall corporate performance provides context for the CGN Committee's review of individual performance by the executive officers.

Individual Performance

The CGN Committee may recommend to the Board certain annual individual performance objectives for the C-Level Officers in order to align with the Company's corporate objectives and reflect key performance areas for each C-Level Officer relative to his or her specific role. As with the corporate objectives, individual executive officers' performance objectives may include a combination of quantitative and qualitative measures.

A C-Level Officer's compensation relative to other C-Level Officers and other employees is generally considered in establishing compensation levels. The difference between one C-Level Officer's compensation to that of another C-Level Officer reflects, in part, the difference in their relative responsibilities.

Compensation Decisions Made for Fiscal 2016

(a) Base Salary:

Base salaries for the C-level Officers are reviewed annually by the CGN Committee. The following changes were made to the base salaries of C-Level Officer in fiscal 2016:

- Effective October 1, 2015, Mr. Rahemtulla's base salary was increased to \$330,000 from \$300,000.
- Effective October 1, 2015, Mr. De Jong's base salary was increased to \$275,000 from \$250,000.
- Effective October 1, 2015, Mr. Juba was hired as the Company's Chief Operating Officer in connection with completion of the Webtech Acquisition. Mr. Juba's base salary was increased to \$265,000 from \$250,000.

- Effective October 1, 2015, Mr. Callaghan was hired as the Company’s Chief Sales Officer in connection with completion of the Webtech Acquisition. Mr. Callaghan’s base salary was increased to \$180,000 from \$150,000.
- Effective October 1, 2015, Mr. Hoxha’s base salary was increased to \$210,000 from \$195,000.

(b) Short Term Incentive Plans:

As a result of the Webtech Acquisition, the Company’s fiscal performance bonus plans during the fiscal year ended September 30, 2016, were divided into two periods: (i) October 1, 2015, to December 31, 2016 (the “**First Performance Period**”); and (ii) January 1, 2016 to September 30, 2016 (the “**Second Performance Period**”). The terms and performance metrics for Messrs. Juba and Callaghan in the First Performance Period were different than those for Messrs. Rahemtulla, De Jong and Hoxha in the First Performance Period.

First Performance Period:

Rahemtulla, De Jong and Hoxha:

During the First Performance Period, Messrs. Rahemtulla, De Jong and Hoxha were eligible to participate in a quarterly performance bonus plan (the “**Q1 FY2016 Bonus Plan**”). The Q1 FY2016 Bonus Plan included the following quantitative financial target:

Financial Metric:	Financial Target:
Adjusted EBITDA ⁽¹⁾	\$2,000,000

Note:

(1) Adjusted EBITDA is presented prior to the inclusion of any applicable performance bonuses. Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning prescribed by the Company’s GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. Please see “*Non-GAAP Financial Measures and Key Performance Indicators*” below for additional details regarding this metric.

Pursuant to the Q1 FY2016 Bonus Plan, Messrs. Rahemtulla, De Jong and Hoxha were eligible to earn a bonus payment worth up to 25% of their fiscal 2016 base salary (the “**Q1 FY2016 Eligible Base Salary**”) if the Company achieved certain Adjusted EBITDA targets during the First Performance Period. Any performance bonus earned under the Q1 FY2016 Bonus Plan would be calculated *pro rata* based on the Adjusted EBITDA targets outlined below. Specifically, if the Company achieved: (i) 90% of the Adjusted EBITDA target in the First Performance Period, they would earn a performance bonus payment equal to 25% of their respective Q1 FY2016 Eligible Base Salary; (ii) 100% of the Adjusted EBITDA target in the First Performance Period, they would earn a performance bonus payment equal to 40% of their respective Q1 FY2016 Eligible Base Salary; (iii) 108% of the Adjusted EBITDA target in the First Performance Period, they would earn a performance bonus payment equal to 60% of their respective Q1 FY2016 Eligible Base Salary; (iv) 116% of the Adjusted EBITDA target in the First Performance Period, they would earn a performance bonus payment equal to 80% of their respective Q1 FY2016 Eligible Base Salary; and (v) 124% of the Adjusted EBITDA target in the First Performance Period, they would earn a performance bonus payment equal to 100% of their respective Q1 FY2016 Eligible Base Salary.

The Company achieved approximately 106% of the Adjusted EBITDA target for the First Performance Period. As a result, Mr. Rahemtulla received a \$44,756.25 bonus payment (approximately 54% of his Q1 FY2016 Eligible Base Salary); Mr. De Jong received a \$37,296.88 bonus payment (approximately 54% of his Q1 FY2016 Eligible Base Salary); and Mr. Hoxha received a \$28,481.25 bonus payment (approximately 54% of his Q1 FY2016 Eligible Base Salary).

Juba and Callaghan:

Prior to completion of the Webtech Acquisition, Mr. Juba was the Chief Operating Officer of Webtech and Mr. Callaghan was the Senior VP, Sales & Marketing of Webtech. During the First Performance Period, Mr. Juba continued to be eligible for bonus payments under the Webtech EBITDA sharing incentive bonus plan. Pursuant to the terms of the Webtech EBITDA sharing incentive bonus plan, Mr. Juba received a bonus payment in the amount of \$25,125.

During the First Performance Period, Mr. Callaghan continued to be eligible for commission payments under Webtech's executive commission plan. Pursuant to the terms of the Webtech executive commission plan, Mr. Callaghan received a commission payment in the amount of \$35,000.

Second Performance Period:

During the Second Performance Period, Messrs. Rahemtulla, De Jong, Juba and Hoxha were eligible to participate in the C-Level Officers' abbreviated fiscal 2016 performance bonus plan (the "**C-Level Abbreviated FY2016 Bonus Plan**"). Messrs. Rahemtulla, De Jong Juba and Hoxha's potential bonus payment under the C-Level Abbreviated FY2016 Bonus Plan was capped at 75% of their fiscal 2016 base salary (the "**Abbreviated FY2016 Eligible Base Salary**").

In addition to the C-Level Abbreviated FY2016 Bonus Plan, the Company also implemented a bonus plan for certain senior management team employees (excluding C-Level Officers) of the Company (the "**SMT FY2016 Bonus Plan**", together with the C-Level Abbreviated FY2016 Bonus Plan, the "**Abbreviated FY2016 Bonus Plans**"). The Abbreviated FY2016 Bonus Plans were based upon the Company's VC Adjusted EBITDA (as defined below) results in the Second Performance Period as follows:

VC Adjusted EBITDA⁽¹⁾ Results for the Second Performance Period:	SMT FY2016 Bonus Plan Pool	C-Level Abbreviated FY2016 Bonus Plan
(\$)	(\$)	(\$)
Less than 6,000,000	0	0
6,000,000 – 6,300,000	0 – 300,000	0
6,300,000 – 6,706,870	300,000	0-406,875
6,706,875 – 8,334,375	300,000 plus 7.5% of VC Adjusted EBITDA above 6,706,875	406, 875 plus 17.5% of VC Adjusted EBITDA above 6,706,875

Note:

(1) VC Adjusted EBITDA means: (i) the Company's Adjusted EBITDA results; **plus** (ii) the amount that the Company paid as bonus compensation in the Company's Adjusted EBITDA calculation. VC Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning prescribed by the Company's GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. Please see "*Non-GAAP Financial Measures and Key Performance Indicators*" below for additional details regarding this metric.

The CGN Committee set the Company's VC Adjusted EBITDA targets in the Abbreviated FY2016 Bonus Plans in connection with the Company's strategic targets and budget for fiscal 2016. Specifically, the CGN Committee set the financial target of \$6,706,870 as the target VC Adjusted EBITDA result for the Company (the "**VC Adjusted EBITDA Target**").

For the C-Level Officers, if the Company achieved the VC Adjusted EBITDA Target, their performance bonus payment under the C-Level Abbreviated FY2016 Bonus Plan was set at approximately 50% of their Abbreviated FY2016 Eligible Base Salary. For eligible participants in the SMT FY2016 Bonus Plan, any bonus payment was contingent upon individual performance, which was determined in the Company's sole and absolute discretion.

Rahemtulla, De Jong, Juba, Hoxha:

The Company generated approximately \$7,026,631 of VC Adjusted EBITDA for the Second Performance Period. As a result, \$324,122 was allocated to the SMT FY2016 Bonus Pool and \$\$461,285 was allocated to the C-Level

Abbreviated FY2016 Bonus Plan. The \$461,285 allocated to the C-Level Abbreviated FY2016 Bonus Plan was paid to the eligible C-Level Officers as follows: (i) Mr. Rahemtulla received a bonus payment of \$140,948; (ii) Mr. De Jong received a bonus payment of \$117,457; (iii) Mr. Juba received a bonus payment of \$113,186; and (iv) Mr. Hoxha received a bonus payment of \$89,694.

Callaghan:

For the Second Performance Period, Mr. Callaghan was eligible to participate in an abbreviated fiscal 2016 quarterly performance bonus plan (the “**Abbreviated CSO FY2016 Bonus Plan**”). The Abbreviated CSO FY2016 Bonus Plan was based upon the Company’s quarterly revenue results in the Second Performance Period. Specifically, Mr. Callaghan was eligible to earn a quarterly bonus payment if the Company achieved certain revenue targets in the Second Performance Period. The Abbreviated CSO FY2016 Bonus Plan included the following quarterly revenue target (the “**Quarterly Revenue Target**”):

Financial Metric:	Financial Target:
Revenue	\$15,250,000

If the Company achieved less than 95% of the Quarterly Revenue Target, Mr. Callaghan was not entitled to a quarterly bonus payment in a particular quarter during the Second Performance Period. If the Company achieved 95% to 100% of the Quarterly Revenue Target in an applicable quarter in the Second Performance Period, Mr. Callaghan’s quarterly bonus payment, was calculated by the following formula:

$$[(\text{Actual \% of Revenue Earned} - 95\% * 13.5) * 45,000.00]$$

If the Company achieved 100% to 125% of the Quarterly Revenue Target in an applicable quarter in the Second Performance Period, Mr. Callaghan’s quarterly bonus payment was calculated by the following formula:

$$[(\text{Actual \% of Revenue Earned} - 100\% * 5) + 67.5\% * 45,000.00]$$

If the Company achieved greater than 125% of the Quarterly Revenue Target in an applicable quarter in the Second Performance Period, Mr. Callaghan’s quarterly bonus payment was calculated at a rate of \$1.50 for every \$100 of incremental revenue above 125% of the Quarterly Revenue Target.

For the period of January 1, 2016 to March 31, 2016, the Company achieved approximately 100% of the Quarterly Revenue Target. As a result, pursuant to the calculation set forth in the Abbreviated CSO FY2016 Bonus Plan, Mr. Callaghan received a bonus payment of \$29,919.47.

For the period of April 1, 2016 to June 30, 2016, the Company achieved approximately 86% of the Quarterly Revenue Target. As a result, pursuant to the calculation set forth in the Abbreviated CSO FY2016 Bonus Plan, Mr. Callaghan did not earn a bonus payment for this period.

For the period of July 1, 2016 to September 30, 2016, the Company achieved approximately 98% of the Quarterly Revenue Target. As a result, pursuant to the calculation set forth in the Abbreviated CSO FY2016 Bonus Plan, Mr. Callaghan received a bonus payment of \$19,041.72.

Further information regarding the Company’s corporate financial and business performance can be found in the Company’s 2016 F/S and 2016 MD&A filed under the Company’s profile on SEDAR at www.sedar.com.

(c) Long Term Incentive Plans

For the fiscal year ended September 30, 2016, the CGN Committee recommended to the Board certain RSU grants to certain C-Level Officers based upon the following criteria: (i) the applicable C-Level Officers’ fiscal 2016 base salary; plus (ii) any fiscal 2016 bonus award earned by the applicable C-Level Officer, if any; multiplied by (iii) 40%;

divided by (iv) the volume weighted average price of the Common Shares, as reported on the TSX, for fiscal 2016. As a result, pursuant to the terms of the RSU Plan, in January 2017, Mr. Rahemtulla received 212,925 RSUs, Mr. De Jong received 177,438 RSUs and Mr. Juba received 170,917 RSUs. Mr. Hoxha resigned from the Company effective January 20, 2017, and, accordingly, did not receive an RSU grant. The CGN Committee determined that Mr. Callaghan was not eligible for an RSU grant for the fiscal year ended September 30, 2016.

(d) Perquisite and Benefits

The Company provides a management benefit plan to its C-Level Officers, which includes, health, medical and insurance benefits, along with a health spending account. In addition, the President and CEO receives a car allowance as well as memberships with the Young Presidents of Ontario and the Institute of Corporate Directors, ICD.D. The Company believes its benefits program is reasonable and consistent with its overall executive compensation program and is based on competitive market practices. These perquisites are not afforded to all employees of the Company.

Compensation Plan Changes for Fiscal 2017

(a) Base Salary:

Base salaries for the C-level Officers are reviewed annually by the CGN Committee. The following changes were made to the base salaries of C-Level Officer for fiscal 2017:

- Effective October 1, 2017, Mr. Juba's base salary was increased to \$272,950 from \$265,000.

(b) Short Term Incentive Plans:

The short term incentive plans for the C-level Officers are reviewed annually by the CGN Committee. The following changes were made to the short term incentive plans for fiscal 2017:

- Messrs. Rahemtulla and Mr. De Jong's annual performance cash bonus plan target was increased from 50% of their applicable base salary to 65% for achieving the Company achieving certain corporate targets specified in their annual performance cash bonus plan. =

For fiscal 2017, the financial and performance targets for the Company's annual performance cash bonus plan are related to Adjusted EBITDA and growth in the Company's net subscribers. For the C-Level Officers, generally, if the Company meets the financial and performance targets under the annual performance cash bonus plan, the C-Level Officer will earn a performance bonus payment.

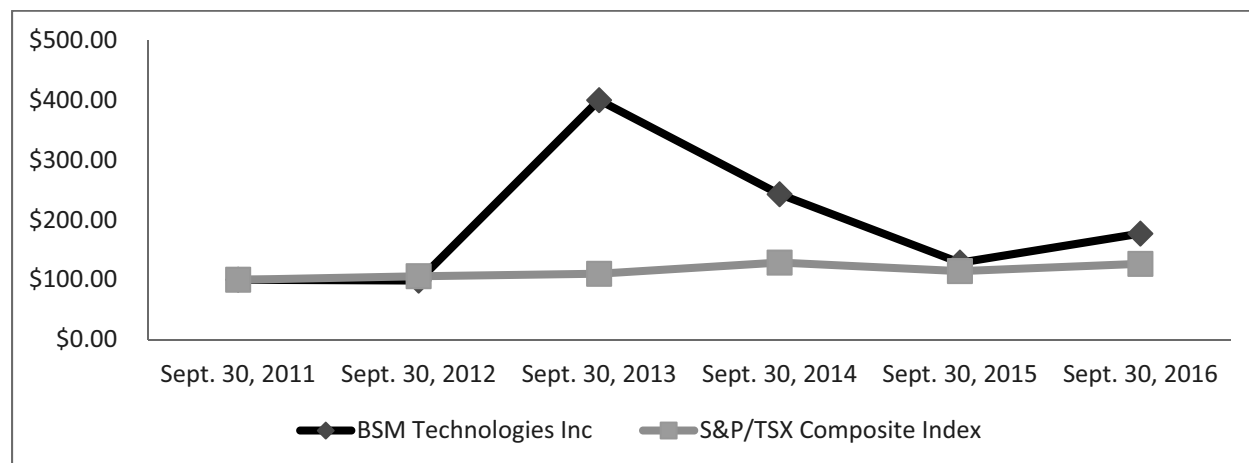
"Adjusted EBITDA" is a non-GAAP financial measure and does not have any standardized meaning prescribed by the Company's GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. The Company believes "Net Subscriber" is a key performance indicator of the Company's performance. This key performance indicator does not have any standardized and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that that the disclosure of these items are meant to add to, and not replace, the discussion of financial results or cash flows from operations as determined by GAAP. For a more detailed description of non-GAAP financial measures and key performance indicators, please see "*Non-GAAP Financial Measures and Key Performance Indicators*".

(c) Perquisite and Benefits

For fiscal 2017, each of the C-Level Officers' health spending account was increased to \$10,000 from \$7,500.

Share Performance Chart

The following chart shows the Shareholder return on the Common Shares for the five year period from September 30, 2011, and ending September 30, 2016, together with the cumulative return for the S&P/TSX Composite Index for the same period, based on the closing price of the Common Shares on the last trading day of each year. The chart assumes an initial investment of \$100.00.



	September 30, 2011	September 30, 2012	September 30, 2013	September 30, 2014	September 30, 2015	September 30, 2016
BSM Technologies Inc.	\$100.00	\$98.57	\$400.00	\$242.86	\$128.57	\$177.14
S&P/TSX Composite Index	\$100.00	\$105.96	\$110.01	\$128.71	\$114.48	\$126.69

The share price performance trend illustrated in the above chart does not necessarily reflect the trend in the Company's compensation to the C-Level Officers over the same time period. As previously described, the compensation for the C-Level Officers is influenced by a variety of factors including corporate and individual performance as well as the share price performance. The NEOs are compensated in large part based on their performance in meeting corporate targets, as well as general market compensation trends. In addition, a portion of the C-Level Officers' overall compensation is comprised of share-based awards, and accordingly, overall C-Level Officer compensation generally increases in periods where the Company's share price increases, and decreases in periods where the Company's share price decreases.

Share-Based and Option-Based Awards

On August 17, 2015, the Board approved the adoption of the Option Plan, which was subsequently approved by Shareholders on September 23, 2015. Participants in the Option Plan benefit only if the market value of the Common Shares at the time of Option exercise is greater than the exercise price of the Options at the time of grant. For a more detailed description of the Option Plan, please see "*Second Amended and Restated Stock Option Plan*".

The granting of Options and vesting periods are recommended by the CGN Committee and approved by the Board. The CGN Committee takes into consideration a number of factors prior to the grant of Options including, but not limited to, an individual's level of responsibility within the Company, previous Option grants and the individual's status in light of their position, ongoing responsibilities and prevailing market conditions. The NEOs are

instrumental in making recommendations to the CGN Committee for Options granted to other employees. In the context of the Company's evolving compensation philosophy, policies and practices, the CGN Committee reviews the criteria for granting Options during its ongoing review of the Company's compensation philosophy, policies and practices.

On February 11, 2016, the Board approved certain amendments to the RSU Plan, which was subsequently approved by Shareholders on March 23, 2016. Participants benefit only if they remain with the Company three years from the grant date of any RSUs, after which they will be issued a Common Share of the Company. For a more detailed description of the RSU Plan, please see "*Restricted Share Unit Plan*".

The granting of RSUs are recommended by the CGN Committee and approved by the Board. Grants of RSUs are made both on a discretionary basis and, for C-Level Officers, based on the criteria set forth below. Generally, RSU grants will be made after the release of the Company's annual audited consolidated financial statements or interim consolidated financial statements. Both the CGN Committee and the Board review previous share-based and option-based awards when considering new grants. In addition, subject to the terms and conditions of the RSU Plan, generally, the amount of RSUs granted to executives will be based determined in accordance with the following formula: (i) the previous fiscal year's base salary; plus (ii) the previous fiscal year's bonus award, if any; multiplied by (iii) 40%; divided by (iv) the volume weighted average price of the Common Shares, as reported on the TSX, for the Company's previous fiscal year.

Compensation Risk

When setting compensation levels, the Company seeks to alleviate risk by having a balance of short-term and long-term compensation. For example, Options and RSUs typically do not vest immediately, which allows for continued appreciation and does not jeopardize the Company. As a part of reviewing compensation levels, the Company seeks an appropriate balance of base pay, variable pay opportunities based on the achievement of business objectives, Option grants and Common Share ownership to balance short-term and long-term interests of the Company by tying compensation to the achievement of the business objectives of the Company, while also ensuring that the C-Level Officers and senior management of the Company have sufficient equity exposure to align their interests with the interests of Shareholders.

The CGN Committee currently believes that its compensation policies and practices will not lead to inappropriate or excessive risk taking on the part of the C-Level Officers or any employees of the Company. However, the CGN Committee has not specifically considered the implications of the risks associated with the Company's compensation policies or practices.

Financial Instruments

Pursuant to the Company's insider trading policy, the C-Level Officers and other employees of the Company are prohibited from engaging in the following transactions with respect to the Company's securities: (i) short sales; (ii) monetization of equity awards (e.g. Options, RSUs or DSUs) before vesting; (iii) transactions in derivatives on the Company's securities such as put and call options; and (iv) any other hedging or equity monetization transactions where the C-Level Officers' economic interest and risk exposure in the Company's securities are changed, such as collars or forward sale contracts. To the Company's knowledge, no C-Level Officer or director of the Company has entered into or purchased any such financial instruments.

Non-GAAP Financial Measures and Key Performance Indicators

Non-GAAP Financial Measures

This Circular refers to the financial measures "Adjusted EBITDA" and "VC Adjusted EBITDA" which are "non-GAAP financial measures" under applicable securities laws. Non-GAAP financial measures do not have any standardized

meaning under the Company's GAAP and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that that the disclosure of these items are meant to add to, and not replace, the discussion of financial results or cash flows from operations as determined by GAAP.

"EBITDA" and "Adjusted EBITDA" are measures of the Company's operating profitability. The Company believes that EBITDA and Adjusted EBITDA provide useful information to the Company's investors because they exclude transactions not related to the core cash operating business activities, allowing meaningful analysis of the performance of the Company's core cash operations. EBITDA is an indicator of the financial results generated by the Company's business activities excluding:

- the impact of any financing activities;
- amortization and depreciation of property and equipment and intangible assets; and
- taxes with respect to various jurisdictions.

Adjusted EBITDA is a further refinement of EBITDA to remove the effect of:

- acquisition, integration and restructuring related costs;
- share-based compensation expense;
- write-off of goodwill or other impairments to any financial and non-financial assets;
- fair value adjustments on contingent consideration;
- costs related to certain legal actions; and
- gains and losses resulting from the translation of non-Canadian dollar working capital balances.

VC Adjusted EBITDA is a further refinement that takes into account the amount that the Company paid as bonus compensation in the Company's Adjusted EBITDA calculation.

"Recurring Revenue" includes monthly fees, monthly monitoring fees, and the resale of cellular and satellite data by the Company.

Key Performance Indicators

This Circular refers to certain key performance indicators such as "Subscriber" and "Net Subscriber". These key performance indicators do not have any standardized and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that that the disclosure of these items are meant to add to, and not replace, the discussion of financial results or cash flows from operations as determined by GAAP.

The Company defines "Subscriber" as one of the Company's customer's individual assets monitored by a telematics device from which it generates Recurring Revenue. As such, the Company gains a Subscriber when the Company invoices customers for services relating to a new telematics device not previously in the Company's Subscriber base. On the other hand, the Company loses a Subscriber (churns) when the Company is no longer invoicing a Subscriber for services related to a telematics device due to cancellation or expiry of the applicable agreement.

The Company defines "Net Subscribers" as: (i) Subscribers additions; **less** (ii) Subscriber churn in a specified period of time.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation awarded or paid to the Company’s NEOs for the last three fiscal years ended September 30:

Name and Principal position	Fiscal Year	Salary	Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽²⁾	Non-equity Incentive Plan Compensation	Pension Value ⁽³⁾	All Other Compensation ⁽⁴⁾	Total Compensation
					Annual Incentive Plans			
		(\$)	(\$)	(\$)	(\$)			
Aly Rahemtulla President and Chief Executive Officer (June 16, 2008 - Present)	2016	330,000	651,430	Nil	185,705	Nil	47,385	1,214,520
	2015	300,000	537,057	Nil	75,000	Nil	37,235	949,292
	2014	275,000	Nil	Nil	Nil	Nil	52,199	327,199
Louis De Jong Chief Financial Officer and Corporate Secretary (January 15, 2014 - Present)	2016	275,000	538,151	Nil	154,754	Nil	20,000	987,905
	2015	250,000	252,922	Nil	75,000	Nil	19,270 ⁽⁵⁾	597,192
	2014	166,110	Nil	266,438	Nil	Nil	2,500	435,048
Lawrence (Larry) Juba Chief Operating Officer (September 30, 2015 – Present)	2016	265,000	386,467	Nil	141,311 ⁽⁶⁾	Nil	20,185	812,963
	2015	250,000	Nil	Nil	400,802 ⁽⁷⁾	Nil	Nil	650,802
	2014	250,000	Nil	11,540	Nil	Nil	Nil	261,540
Peter Callaghan Chief Sales Officer (September 30, 2015 Present)	2016	180,000	Nil	Nil	83,961 ⁽⁸⁾	Nil	15,000	278,961
	2015	160,000	Nil	Nil	110,000 ⁽⁹⁾	Nil	15,000	285,000
	2014	32,404 ⁽¹⁰⁾	Nil	48,133	Nil	Nil	15,000	95,537
Alban Hoxha Former Chief Technology Officer (May 16, 2011 – January 20, 2017)	2016	210,000	113,000	Nil	118,176	Nil	18,000	459,176
	2015	195,000	134,642	Nil	18,000	Nil	6,770	354,412
	2014	170,250	Nil	Nil	Nil	Nil	2,500	172,750

Notes:

- (1) The amounts reflected relate to RSU grants. The fair value of a RSU is calculated based on the market value of the Common Shares at the time of grant of a RSU. Generally, any RSUs granted do not vest until the third anniversary of the RSU grant date. The share based awards reflected in this column have been included in the applicable fiscal year on the following basis: (i) the date of grant; or (ii) if granted in connection with services provided in an applicable fiscal year, the amount is allocated to that fiscal year notwithstanding the grant date occurs in a subsequent fiscal year. As a result of these changes, the figures in the share-based award column and the total compensation for the fiscal year 2015 in the management information circular dated February 11, 2016 (the “2015 Circular”), have been revised and restated herein.
- (2) The fair value of the Options was calculated by using the Black-Scholes option pricing model. For Options granted during the fiscal year ended September 30, 2014, the Black Scholes option pricing model was applied assuming a risk free interest rate of 1.0%, a dividend yield of nil, the expected volatility of the Company’s share price of 54% and expected life of the Option of three years. These granted Options may or may not ever be exercised. Whether granted options are exercised or not will be based primarily, but not singularly, on the Company’s future stock price and whether the granted Options become “in-the-money”. Amounts disclosed are calculated based on the number of Options granted in a given year multiplied by the fair value per Option calculated thereon using the Black-Scholes option pricing model as described above.
- (3) The Company currently does not have a defined benefit plan or a defined contribution plan.
- (4) “All other compensation” includes, variously, reimbursement for health, medical and insurance benefits. In the case of: (i) Mr. Rahemtulla, “all other compensation” also includes an annual car allowance and professional memberships; (ii) Messrs. Rahemtulla, De Jong, Juba, and Hoxha “all other compensation” also includes an RRSP matching contribution from the Company in an amount up to 5% of their annual base salary per year, if a contribution is made. Subject to the terms and condition of the applicable employment agreement, the Company

does not have an obligation to make any further payments or contributions to the benefit of any such persons upon ceasing to be employed by the Company and a health spending account worth up to \$7,500.

- (5) Mr. De Jong was provided with an RRSP matching contribution in the amount of \$12,500 after the date of the 2015 Circular. As a result of this payment, “all other compensation” for the fiscal year 2015 for Mr. Jong has been revised and restated herein to include this payment.
- (6) In addition to Mr. Juba’s bonus payment pursuant to the Abbreviated FY2016 Bonus Plan, pursuant to his Webtech employment agreement, Mr. Juba also received a \$28,125 EBITDA payout bonus for the period of October 1, 2015 to December 31, 2015.
- (7) In connection with the Webtech Acquisition, Mr. Juba received a completion bonus in the amount of \$75,000 for the successful completion of the Webtech Acquisition and a retention bonus of \$125,000 retention bonus for remaining with the Company. In addition, pursuant to Mr. Juba’s Webtech employment agreement, Mr. Juba also received a \$116,427 annual bonus payment for services provided in 2015 and a \$84,375 EBITDA payment bonus for the period of January 1, 2015 to September 30, 2015 pursuant to the Webtech incentive plan.
- (8) In addition to Mr. Callaghan bonus payments pursuant to the Abbreviated CSO FY2016 Bonus Plan, Mr. Callaghan received a commission payment of \$35,000 pursuant to his Webtech employment agreement for commissions earned in the period of October 1, 2015 to December 31, 2015.
- (9) In connection with the Webtech Acquisition, Mr. Callaghan received a completion bonus in the amount of \$25,000 for the successful completion of the Webtech Acquisition and a retention bonus of \$50,000 retention bonus for remaining with the Company. In addition, pursuant to Mr. Callaghan’s Webtech employment agreement, Mr. Callaghan also received a \$35,000 annual bonus payment for services provided in 2015.
- (10) Mr. Callaghan joined Webtech as its Senior VP, Sales & Marketing in October 2014.

Incentive Plan Awards – Named Executive Officers

Outstanding Option-Based Awards

The following table sets forth details of all Option based awards outstanding for each NEO of the Company as of September 30, 2016:

Name	Option-based Awards			
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾
	(#)	(\$)		(\$)
Aly Rahemtulla President and Chief Executive Officer	270,500 Options	1.45	01/15/2018	Nil
Louis De Jong Chief Financial Officer and Corporate Secretary	100,000 Options 225,000 Options	1.45 3.21	01/15/2018 01/06/2019	Nil Nil
Lawrence (Larry) Juba Chief Operating Officer	53,400 BSM Replacement Options 42,720 BSM Replacement Options	0.58 0.42	12/16/2018 12/03/2019	35,244 35,030
Peter Callaghan Chief Operating Officer	106,800 BSM Replacement Options	0.44	11/10/2019	85,440
Alban Hoxha Former Chief Technology Officer	142,500 Options	1.45	01/15/2018	Nil

Note:

- (1) Calculated by multiplying the difference between the closing price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, and the Option or BSM Replacement Option exercise price by the number of outstanding Options or BSM Replacement Options. Where the difference is negative, the Options or BSM Replacement Options are not “in-the-money” and no value is ascribed. These granted options may or may not ever be exercised. Whether granted Options or BSM Replacement Options are exercised or not will be based primarily, but not singularly, on the Company’s future stock price and whether the granted Options or BSM Replacement Options become “in-the-money”.

Outstanding Share-Based Awards

The following table sets forth details of all share-based awards outstanding for each NEO of the Company as of September 30, 2016:

	Share-based Awards			
	Number of shares or units of shares that have not vested	Expiration date	Market or payout value of share-based awards that have not vested ⁽¹⁾	Market Value or payout value of vested share based awards not paid out or distributed ⁽²⁾
	(\$)		(\$)	(\$)
Aly Rahemtulla	295,587 RSUs	12/18/2017	366,527	Nil
President and Chief Executive Officer	115,800 RSUs	12/18/2018	143,592	Nil
	275,000 RSUs	08/17/2019	341,000	Nil
Louis De Jong	114,819 RSUs	12/18/2017	142,375	Nil
Chief Financial Officer and Corporate Secretary	96,500 RSUs	12/18/2018	119,660	Nil
	225,000 RSUs	08/17/2019	279,000	Nil
Lawrence (Larry) Juba	100,000 RSUs	08/17/2019	124,000	Nil
Chief Operating Officer				
Peter Callaghan⁽²⁾	Nil	Nil	Nil	Nil
Chief Operating Officer				
Alban Hoxha	35,000 RSUs	12/18/2017	43,400	Nil
Former Chief Technology Officer	20,000 RSUs	05/15/2018	24,800	Nil
	74,700 RSUs	12/18/2018	92,628	Nil
	100,000 RSUs	08/17/2019	124,000	Nil

Notes:

(1) Calculated by multiplying the closing price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, and the number of RSUs.

(2) Pursuant to the RSU Plan, RSUs generally do not vest until the third anniversary of the RSU grant date.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of the NEOs, the value of Option and share-based awards which vested during the year ended September 30, 2016 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2016:

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	\$	\$	\$
Aly Rahemtulla	Nil	Nil	185,705
President and Chief Executive Officer			
Louis De Jong	Nil	Nil	154,754
Chief Financial Officer and Corporate Secretary			

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	\$	\$	\$
Lawrence (Larry) Juba Chief Operating Officer	Nil	Nil	141,311
Peter Callaghan Chief Operating Officer	Nil	Nil	83,961
Alban Hoxha⁽³⁾ Former Chief Technology Officer	Nil	Nil	118,1756

Notes:

- (1) Calculated by multiplying the difference between the market price of the Common Shares on the vesting date and the exercise price of the Options or BSM Replacement Options, as applicable, by the number of Options or BSM Replacement Options, as applicable. Where the difference is negative, the Options or BSM Replacement Options are not “in-the-money” and no value is ascribed. These Options or BSM Replacement Options may or may not ever be exercised. Whether Options or BSM Replacement Options are exercised or not will be based primarily, but not singularly, on the Company’s future stock price and whether the Options or BSM Replacement Options become “in-the-money”.
- (2) RSUs, generally, are not exercisable until the third anniversary of the date of the RSU grant. The amount is calculated by multiplying the number of RSUs by the market price of the Common Shares on the TSX on the vesting date.
- (3) Mr. Hoxha ceased to be the Company’s Chief Technology Officer on January 20, 2017.

Pension Plan Benefits

No benefits were paid and no benefits are proposed to be paid to any of the NEOs under any pension or retirement plan.

Management Agreements and Termination and Change of Control Benefits

Employee Agreements

The material terms and conditions of the NEO employment agreements are set out below:

Aly Rahemtulla

Mr. Rahemtulla provides services as President and CEO of the Company pursuant to an employment agreement dated December 1, 2012, as amended by a letter agreement dated December 18, 2015 (collectively, the “**Rahemtulla Employment Agreement**”).

Pursuant to the Rahemtulla Employment Agreement, Mr. Rahemtulla is currently entitled to: (i) a base salary which is reviewed annually by the CGN Committee and the Board; (ii) a discretionary performance bonus for each fiscal year of the Company, up to 100% of his annual base salary, subject to the achievement of milestones and conditions to be outlined annually by the Board; (iii) participation in the Company’s management benefit plans; (iv) participation in the Company’s equity incentive plans, including the Option Plan and the RSU Plan; (v) reimbursement of his reasonable expenses in connection with the business of the Company; (vi) participate in the Company’s RRSP matching plan whereby the Company will match 100% of Mr. Rahemtulla’s personal RRSP contribution, if any, up to a maximum of 6% of Mr. Rahemtulla’s annual base salary per year (vii) an annual car allowance worth up to \$1,500 per month; (viii) a health spending account worth up to \$10,000 per annum; and (ix) professional development fees.

Mr. Rahemtulla's annual performance bonus, if any, will be paid (subject to the foregoing provisions) in cash, within a reasonable period after the end of the applicable fiscal year. The Rahemtulla Employment Agreement is for an indefinite term, unless the employment of Mr. Rahemtulla is terminated earlier in accordance with the provisions of the Rahemtulla Employment Agreement.

Louis De Jong

Mr. De Jong provides services as the Chief Financial Officer and Corporate Secretary of the Company pursuant to an employment agreement dated February 11, 2016, as amended (the "**De Jong Employment Agreement**"). Pursuant to the De Jong Employment Agreement, Mr. De Jong is currently entitled to: (i) a base salary which is reviewed annually by the CGN Committee and the Board; (ii) participation in the Company's equity incentive plans, including the Option Plan and the RSU Plan; (iii) participation in the Company's annual executive performance cash bonus plan, as may be amended from time to time, which has the potential to pay up to 100% of his annual base salary, subject to the achievement of certain quantitative and qualitative targets that are determined annually by the CGN Committee and the Board; (iv) participation in the Company's executive benefits plan, including a health spending account worth up to \$10,000; (v) reimbursement of his reasonable expenses in connection with the business of the Company; and (vi) participation in the Company's RRSP matching plan whereby the Company will match 100% of Mr. De Jong's personal RRSP contribution in a calendar year, if any, up to a maximum of 5% of Mr. De Jong's annual base salary per year.

Subject to the terms and conditions of the annual executive performance cash bonus plan, Mr. De Jong's annual performance bonus, if any, will be paid in cash, less applicable source deductions, within a reasonable period after the end of the applicable fiscal year. The De Jong Employment Agreement is for an indefinite term, unless the employment of Mr. De Jong is terminated earlier in accordance with the provisions of the De Jong Employment Agreement.

Lawrence (Larry) Juba

Mr. Juba provides services as the Chief Operating Officer of the Company pursuant to an employment agreement dated February 18, 2016, as amended (the "**Juba Employment Agreement**"). Pursuant to the Juba Employment Agreement, Mr. Juba is currently entitled to: (i) a base salary which is reviewed annually by the CGN Committee and the Board; (ii) participation in the Company's equity incentive plans, including the Option Plan and the RSU Plan; (iii) participation in the Company's annual executive performance cash bonus plan, as may be amended from time to time, which has the potential to pay up to 100% of his annual base salary, subject to the achievement of certain quantitative and qualitative targets that are determined annually by the CGN Committee and the Board; (iv) participation in the Company's executive benefits plan, including a health spending account worth up to \$10,000; (v) reimbursement of his reasonable expenses in connection with the business of the Company; and (vi) participation in the Company's RRSP matching plan whereby the Company will match 100% of Mr. Juba's personal RRSP contribution in a calendar year, if any, up to a maximum of 5% of Mr. Juba's annual base salary per year.

Subject to the terms and conditions of the annual executive performance cash bonus plan, Mr. Juba's annual performance bonus, if any, will be paid in cash, less applicable source deductions, within a reasonable period after the end of the applicable fiscal year. The Juba Employment Agreement is for an indefinite term, unless the employment of Mr. Juba is terminated earlier in accordance with the provisions of the Juba Employment Agreement.

Peter Callaghan

Mr. Callaghan provides services as the Chief Sales Officer of the Company pursuant to an employment agreement dated October 7, 2014, as amended on July 25, 2015 (the "**Callaghan Employment Agreement**"). Pursuant to the Callaghan Employment Agreement, Mr. Callaghan is currently entitled to: (i) a base salary which is reviewed annually by the CGN Committee and the Board; (ii) participation in the Company's equity incentive plans, including

the Option Plan and the RSU Plan; (iii) participation in the Company's Chief Sales Officer performance bonus plan, as may be amended from time to time, subject to the achievement of certain quantitative targets that are determined annually by the CGN Committee and the Board; (iv) participation in the Company's executive benefits plan, including a health spending account worth up to \$15,000; and (v) reimbursement of his reasonable expenses in connection with the business of the Company.

Subject to the terms and conditions of the Chief Sales Officer performance bonus plan, Mr. Callaghan's quarterly performance bonus, if any, will be paid in cash, less applicable source deductions, within a reasonable period after the end of the applicable fiscal quarter. The Callaghan Employment Agreement is for an indefinite term, unless the employment of Mr. Callaghan is terminated earlier in accordance with the provisions of the Callaghan Employment Agreement.

Alban Hoxha

Mr. Hoxha ceased being the Chief Technology Officer of the Company on January 20, 2017.

Estimated Incremental Payments on Change of Control, Termination Without Cause, All Other Termination

Payments on Change of Control

Rahemtulla

Pursuant to the Rahemtulla Employment Agreement, Mr. Rahemtulla may resign his employment at any time for Good Reason (as defined below) within 60 calendar days after the occurrence of Good Reason comes to, or ought to have come to, Mr. Rahemtulla's attention by giving written notice of resignation for Good Reason to the Company. In such a case, the effective date of the resignation for Good Reason shall be 60 days from the date such written notice is delivered, unless Mr. Rahemtulla and the Company mutually agree otherwise. Upon Mr. Rahemtulla's resignation for Good Reason, Mr. Rahemtulla is entitled to the compensation and benefits that Mr. Rahemtulla would have received had Mr. Rahemtulla been terminated without cause (as outlined under "Payment on Termination Without Cause" below). "**Good Reason**" means (i) the assignment to Mr. Rahemtulla of any duties materially inconsistent with his duties and responsibilities as CEO; (ii) a reduction in Mr. Rahemtulla's total cash compensation; (iii) a fundamental change of control (as defined below) of the ownership of the Company; and (iv) any other reason that Mr. Rahemtulla feels, in his sole discretion, is reasonable, including any fundamental change to Mr. Rahemtulla's employment, which would constitute constructive dismissal at common law.

"**Change of Control**" means any of the following: (i) the date upon which a person or group holds shares and/or other securities which, directly or after conversion, exercise or exchange thereof, would entitle the holders thereof to cast 20% or more of the votes attached to the outstanding voting shares; or (ii) a majority of the board of directors of the amalgamated or merged entity or successor entity into which the Company was liquidated or which acquired substantially all of the assets of the Company is not comprised of individuals who were directors of the Company immediately before the event in (i) above; or (iii) the date upon which Shareholders have approved (a) an amalgamation or merger of the Company with any other corporation (other than a direct or indirect affiliate), (b) any other business combination or consolidation, (c) a plan for the liquidation of the Company, and (d) agreement for the sale or disposition of all or substantially all of the assets of the Company.

De Jong and Juba

Pursuant to each of Mr. De Jong and Mr. Juba's employment agreements, in the event that within 12 months immediately following a Change of Control (as defined below), any of the following occur (each, a "**Deemed Termination**"):

- (a) a material change (other than a change that is consistent with a promotion) in the employee's position, duties, responsibilities, title or office in effect immediately prior to any Change of Control;
- (b) a decrease in the employee's base salary or a material decrease in the employee's bonus, benefits, vacation or other compensation;
- (c) for Mr. Juba, a relocation of Mr. Juba's principal place of employment outside the greater Vancouver regional district; or
- (d) any action or event that would constitute a constructive dismissal of the employee at common law,

then, at Mr. De Jong or Mr. Juba's election, respectively, on written notice by Mr. De Jong or Mr. Juba to the Company within 30 days of the relevant Deemed Termination event, the employment agreement shall be deemed to have been terminated by the Company without cause.

Pursuant to the De Jong Employment Agreement and the Juba Employment Agreement, "**Change of Control**" means any of the following:

- (a) any person or group of persons (excluding the executive or any person associated with the executive or a non-arm's length party of the executive) acting jointly or in concert, becomes the direct or indirect beneficial owner of 40% or more of the outstanding voting securities of the Company;
- (b) the completion of a merger, amalgamation, arrangement, business combination or similar transaction with a person or group of persons that is not associated or affiliated (within the meaning of the OBCA) with the Company that results in the voting securities outstanding immediately prior thereto failing to represent at least 50% of the voting securities or right to acquire voting securities of the successor entity immediately thereafter; or
- (c) any sale, lease or transfer of all or substantially all of the Company's assets.

Callaghan

Pursuant to the Callaghan Employment Agreement, in the event of a Change of Control (as defined below), all unvested stock options granted to Mr. Callaghan shall vest immediately. Pursuant to the Callaghan Employment Agreement, "Change of Control" means:

- (a) there is a direct or indirect acquisition by a person or group of persons (excluding Mr. Callaghan or any person associated with Mr. Callaghan) acting jointly or in concert of the voting securities of the Company (as defined in the *Securities Act* R.S.B.C. 119, c.418 as the same may be amended from time to time and any successor legislation thereto) that when taken together with any voting securities owned directly or indirectly by such person or group of persons at the time of the acquisition, constitute 20% or more of the outstanding voting securities of the Company;
- (b) the completion of a merger, amalgamation, arrangement, business combination or similar transaction with a person or group of persons that is not associated or affiliated (within the meaning of the *Business Corporations Act* (British Columbia) as amended) with the Company; or
- (c) the sale, lease or transfer of all or substantially all of the Company's assets.

The following table provides details regarding the estimated incremental payments from the Company to each of the currently employed NEOs on a change of control, assuming a change of control payment was due on September 30, 2016.

Name	Severance Period	Payment of Salary	Pro Rated Bonus/Other	Option based Awards ⁽¹⁾	Share based Awards ⁽²⁾	Total Incremental Payment
	(# of months)	(\$)	(\$)	(\$)	(\$)	(\$)
Aly Rahemtulla ⁽³⁾ President and Chief Executive Officer	20	550,000	450,456	Nil	851,119	78,975
Louis De Jong ⁽⁴⁾ Chief Financial Officer and Corporate Secretary	12	275,000	154,754 ⁽⁷⁾	Nil	541,035	7,500
Lawrence (Larry) Juba ⁽⁵⁾ Chief Operating Officer	12	265,000	141,311 ⁽⁷⁾	70,274	124,000	7,500
Peter Callaghan ⁽⁶⁾ Chief Sales Officer	Nil	Nil	Nil	85,440	Nil	Nil
TOTALS	44	1,090,000	746,521	155,714	1,516,154	93,975

Notes:

- (1) The Option-based awards are calculated assuming exercise of the Options or the BSM Replacement Options, as applicable, and the closing price of the Common Shares on the TSX on September 30, 2016 of \$1.24 per Common Share, assuming a change of control (as defined in the applicable employment agreement) took place on that date.
- (2) The share-based awards are calculated by multiplying the number of RSUs by the market price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, assuming a change of control (as defined in the RSU Plan) took place on that date. Pursuant to the RSU Plan, as constituted as at September 30, 2016, in the event of a change of control, all RSUs outstanding shall immediately vest on the date of such change of control notwithstanding any stated vesting period.
- (3) Pursuant to the Rahemtulla Employment Agreement, upon Good Reason, which includes a change of control (as defined therein), Mr. Rahemtulla is entitled to (i) the equivalent of one year's base salary plus one additional month for each full year employment completed based on a start date of July 1, 2008, up to a maximum of 24 months; (ii) the previous year's unpaid bonus award, if any; (iii) payment of an amount on account of bonus, based upon the average monthly bonus award for the previous year or the current year, whichever is higher, for 12 months plus one additional month for each full year of employment completed, based on a start date of July 1, 2008, up to a maximum of 24 months; (iv) current automobile allowance for 12 months plus one additional month for each full year employment completed, based on a start date of July 1, 2008, up to a maximum of 24 months; and (v) any continued group benefit coverage for 12 months plus one additional month for each full year employment completed based on a start date of July 1, 2008, up to a maximum of 24 months. In the event of a change of control occur, all unvested Options shall vest immediately and expire on their scheduled expiry date on the same basis as if Mr. Rahemtulla's employment continued up to and including the last date upon which such Options are scheduled to expire.
- (4) Pursuant to the De Jong Employment Agreement, in the event of a Deemed Termination within 12 months following a change of control (as defined therein), Mr. De Jong is entitled to: (i) payment of all accrued base salary and accrued but unused vacation pay to the date of Deemed Termination; (ii) reimbursement of approved business expenses incurred to the date of Deemed Termination, in accordance with the Company's policies then in effect; (iii) any performance bonus, calculated *pro rata* through to the end of the minimum notice period prescribed by the *Employment Standards Act, 2000* (the "ESA"), as determined pursuant to the terms and conditions of the applicable executive bonus plan; (iv) a continuation of Mr. De Jong's base salary then in effect for a period of 12 months from the date of Deemed Termination; and (v) a continuation of Mr. De Jong's benefits for the minimum period required by the ESA and, to the extent permitted by applicable benefits plans, a continuation of medical benefits (excluding any long-term and short-term disability) for a period of 12 months from the date of Deemed Termination. All rights to purchase securities of the Company pursuant to the Company's equity incentive plans in place from time to time, which are then held by Mr. De Jong and which have not vested shall immediately vest and become exercisable immediately prior to such change of control.
- (5) Pursuant to the Juba Employment Agreement in the event of a Deemed Termination within 12 months following a change of control (as defined therein), Mr. Juba is entitled to: (i) payment of all accrued base salary and accrued but unused vacation pay to the date of Deemed Termination; (ii) reimbursement of approved business expenses incurred to the date of Deemed Termination, in accordance with the Company's policies then in effect; (iii) any performance bonus, calculated *pro rata* through to the end of the minimum notice period prescribed by the ESA, as determined pursuant to the terms and conditions of the applicable executive bonus plan; (iv) a continuation of Mr. Juba's base salary then in effect for a period of 12 months from the date of Deemed Termination; and (v) a continuation of Mr. Juba's benefits for the minimum period required by the ESA and, to the extent permitted by applicable benefits plans, a continuation of medical benefits (excluding any long-term and short-term disability) for a period of 12 months from the date of Deemed Termination. All rights to purchase securities of the Company pursuant to the Company's equity incentive plans in place from time to time, which are then held by Mr. Juba and which have not vested shall immediately vest and become exercisable immediately prior to such change of control.
- (6) Pursuant to the Callaghan Employment Agreement, in the event of a change of control (as defined therein) all unvested stock options granted to Mr. Callaghan shall vest immediately.

- (7) For illustrative purposes, the bonus amount on change of control for Messrs. De Jong and Juba is assumed to be the unpaid bonus earned with respect to the 12 month period ending September 30, 2016.

Payment on Termination Without Cause

The following table provides details regarding the estimated incremental payments from the Company to each of the currently employed NEOs on termination without cause, assuming a severance payment was due on September 30, 2016.

Name	Severance Period	Termination Payment	Pro Rated Bonus/Other	Option based Awards ⁽¹⁾	Share based Awards ⁽²⁾	Total Incremental Payment
	(# of months)	(\$)	(\$)	(\$)	(\$)	(\$)
Aly Rahemtulla ⁽³⁾ President and Chief Executive Officer	20	550,000	450,456	Nil	851,119	78,975
Louis De Jong ⁽⁴⁾ Chief Financial Officer and Corporate Secretary	12	275,000	154,754 ⁽⁷⁾	Nil	541,035	7,500
Lawrence (Larry) Juba ⁽⁵⁾ Chief Operating Officer	12	265,000	141,311 ⁽⁷⁾	70,274	124,000	7,500
Peter Callaghan ⁽⁶⁾ Chief Sales Officer	6	90,000	Nil	85,440	Nil	Nil
TOTALS	50	1,180,000	746,521	155,714	1,516,154	93,975

Notes:

- (1) The Option-based awards are calculated assuming exercise of the Options or BSM Replacement Options, as applicable, and the closing price of the Common Shares on the TSX on September 30, 2016 of \$1.24 per Common Share, assuming a termination without cause (as defined in the applicable employment agreement) took place on that date.
- (2) The share-based awards are calculated by multiplying the number of RSUs by the closing price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, assuming termination without cause took place on that date.
- (3) If the Rahemtulla Employment Agreement is terminated without cause, Mr. Rahemtulla is entitled to (i) the equivalent of one year's base salary plus one additional month for each full year employment completed, based on a start date of July 1, 2008, up to a maximum of 24 months; (ii) the previous year's unpaid bonus award, if any, if unpaid; (iii) payment of an amount on account of bonus based upon the average monthly bonus award for the previous year or the current year, whichever is higher, for 12 months plus one additional month for each full year employment completed, based on a start date of July 1, 2008, up to a maximum of 24 months; (iv) current automobile allowance for 12 months plus one additional month for each full year employment completed, based on a start date of July 1, 2008, up to a maximum of 24 months; and (v) any continued group benefit coverage for 12 months plus one additional month for each full year employment completed based on a start date of July 1, 2008, up to a maximum of 24 months; provided that, if such benefits are not provided for the whole period, Mr. Rahemtulla shall receive the amount per month that the Company paid for the benefits of Mr. Rahemtulla.
- (4) If the De Jong Employment Agreement is terminated without cause, Mr. De Jong is entitled to: (i) payment of all accrued base salary and accrued but unused vacation pay to the date of termination; (ii) reimbursement of approved business expenses incurred to the date of termination, in accordance with the Company's policies then in effect; (iii) any performance bonus, calculated *pro rata* through to the end of the minimum notice period prescribed by the ESA, as determined pursuant to the terms and conditions of the applicable executive bonus plan; (iv) a continuation of Mr. De Jong's base salary then in effect for a period of 12 months from the date of termination; and (v) a continuation of Mr. De Jong's benefits for the minimum period required by the ESA and, to the extent permitted by applicable benefits plans, a continuation of medical benefits (excluding any long-term and short-term disability) for a period of 12 months from the date of termination.
- (5) If the Juba Employment Agreement is terminated without cause, Mr. Juba is entitled to: (i) payment of all accrued base salary and accrued but unused vacation pay to the date of termination; (ii) reimbursement of approved business expenses incurred to the date of termination, in accordance with the Company's policies then in effect; (iii) any performance bonus, calculated *pro rata* through to the end of the minimum notice period prescribed by the ESA, as determined pursuant to the terms and conditions of the applicable executive bonus plan; (iv) a continuation of Mr. Juba's base salary then in effect for a period of 12 months from the date of termination; and (v) a continuation of Mr. Juba's benefits for the minimum period required by the ESA and, to the extent permitted by applicable benefits plans,

a continuation of medical benefits (excluding any long-term and short-term disability) for a period of 12 months from the date of termination.

- (6) If the Callaghan Employment Agreement is terminated without cause, Mr. Callaghan is entitled to payment in lieu of notice equal to six months after two years of employment, plus one additional month for each additional year of employment, not prorated in any partial year, to a maximum of 18 months of notice (the “**Notice Period**”). If the Company elects pay in lieu of notice of termination, such pay in lieu will be equal to the base salary Mr. Callaghan would earn in the Notice Period only. Bonuses earned up to the termination date will be paid in accordance with the terms of the Callaghan Employment Agreement. The treatment of Mr. Callaghan’s stock options will be determined in accordance with the terms of the Option Plan.

Payments on Other Termination

Rahemtulla

Pursuant to the Rahemtulla Employment Agreement, in the event of:

- (i) a termination for cause, the Company will pay to Mr. Rahemtulla or any person previously designated by Mr. Rahemtulla to the Company for such purposes, any remaining amounts payable to Mr. Rahemtulla up to the termination date, without advance notice of termination or pay in lieu of such notice, subject to entitlements of third persons under the terms of any will or the operation of the laws of descent and distribution, as applicable; and
- (ii) resignation for Good Reason (as defined below), Mr. Rahemtulla is entitled to the compensation and benefits that Mr. Rahemtulla would have received had Mr. Rahemtulla been terminated without cause. Any vested Options held by Mr. Rahemtulla expire on their scheduled expiry date on the same basis as if Mr. Rahemtulla’s employment had continued up to and including the date on which such Options are scheduled to expire. Pursuant to the Rahemtulla Employment Agreement, “Good Reason” means (i) the assignment to Mr. Rahemtulla of any duties materially inconsistent with his duties and responsibilities as CEO; (ii) a reduction in Mr. Rahemtulla’s total cash compensation; (iii) a “Change of Control” of the Company (as defined in the Rahemtulla Employment Agreement); and (iii) any other reason that Mr. Rahemtulla feels, in his sole discretion, is reasonable, including any fundamental change to Mr. Rahemtulla’s employment, which would constitute constructive dismissal at common law.

De Jong

Pursuant to the De Jong Employment Agreement, in the event of:

- (i) a termination for cause, the Company will pay to Mr. De Jong all accrued base salary up to the termination date, any accrued but unused vacation pay and reimbursement for approved business expenses up to the termination date. Upon making these payments, the Company will have no further obligations under the De Jong Employment Agreement;
- (ii) Mr. De Jong’s death, the Company will pay to Mr. De Jong all accrued base salary to date, accrued but unused vacation pay and reimbursement for approved business expenses. Upon making these payments, the Company will have no further obligations under the De Jong Employment Agreement; and
- (iii) Mr. De Jong becoming permanently incapacitated, the Company will provide to Mr. De Jong all accrued base salary to date, accrued but unused vacation pay, reimbursement for approved business expenses and the minimum severance pay (if any), benefits continuation and pay in lieu of notice required by the ESA, inclusive of a *pro rata* performance bonus determined pursuant to the terms and conditions of the executive bonus plan. Upon providing Mr. De Jong with these payments and benefits, the Company will have no further obligations under the De Jong Employment Agreement.

Juba

Pursuant to the Juba Employment Agreement, in the event of:

- (i) a termination for cause, the Company will pay to Mr. Juba all accrued base salary up to the termination date, any accrued but unused vacation pay and reimbursement for approved business expenses up to the termination date. Upon making these payments, the Company will have no further obligations under the Juba Employment Agreement;
- (ii) Mr. Juba's death, the Company will pay to Mr. Juba all accrued base salary to date, accrued but unused vacation pay and reimbursement for approved business expenses. Upon making these payments, the Company will have no further obligations under the Juba Employment Agreement; and
- (iii) Mr. Juba becoming permanently incapacitated, the Company will provide to Mr. Juba all accrued base salary to date, accrued but unused vacation pay, reimbursement for approved business expenses and the minimum severance pay (if any), benefits continuation and pay in lieu of notice required by the ESA, inclusive of a *pro rata* performance bonus determined pursuant to the terms and conditions of the executive bonus plan. Upon providing Mr. Juba with these payments and benefits, the Company will have no further obligations under the Juba Employment Agreement.

Callaghan

Pursuant to the Callaghan Employment Agreement, in the event of a termination for cause, including but not limited to a breach of Mr. Callaghan's confidentiality and non-competition agreement, the Company will pay to Mr. Callaghan all accrued base salary up to the termination date, any accrued but unused vacation pay and reimbursement for approved business expenses up to the termination date. Upon making these payments, the Company will have no further obligations under the Callaghan Employment Agreement;

For additional information on the vesting and expiration of Options pursuant to the Option Plan, please see "*Second Amended and Restated Stock Option Plan*". For additional information on the vesting and expiration of RSUs pursuant to the RSU Plan, please see "*Restricted Share Unit Plan*".

DIRECTOR COMPENSATION

Compensation of Directors

The Company pays directors, who are not also officers or otherwise employed by the Company, for serving on the Board. In making recommendations to the Board relating to director compensation, the CGN Committee considers directors' compensation offered by similar companies, its directors' time commitments and the risks and responsibilities that the directors of the Company assume. In fiscal 2016, the Board eliminated per meeting compensation and moved to a fixed annual cash compensation schedule and grant of DSUs pursuant to the terms of the DSU Plan.

Director Compensation Table

For the year ended September 30, 2016, the Company had seven directors, one of whom was also an NEO. For a description of the compensation paid to the NEO of the Company who also acts as a director of the Company, Mr. Rahemtulla, please see "*Compensation and Analysis*". Mr. Rahemtulla did not receive any compensation for his role as a director of the Company. The following table is a summary of compensation paid to the directors of the Company, other than directors who are also NEOs, for the fiscal year ended September 30, 2016:

Name	Fees earned ⁽¹⁾	Share based awards ⁽²⁾	Option based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Andrew Gutman	60,000 ⁽³⁾	73,000	Nil	N/A	N/A	Nil	133,000
Frank Maw	45,000 ⁽⁴⁾	45,100	Nil	N/A	N/A	Nil	90,100
Leonard Metcalfe	30,000	45,100	Nil	N/A	N/A	Nil	75,100
David D. Sgro ⁽⁵⁾	11,557 ⁽⁴⁾	3,852	Nil	N/A	N/A	Nil	15,410
Gregory Monahan ⁽⁵⁾	7,705	3,852	Nil	N/A	N/A	Nil	11,557
Kelly Edmison ⁽⁵⁾	7,705	3,852	Nil	N/A	N/A	Nil	11,557
Pierre Bélanger ⁽⁶⁾	33,443	Nil	Nil	N/A	N/A	Nil	33,443
John Gildner ⁽⁶⁾	22,295	Nil	Nil	N/A	N/A	Nil	22,295

Notes:

- (1) Directors may elect to receive all or a portion of their Board remuneration in the form of DSUs.
- (2) The amounts reflected relate to DSUs granted during the fiscal year ended September 30, 2016. The fair value of DSUs is calculated based on the market value of the Common Shares at the time of issuance of DSUs. The share based awards reflected in this column have been included in the applicable fiscal year on the following basis: (i) the date of grant; or (ii) if granted in connection with services provided in an applicable fiscal year, the amount is allocated to that fiscal year notwithstanding the grant date occurs in a subsequent fiscal year.
- (3) This includes compensation of \$30,000 for acting as Non-Executive Chairman of the Board.
- (4) This includes compensation for acting as Chair of a Committee of the Board. Specifically, Mr. Maw received \$15,000 as Chair of the CGN Committee, Mr. Bélanger \$11,148 as Chair of the Audit Committee until his resignation, and Mr. Sgro received \$3,852 as Chair of the Audit Committee for the period following his appointment as the Chair of the Audit Committee.
- (5) Messrs. Sgro, Monahan and Edmison joined the Board effective, June 28, 2016.
- (6) Messrs. Bélanger and Gildner resigned from the Board effective June 28, 2016. Mr. Bélanger was the Chair of the Audit Committee prior to his resignation.

Outstanding Option Based Awards

The following table is a summary of Option based awards granted to the directors of the Company, other than directors who are also NEOs, that were outstanding as at the fiscal year ended September 30, 2016:

Name	Option-based Awards			
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾
	(#)	(\$)		(\$)
Andrew Gutman	106,800 BSM Replacement Options	0.64	05/12/2020	64,080
Frank Maw	75,000 Options	1.45	15/01/2018	Nil
Leonard Metcalfe	Nil	Nil	Nil	Nil
David D. Sgro	Nil	Nil	Nil	Nil
Gregory Monahan	Nil	Nil	Nil	Nil
Kelly Edmison	Nil	Nil	Nil	Nil

Note:

(1) Calculated by multiplying the difference between the closing price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, and the Option or BSM Replacement Option, as applicable, exercise price by the number of outstanding Options or BSM Replacement Options, as applicable. Where the difference is negative, the Options or the BSM Replacement Options are not "in-the-money" and no value is ascribed. These Options or BSM Replacement Options may or may not ever be exercised. Whether Options or BSM Replacement Options are exercised or not will be based primarily, but not singularly, on the Company's future stock price and whether the Options or BSM Replacement Options become "in-the-money".

Outstanding Share-Based Awards

The following table is a summary of share-based awards granted to the directors of the Company, other than directors who are also NEOs, that were outstanding as at the fiscal year ended September 30, 2016:

Name	Share-based Awards		
	Number of shares or units of shares that have not vested	Expiration date ⁽¹⁾	Value of unvested share-based awards ⁽²⁾
	(#)		(\$)
Andrew Gutman	50,000 DSUs	N/A	62,000
Frank Maw	52,500 DSUs	N/A	65,100
Leonard Metcalfe	35,000 DSUs	N/A	43,400
David D. Sgro	Nil	N/A	Nil
Gregory Monahan	Nil	N/A	Nil
Kelly Edmison	Nil	N/A	Nil

Notes:

(1) DSUs do not vest until there is loss of directorship.

(2) Calculated by multiplying the closing price of the Common Shares on the TSX on September 30, 2016, which was \$1.24, and the number of DSUs.

Incentive Plan Awards – Value Vested or Earned During the Fiscal Year Ended September 30, 2016

The following table sets forth for each of the Company's directors, other than directors who are also NEOs, the value of Option and share-based awards which vested during the year ended September 30, 2016, and the value of non-equity incentive plan compensation earned during the year ended September 30, 2016:

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	(\$)	(\$)	(\$)
Andrew Gutman	Nil	Nil	Nil
Frank Maw	Nil	Nil	Nil
Leonard Metcalfe	Nil	Nil	Nil
David D. Sgro	Nil	Nil	Nil

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	(\$)	(\$)	(\$)
Gregory Monahan	Nil	Nil	Nil
Kelly Edmison	Nil	Nil	Nil
Pierre Bélanger	Nil	Nil	Nil
John Gildner	Nil	Nil	Nil

Notes:

- (1) Calculated by multiplying the difference between the market price of the Common Shares on the vesting date and the exercise price of the Options or the BSM Replacement Options by the number of Options or BSM Replacement Options, as applicable. These granted Options or BSM Replacement Options may or may not ever be exercised. Whether granted Options or BSM Replacement Options are exercised or not will be based primarily, but not singularly, on the Company's future stock price and whether the granted Options or BSM Replacement Options become "in-the-money".
- (2) DSUs do not vest until a loss of directorship.

SECOND AMENDED AND RESTATED STOCK OPTION PLAN

The Board approved the adoption of the Option Plan on August 17, 2015 and Shareholders subsequently approved it on September 23, 2015. The purpose of the Option Plan is to provide incentives to attract, retain and motivate the Company's directors, officers, employees, and other eligible persons whose contributions are important to the future success of the Company. Under the Option Plan, Options may be granted to: (i) full-time employees or independent contractors of the Company or any of its subsidiaries working not less than 20 hours per week; (ii) consultants of the Company or any of its subsidiaries; or (iii) a director of the Company or any of its subsidiaries who is not a full-time or a part-time employee or independent contractor of the Company working not less than 20 hours per week ("**Outside Director**").

The total number of Common Shares which may be reserved and available for issuance under the Option Plan (together with any other security based compensation arrangement of the Company) may not exceed 10% of the issued and outstanding Common Shares from time to time; provided, however, that the number of Common Shares reserved and available for issuance pursuant to the Option Plan (together with any other security based compensation arrangement of the Company) shall not exceed 10,000,000 Common Shares. The exercise price of Options granted pursuant to the Option Plan is determined by the Board or the CGN committee at the time of grant and may not be less than the closing price of the Common Shares on the applicable stock exchange on the last trading day prior to the date of the grant of the Option (less any discount permitted by the TSX, if the Common Shares are listed on the TSX when the Option is granted). Where Options are granted to a 10% Holder (as defined in the Option Plan), the exercise price of the Options may not be less than 110% of the closing price of the Common Shares on the applicable stock exchange for the last trading day prior to the date of the grant of the Option (less any discount permitted by the TSX, if the Common Shares are listed on the TSX when the Option is granted).

As at February 8, 2017, 2,352,877 Options remain outstanding and unexercised, representing approximately 2.85% of the Company's currently outstanding Common Shares, and 806,862 Options are unallocated and available for future grants, representing approximately 0.98% of the Company's currently outstanding Common Shares.

In lieu of payment of the exercise price of an Option, a participant under the Option Plan may elect to effect a cashless exercise of an Option by surrender of the Option, in which event BSM will issue to the participant a number of Common Shares computed using the following formula:

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

where:

- X = the number of Common Shares to be issued to the participant;
- Y = the number of vested unissued Option shares (at the date of exercise);
- A = the Market Price (as defined in the Option Plan) of one Common Share (at the date of exercise);
and
- B = the Exercise Price (as defined in the Option Plan).

The number of Common Shares which may be issued under the Option Plan (together with any other security based compensation arrangement of the Company) to any one person may not exceed 5% of the Common Shares issued and outstanding on a non-diluted basis from time to time. The number of Common Shares which may be issued: (i) to all insiders of the Company may not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis from time to time; (ii) to all insiders of the Company within a one-year period may not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis from time to time; and (iii) to any one insider within a one-year period may not exceed 5% of the issued and outstanding Common Shares on a non-diluted basis from time to time (in each case, together with any other security based compensation arrangement of the Company). The number of Common Shares which may be issued under the Option Plan to all Outside Directors may not exceed 1% of Common Shares outstanding on a non-diluted basis from time to time and the equity award value of any grant of Options to Outside Directors shall not exceed \$100,000 per year per Outside Director. The Option Plan provides that, subject to certain exceptions, Options granted to U.S. participants will generally be considered incentive stock options within the meaning of applicable U.S. legislation and will be entitled to preferential tax treatment. However, where certain conditions apply, Options granted to U.S. participants will be treated as non-qualified stock options.

Pursuant to the terms of the Option Plan, Options may be granted for a term not exceeding five years. Options are non-assignable and non-transferable, subject to limited exceptions as set out in the Option Plan. The Board has complete discretion to establish or modify vesting provisions for each Option granted.

In the circumstance where the end of the term of an Option falls within, or within 10 business days after the end of, a “black out” or similar period imposed under any insider trading policy or similar policy of the Company (but not, for greater certainty, a restrictive period resulting from the Company or its insiders being the subject of a cease trade order of a securities regulatory authority), then the end of the term of such Option shall be the 10th business day after the earlier of the end of such black out period or, provided the blackout period has ended, the expiry date.

Under the terms of the Option Plan, upon termination of the participant, Options are only exercisable to the extent that such Options would have vested. Where a participant is terminated for any reason other than death or disability, Options may be exercised no later than 30 days after the termination date, and in the case of termination by reason of death or disability, no later than 12 months following the date of death or disability, by the legal representative(s) of the estate of the participant. The Company does not have a formal policy for providing financial assistance to participants to facilitate the purchase of securities under the Option Plan.

The Board may terminate or amend the Option Plan at any time without Shareholder approval to: (a) make formal minor or technical modifications; (b) to correct any defect, supply any omission, or reconcile any inconsistency; (c) to change the vesting provisions of an Option; (d) to change the termination provisions of an Option; (e) to add or modify a cashless exercise feature providing for the payment in cash or securities on the exercise of Options; and (f) to add or change provisions relating to any form of financial assistance provided by the Company; provided however, that no amendment may be made without the consent of an adversely affected participant and Shareholder approval must be obtained in accordance with the requirements of the TSX to: (i) increase the number of Common Shares issuable under Options granted pursuant to the Option Plan; (ii) change the category of persons who qualify as eligible persons under the Option Plan; (iii) reduce the exercise price of an Option; (iv) cancel and re-issue an Option; (v) extend the term of an Option; (vi) make Options transferable or assignable other than by will or operation of law; (vii) increase the level of insider participation under the Option Plan; (viii) increase the level of Outside Director participation under the Option Plan; or (ix) a change to termination and amendment provisions of the Option Plan.

A copy of the Option Plan was attached as Appendix “L” to the Joint Circular and can be found at under the Company’s profile on SEDAR at www.sedar.com. The Company will provide a copy of the Option Plan free of charge to Shareholders upon request.

RESTRICTED SHARE UNIT PLAN

On March 23, 2016, at the Company’s annual general and special meeting of Shareholders, Shareholders approved amendments to the RSU Plan. The RSU Plan was established to the motivate, attract and retain key officers, employees and consultants of the Company and to secure for the Company and the Shareholders the benefits inherent in the ownership of Common Shares by such participants, it being generally recognized that RSUs aid in attracting, retaining and encouraging employees due to the opportunity offered to them to acquire a proprietary interest in the Company. A summary of the material terms and conditions of the RSU Plan is provided below.

The RSU Plan is administered by the CGN Committee and the CGN Committee has the full authority to administer the RSU Plan including the authority to interpret and construe any provision of the RSU Plan and to adopt, amend and rescind such rules and regulations for administering the RSU Plan as the CGN Committee may deem necessary in order to comply with the requirements of the RSU Plan. All actions taken and all interpretations and determinations made by the CGN Committee in good faith are final and conclusive and are binding on the participants and the Company. All costs incurred in connection with the RSU Plan are for the account of the Company.

As at February 8, 2017, 2,408,986 RSUs remain outstanding and unexercised, representing approximately 2.92% of the Company’s currently outstanding Common Shares, and 1,091,014 RSUs, are unallocated and available for future grants, representing approximately 1.32% of the Company’s currently outstanding Common Shares.

The aggregate maximum number of Common Shares available for issuance from treasury under the RSU Plan, subject to adjustment provisions contained therein, shall not exceed 3,500,000 Common Shares (representing 4.24% of the Common Shares outstanding as at February 8, 2017), or such greater number as may be approved from time to time by the Company’s disinterested Shareholders. Any Common Shares underlying a RSU which has been granted under the RSU Plan and which has been cancelled, terminated or redeemed in accordance with the terms of the RSU Plan will be automatically available for grant of a new RSU under the RSU Plan.

Under no circumstances may the number of RSUs granted in aggregate, together with any other Security Based Compensation Arrangements (as such term is defined in the RSU Plan) of the Company exceed 10% of the total number of Common Shares then outstanding.

The maximum number of Common Shares issuable to any one individual, at any time, pursuant to the RSU Plan and any other Security Based Compensation Arrangements of the Company, is 5% of the total number of Common Shares then outstanding.

The maximum number of Common Shares issuable to Insiders (as such term is defined in the RSU Plan), at any time, pursuant to the RSU Plan and any other Security Based Compensation Arrangements of the Company, is 10% of the total number of Common Shares then outstanding. The maximum number of Common Shares issued to Insiders, within any one year period, pursuant to the RSU Plan and any other Security Based Compensation Arrangements of the Company is 10% of the total number of Common Shares then outstanding.

The maximum number of Common Shares issuable to Eligible Consultants (as such term is defined in the RSU Plan), within any one year period, pursuant to the RSU Plan and any other Security Based Compensation Arrangements of the Company, is 2% of the total number of Common Shares then outstanding. The number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable RSU.

In the event that a dividend (other than a stock dividend) is declared and paid by the Company on Common Shares, subject to the absolute discretion of the CGN Committee, the CGN Committee may elect to credit each participant with additional RSUs. In such case, the number of additional RSUs will be equal to the aggregate amount of dividends that would have been paid to the participant if the RSUs in the participant's account had been Common Shares divided by the Market Value (as such term is defined in the RSU Plan) of a Common Share on the date on which dividends were paid by the Company. Any such additional RSUs awarded to a participant will vest on the participant's Entitlement Date (as such term is defined in the RSU Plan) in respect of the particular RSU award to which the additional RSUs relate.

A RSU award granted to a participant will entitle the participant, subject to the participant's satisfaction of any conditions, restrictions, vesting period or limitations imposed under the RSU Plan or set out in a RSU grant letter, to receive one previously unissued fully paid and non-assessable Common Share for each RSU on the date when the RSU award is fully vested. Except as otherwise provided in a RSU grant letter or any other provision of the RSU Plan, all RSUs granted pursuant to the RSU Plan shall vest on the third anniversary of the grant date.

Subject to the foregoing, in the event of:

- (a) the Retirement (as such term is defined in the RSU Plan) or Termination (as such term is defined in the RSU Plan) of a participant, all unvested RSUs credited to the participant shall immediately terminate and be of no further force or effect; provided, however, that the CGN Committee has the absolute discretion to modify the grant of the RSUs to provide that the unvested RSUs shall vest immediately prior to a participant's Termination or Retirement on such basis as the CGN Committee may determine in its absolute discretion.
- (b) the death of a participant, all unvested RSUs credited to the participant will vest on the date of death of such participant and the Common Shares underlying the RSUs credited to the participant's account shall be issued to the participant's estate as soon as reasonably practicable, but in any event no later than 90 days thereafter.
- (c) the disability of a participant (determined in accordance with the Company's normal disability practices), all unvested RSUs credited to the participant will vest within 60 days following the date on which the participant is determined to be totally disabled, and the Common Shares underlying such RSUs credited to the participant's account shall be issued to the participant as soon as reasonably practicable, but in any event no later than 30 days following receipt by the Company of notice of total disability.
- (d) (i) a Change of Control (as such term is defined in the RSU Plan); and (ii) within 12 months of such Change of Control, the Company terminates the employment of the participant for any reason other than just cause, then all unvested RSUs outstanding will immediately vest on the date of such Termination. In any event, upon a Change of Control, participants shall not be treated any more favourably than Shareholders with respect to the consideration that the participants would be entitled to receive for their Common Shares.

Unless otherwise determined by resolution of the CFN Committee, in the event that any RSUs vest during, or within 24 hours after a self-imposed blackout period on the trading of securities of the Company, such vesting will occur on the day immediately following the end of the blackout period, or such 24 hour period, as applicable.

No amount will be paid to, or in respect of, a participant under the RSU Plan or pursuant to any other arrangement, and no additional RSUs will be granted to a participant to compensate the participant for any downward fluctuations in the Market Value of a Common Share nor will any other form of benefit be conferred upon, or in respect of, a participant for such a purpose.

The Company may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or its Affiliate are required by any law or regulation of any governmental authority whatsoever to withhold in connection with any issuance or delivery of Common Shares made under the RSU Plan. For greater certainty, immediately upon the issuance of any Common Shares in satisfaction of a RSU, the Company shall be entitled to sell on behalf and for the account of a participant a given number of Common Shares sufficient to cover any applicable withholding taxes and other amounts to be withheld by the Company in connection with the participant's vested RSUs.

The Board or the CGN Committee, as the case may be, may discontinue the RSU Plan at any time without first obtaining shareholder approval, provided that, without the consent of a participant, such discontinuance may not in any manner adversely affect the participant's rights under any RSU granted under the RSU Plan.

The Board or the CGN Committee may, subject to receipt of requisite regulatory and Shareholder approval, make the following amendments to the RSU Plan:

- (a) increase the number of RSUs which may be issued pursuant to the RSU Plan;
- (b) change the definition of "participant" under the RSU Plan which would have the potential of narrowing, broadening or increasing Insider participation;
- (c) amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to participants at the expense of the Company or its Shareholders;
- (d) amendments to remove or to exceed the Insider participation limits in the Plan; or
- (e) amendments to the non-assignment section of the RSU Plan that would permit RSUs, or any other right or interest of a participant under the RSU Plan, to be assigned or transferred, other than for normal estate settlement purposes.

The Board or the CGN Committee may, subject to receipt of requisite regulatory approval (where required), but not subject to Shareholder approval, in its sole discretion make all other amendments to the RSU Plan that are not of the type contemplated above, including, without limitation:

- (a) amendments of a housekeeping nature, including typographical, clerical and grammatical errors;
- (b) the addition or a change to the vesting provisions of a RSU or the RSU Plan;
- (c) a change to the termination provisions of a RSU or the RSU Plan;
- (d) amendments to reflect changes to applicable securities laws; and
- (e) amendments to ensure that the RSU granted under the RSU Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction of which a participant to whom a RSU has been granted may from time to time be a resident, citizen or otherwise subject to tax therein.

Except pursuant to a will or by the laws of descent and distribution, no RSU and no other right or interest of a participant is assignable or transferable.

A copy of the RSU Plan can be found under the Company's profile on SEDAR at www.sedar.com as filed on March 24, 2016. The Company will provide a copy of the RSU Plan, as amended, free of charge to Shareholders upon request.

DEFERRED SHARE UNIT PLAN

On March 23, 2016, at the Company's annual general and special meeting of Shareholders, Shareholders approved amendments to the DSU Plan. The DSU Plan was established to strengthen the alignment of interests between the Eligible Directors (as such term is defined in the DSU Plan) and the Shareholders by linking a portion of annual director compensation, as determined by the CGN Committee from time to time, to the future value of the Common Shares. A summary of the material terms and conditions of the DSU Plan is provided below.

As at February 8, 2017, 292,541 DSUs remain outstanding and unexercised, representing approximately 0.35% of the Company's currently outstanding Common Shares, and 707,459 DSUs are unallocated and available for future grants, representing approximately 0.86% of the Company's currently outstanding Common Shares.

The DSU Plan is administered by the CGN Committee and the CGN Committee has full discretionary authority to administer the DSU Plan including the authority to interpret and construe any provision of the DSU Plan and to adopt, amend and rescind such rules and regulations for administering the DSU Plan as the CGN Committee may deem necessary in order to comply with the requirements of the DSU Plan. All costs incurred in connection with the DSU Plan shall be for the account of the Company.

The aggregate maximum number of Common Shares available for issuance from treasury under the DSU Plan, subject to adjustment provisions contained therein, shall not exceed 1,000,000 Common Shares (representing 1.21% of the Common Shares outstanding as at February 8, 2017), or such greater number as may be approved from time to time by the Shareholders. Any Common Shares underlying a DSU which has been granted under the DSU Plan and which has expired, been redeemed, cancelled or otherwise not redeemed in accordance with the terms of the DSU Plan will be automatically available for grant of a new DSU under the DSU Plan.

Under no circumstances may the number of DSUs granted in aggregate, together with any other Security Based Compensation Arrangements (as such term is defined in the DSU Plan) of the Company exceed 10% of the total number of Common Shares then outstanding.

The maximum number of Common Shares issuable to Insiders (as such term is defined in the DSU Plan), at any time, pursuant to the DSU Plan and any other Security Based Compensation Arrangements of the Company, is 10% of the total number of Common Shares then outstanding. The maximum number of Common Shares issued to Insiders, within any one year period, pursuant to the DSU Plan and any other Security Based Compensation Arrangements of the Company is 10% of the total number of Common Shares then outstanding. The number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable DSU.

The maximum number of Common Shares issuable to any one individual, at any time, pursuant to this Plan and any other Security Based Compensation Arrangements of the Company, is 5% of the total number of Common Shares then outstanding.

Subject to the terms of the DSU Plan and the compensation policies of the Board, Eligible Directors may file an Election Notice (as such term is defined in the DSU Plan) in respect of his or her Director's Remuneration (as such term is defined in the DSU Plan) payable for the following year or the Company may require the Eligible Director to receive a portion of his or her Director's Remuneration in the form of Deferred Share Units (the "**Entitlement**"). Notwithstanding the foregoing, subject to the terms of the DSU Plan, if an Eligible Director meets the Minimum Director Share Ownership Requirement (as such term is defined in the DSU Plan) then in effect (or if there is no Minimum Director Share Ownership Requirement), an Eligible Director may elect to receive his or her Entitlement entirely in cash, or to receive any portion of his or her Entitlement in cash or DSUs at his or her discretion. If an Eligible Director has not met the Minimum Director Share Ownership Requirement, such Eligible Director must elect to receive at least 50% and up to 100% of the Entitlement in DSUs and, if an Eligible Director fails to make such election, he or she will be deemed to have elected to receive between 50-100% of his or her Entitlement in

DSUs as determined by the GCN Committee in its discretion. Subject to the discretion of the CGN Committee, an Election Notice can be made only once annually and will apply for the full duration of the Eligible Director's current term in respect of which the Entitlement is payable or until a replacement Election Notice is made for a subsequent year. The DSU Grant Date (as such term is defined in the DSU Plan) in respect of an Eligible Director, at the discretion of the CGN Committee, shall be either: (i) the date on which the elected portion of the Eligible Director's Entitlement would otherwise be paid in cash, or (ii) the first business day following the public release of the Company's audited annual financial statements for the immediately preceding fiscal year. Notwithstanding any of the foregoing, the CGN Committee shall have the authority, subject to applicable securities laws, to make any special grant of DSUs to Eligible Directors, in such numbers, and at any time as the CGN Committee deems appropriate.

The DSU Plan will at all times remain unfunded and the obligations of the Company under the DSU Plan shall be general unsecured obligations of the Company.

In the event that a dividend (other than stock dividend) is declared and paid by the Company on Common Shares, subject to the absolute discretion of the CGN Committee, the CGN Committee may elect to credit each participant with additional DSUs. In such case, the number of additional DSUs will be equal to the aggregate amount of dividends that would have been paid to the participant if the DSUs in the participant's account had been Common Shares divided by the Market Value (as such term is defined in the DSU Plan) of a Common Share on the date on which such dividends were paid.

Where DSUs have been granted to a participant with reference to his or her Director's Remuneration for a year, in the event that the participant resigns or is otherwise no longer an Eligible Director during such year, only a *pro rata* portion of the DSUs granted for such year will vest and the participant will only be entitled to a DSU Payment (as such term is defined in the DSU Plan) in respect of such DSUs.

As soon as reasonably practicable following the Separation Date (as such term is defined in the DSU Plan) for each participant, the Company shall issue to such participant one previously unissued fully paid and non-assessable Common Share for each outstanding whole DSU held by such participant on such relevant Separation Date. Fractional DSUs shall be cancelled. In all events, such issuance of Common Shares will occur no later than December 31 of the year following the year of the participant's Separation Date.

Unless otherwise determined by resolution of the CGN Committee, in the event that a Separation Date occurs during or within 24 hours after a self-imposed blackout period on the trading of securities of the Company, such Separation Date will be deemed to occur on the day immediately following the end of the blackout period, or such 24 hour period, as applicable.

The DSU Plan will remain in effect until it is terminated by the Board, subject to the requirements of the stock exchange upon which the Common Shares are then listed.

The Company may take such steps as it considers necessary or appropriate for the withholding of any taxes which the Company is required to withhold by any law or regulation of any governmental authority whatsoever.

The CGN Committee may from time to time in the absolute discretion of the CGN Committee amend (without Shareholder approval), modify and change the provisions of the DSU Plan, provided that any amendment, modification or change to the provisions of the DSU Plan which would:

- (a) materially increase the benefits of the holder under the DSU Plan to the detriment of the Company and its Shareholders;
- (b) increase the number of Common Shares, other than by virtue of a dividend, which may be issued pursuant to the DSU Plan;

- (c) permit DSUs to be transferred other than for normal estate settlement purposes;
- (d) materially modify the requirements as to eligibility for participation in the DSU Plan;
- (e) remove or to exceed the Insider participation limits in the DSU Plan;

shall only be effective upon such amendment, modification or change being approved by the Shareholders, if required by the TSX or any other stock exchange on which the Common Shares are listed, or any other regulatory authorities having jurisdiction over the Company or its securities.

The Board or the CGN Committee may, subject to receipt of requisite regulatory approval (where required), but not subject to Shareholder approval, in its sole discretion make all other amendments to the DSU Plan that are not of the type contemplated above, including, without limitation:

- (a) amendments of a housekeeping nature, including typographical, clerical and grammatical errors;
- (b) a change to the termination provisions of a DSU or the DSU Plan;
- (c) amendments to reflect changes to applicable securities laws; and
- (d) amendments to ensure that the DSUs granted under the DSU Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction of which a participant may from time to time be a resident, or otherwise subject to tax therein.

Except as otherwise may be expressly provided for under the DSU Plan or pursuant to a will or by the laws of descent and distribution, no DSU and no other right or interest of a participant is assignable or transferable, and any such assignment or transfer in violation of the DSU Plan shall be null and void.

A copy of the DSU Plan can be found under the Company's profile on SEDAR at www.sedar.com as filed on March 24, 2016. The Company will provide a copy of the DSU Plan, as amended, free of charge to Shareholders upon request.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table is a summary of compensation plans under which equity securities of the Company are authorized for issuance as of the end of the fiscal year ended September 30, 2016:

Plan Category	Number of securities to be issued upon exercise or vesting of outstanding Options, BSM Replacement Options, RSU and DSUs(a) ⁽¹⁾	Weighted average exercise price of outstanding Options and BSM Replacement Options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a)) ⁽²⁾
	(#)	(\$)	(#)
Equity compensation plans approved by security holders	3,504,230	1.24	4,755,717
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	3,504,230	1.24	4,755,717

Notes:

- (1) Represents the number of Common Shares available for issuance upon (i) exercise of outstanding Options which have been granted under the Option Plan as at September 30, 2016, (ii) exercise of outstanding BSM Replacement Options which have been granted in connection with the Webtech Acquisition as at September 30, 2016 (iii) vesting of outstanding RSUs which have been granted under the RSU Plan as at September 30, 2016; (iv) vesting of outstanding DSUs which have been granted under the DSU Plan as at September 30, 2016. As at

September 30, 2016, the Company had the following securities outstanding under its equity incentive plans: (i) 1,116,210 Options, (ii) 650,614 BSM Replacement Options, (iii) 1,599,906 RSUs, and (iv) 137,500 DSUs.

- (2) Represents the maximum number of additional Common Shares issuable under (i) the Option Plan; (ii) BSM Replacement Options; (iii) the RSU Plan, and (iv) the DSU Plan. The aggregate number of Common Shares that may be reserved under the Option Plan, the BSM Replacement Options, the RSU Plan and the DSU Plan, collectively, shall not exceed 10% of the Company's issued and outstanding Common Shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who is, or at any time during the most recent completed fiscal year of the Company was, a director or officer of the Company, a proposed nominee for election as a director of the Company, or any associate of any one of the foregoing persons is, or at any time since the beginning of the most recent completed fiscal year of the Company has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which constitute routine indebtedness) or was indebted to another entity, where such indebtedness is, or was at any time during the most recent completed fiscal year of the Company, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries. For the purposes of this paragraph, "support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, after reasonable inquiry, other than as disclosed herein, no "informed persons" of the Company (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*), nor any Nominee, nor any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to the issued Common Shares, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed fiscal year or in any proposed transaction which has materially affected the Company or would materially affect the Company, or any of its subsidiaries.

MANAGEMENT CONTRACTS

No management functions of the Company and its subsidiaries are performed to any substantial degree by persons other than the directors and executive officers of the Company or its subsidiaries.

CORPORATE GOVERNANCE

Effective June 30, 2006, the securities regulatory authorities in Canada adopted National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**"). NP 58-201 contains a series of guidelines for effective corporate governance. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the experience and education of board members and other items dealing with sound corporate governance.

Pursuant to NI 58-101, the Company is required to provide disclosure in this Circular of its corporate governance practices in accordance with Form 58-101F1, which disclosure is set out below.

Board of Directors

The Board is of the view that maintaining effective corporate governance practices is an important factor which contributes to the general success of the Company. The Company has reviewed its own corporate governance practices in light of the NI 58-101 guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of

development and therefore these guidelines have not been uniformly adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses.

Composition of the Board of Directors

As of the date this Circular, the Board is composed of seven directors, a majority of whom are independent based upon the criteria set forth in NI 58-101. Messrs. Maw, Metcalfe, Sgro, Monahan and Edmison are independent directors. Mr. Rahemtulla is not an independent director as he is the President and Chief Executive Officer of the Company. Mr. Gutman is deemed to be not independent by virtue of having formerly been the Chief Executive Officer of Webtech (up to September 30, 2015). Webtech became a subsidiary of the Company pursuant to the Webtech Acquisition.

Mr. Gutman is the Non-Executive Chairman of the Board. The Board determined that, in its reasonable judgment, notwithstanding Mr. Gutman being deemed to be a non-independent director by virtue of NI 58-101, Mr. Gutman is able to exercise the impartial judgment necessary to fulfill his responsibilities as the Non-Executive Chairman of the Board and his appointment as the Non-Executive Chairman of the Board is in the best interests of the Company. Mr. Gutman will no longer be deemed to have a material relationship with the Company as of September 30, 2018.

The independent directors did not hold any regularly scheduled meetings during the fiscal year ended September 30, 2016, at which non-independent directors and members of management were not in attendance. To facilitate open and candid discussion among the independent directors, at Board meetings, as applicable, non-independent directors have been asked to leave the meeting. In addition, any item which could involve a potential conflict of interest among one or more directors is voted on by those directors that are not related to the conflict in question. It is anticipated that independent directors' meetings will be held as deemed appropriate during the current fiscal year.

Meetings of the Board

The Board held 11 meetings during the fiscal year ended September 30, 2016. Where a director held his position for part of the period covered, attendance is based on meetings held during his tenure. The members of the Board and their attendance are set forth below:

Board of Directors		
Name of Director	Independent⁽¹⁾	Meeting Attendance
Andrew Gutman ⁽²⁾	No	11/11
Aly Rahemtulla	No	11/11
Frank Maw ⁽³⁾	Yes	9/11
Leonard Metcalfe	Yes	11/11
David D. Sgro ⁽⁴⁾	Yes	3/3
Gregory Monahan	Yes	3/3
Kelly Edmison	Yes	3/3
Pi�rre B�langer ⁽⁵⁾	Yes	7/8
John Gildner ⁽⁵⁾	Yes	8/8

Notes:

- (1) To be considered independent, a member of the Board must not have any direct or indirect or "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. Mr. Rahemtulla is not independent by virtue of his position as President and CEO of the Company. Mr. Gutman is not independent by virtue of having formerly been the CEO of Webtech (up to September 30, 2015), which became a subsidiary of the Company after the completion of the Webtech Acquisition.
- (2) Non-Executive Chairman of the Board.
- (3) Mr. Maw is the Chair of the CGN Committee.
- (4) Mr. Sgro is the Chair of the Audit Committee.
- (5) Messrs. B langer and Gildner resigned from the Board, effective June 28, 2016.

Other Directorships

The following table summarizes current directorships of other reporting issuers for the current directors of the Company:

Director	Name of Reporting Issuer and Exchange
Andrew Gutman	Nil
Aly Rahemtulla	Nil
Frank Maw	Nil
Leonard Metcalfe	Nil
David D. Sgro	Hill International Inc. (NYSE: HIL) Imvescor Restaurant Group Inc. (TSX: IRG) Pangaea Logistics Solutions Ltd. (NASDAQ: PANL)
Gregory Monahan	Absolute Software Corporation (TSX: ABT) Cott Corporation (TSX: BCB) (NYSE: COT)
Kelly Edmison	Pender Growth Fund Inc. (TSXV: PTF)

Minimum Share Ownership Guidelines for Directors

On April 7, 2014, the Board adopted a policy regarding the minimum share ownership for directors (the “**Director Share Ownership Guidelines**”), which was amended on December 15, 2016. Pursuant to the Director Share Ownership Guidelines, all directors are required to own Common Shares which have a market value equal to three times the director’s annual compensation paid to the director (the “**Minimum Shareholding Requirement**”). Directors’ are required to meet the Minimum Shareholding Requirement upon the later of: (i) April 7, 2017; or (ii) three years from the date of the director’s appointment to the Board, and thereafter maintain the Minimum Shareholding Requirement.

When calculating a director’s share ownership for purposes of the Minimum Shareholding Requirement, the following may be used: (i) Common Shares owned directly (including through open market purchases or acquired and held upon vesting of Company equity awards); (ii) Common Shares owned jointly or separately by a director’s spouse and/or children residing in the same household; (iii) Common Shares held in trust for the benefit of the director or the director’s spouse and/or children; and (iv) DSUs held pursuant to the DSU Plan. Unvested stock options (whether vested or not vested) do not count towards meeting the Minimum Shareholding Requirement.

If a director meets the Minimum Shareholding Requirement, the director may elect to receive 0% to 100% of their annual director compensation in DSUs for the upcoming fiscal year. If a director does not meet the Minimum Shareholding Requirement prior to the stipulated deadline, the director must elect to receive 50% to 100% of their annual directors’ compensation for the upcoming fiscal year in DSUs. In addition, in the event a director does not meet the Minimum Shareholding Requirement prior to the stipulated deadline or thereafter, the CGN Committee may exercise its discretion to declare a director ineligible to receive equity grants under any of the Company’s equity compensation plans.

Board Mandate

Currently, the Board does not have a written mandate. The Board delineates its role and responsibilities as follows: (a) to establish and follow Board procedures; (b) to direct the business and affairs of the Company including approval of all significant decisions; and (c) to act honestly, in good faith and with a view to the best interests of the Company.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board, the President and Chief Executive Officer, the Chair of the Audit Committee and the Chair of the CGN Committee. In addition, the Audit Committee and the CGN Committee each have a written charter.

Board Orientation, Continuing Education

While the Board does not have a formal orientation and training program for new member of the Board, new Board members are provided with:

- (i) information respecting the functioning of the Board and its committees;
- (ii) information respecting the nature and operation of the business of the Company;
- (iii) access to recent, publicly-filed documents of the Company and the Company's internal financial information;
- (iv) access to management, including the C-Level Officers and consultants; and
- (v) a summary of significant corporate and securities responsibilities.

New directors of the Company are provided with insight from other Board members and management regarding the contribution which they are expected to make to the Board in terms of both time and resource commitments. Board members are also encouraged to communicate with management, auditors, and consultants to keep themselves current with industry trends and developments and changes in legislation; and to attend related industry seminars and visit the Company's operations, to ensure that each member of the Board maintains the skills and knowledge necessary to meet their obligations as directors. Members of the Board have full access to the Company's records.

The Board educates itself through the annual budget review process and through the detailed reviews of operational and strategic issues during Board meetings. In addition, the CGN Committee is also responsible for providing continuing education opportunities to existing directors to ensure that each member maintains the skills and knowledge necessary to meet their obligations as directors. The Board expects to select any new directors from persons who have the requisite knowledge and experience to ensure that the lack of formal policy will not detract from the performance of the Board.

Assessments

The Board and its committees are regularly assessed with respect to their effectiveness and contribution. For fiscal 2016, the Board implemented questionnaires for directors to complete in order to assess the effectiveness of the Board, the committees and the Chair of applicable committees. The CGN Committee and the Corporate Secretary compile the results of such questionnaires and provide a report to the Board for discussion and review. The purpose of this annual review process is to assist the Board in assessing:

- Board structure, composition, diversity, experience, mandate, roles and responsibilities and effectiveness;
- Committee meetings, composition, mandate, committee operations and effectiveness; and
- Director attendance, preparedness, contribution and participation, knowledge of the business and
- required skills and expertise.

In addition to the questionnaire, the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively by conducting informal assessments from time to time.

Ethical Business Conduct

The Company has not adopted a written code of conduct and ethics. However, all directors of the Company have an obligation to perform their duties and assume their responsibilities in the best interests of the Company. The Company expects all of its directors to comply with the laws and regulations governing its conduct, and further, is committed to promoting integrity and maintaining the highest standard of ethical conduct in all of its activities. The Board views good corporate governance as an integral component to the success of the Company and to meet its responsibilities to Shareholders. In addition, the Company has established a whistleblower policy which outlines the procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting control or auditing matters as well as other issues.

Under the OBCA, to which the Company is subject, a director or officer of the Company must disclose to the Company, the nature and extent of any interest that he or she has in a material contract or material transaction, whether made or proposed, with the Company, if the director or officer: (a) is a party to the contract or transaction; (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or (c) has a material interest in a party to the contract or transaction. Subject to limited exceptions set out in the OBCA, the director cannot vote on any resolution to approve the contract or transaction and must recuse himself or herself from the decision-making process pertaining to a contract or transaction in which he or she has an interest.

Nomination of Directors

In collaboration with the CGN Committee, the full Board has the responsibility for identifying potential Board candidates. The Board monitors and assesses the mix of skills and competencies required in order for the Board to fulfil its role effectively. In addition, the Board discusses with each director his intention to continue to serve as a Board member in order to plan and prepare for succession at the Board level in a seamless manner.

Compensation of Directors and Officers

The Board has established the CGN Committee which assists in determining compensation matters for the Company. The CGN Committee is set up to ensure that compensation is competitive within the industry and aligns the interests of such individuals with those of the Company.

Please see *“Executive Compensation – Compensation Discussion and Analysis”* for additional details with respect to the compensation provided to directors and officers of the Company.

Board Committees

The Board has two committees: (i) the Audit Committee; and (ii) the CGN Committee. The Board oversees the operations of the committees, the appointment of their respective members, their compensation and their conduct. The Board has no intention at this time to establish other standing committees.

Director Term Limits and Other Mechanisms of Board Renewal

The Company has not adopted a formal policy with respect to director term limits or other mechanisms to force Board renewal. The Company believes that in taking into account the nature and size of the Board and the Company, it is more important to have relevant experience than to impose set time limits on a director’s tenure, which may create vacancies at a time when a suitable candidate cannot be identified and as such would not be in the best interests of the Company. In lieu of imposing term limits, the Company periodically monitors director

performance through formal and informal annual assessments, analyzes the skills and experience necessary for the Board and evaluates the need for director changes to ensure that the Company has highly knowledgeable and motivated Board members, while ensuring that new perspectives are available to the Board.

Directors who have served on the Board for an extended period of time are in a unique position to provide valuable insight into the operations and future of the Company based on their experience with a perspective on the Company's history, performance and objectives. The Board believes it is important to have a balance between directors who have a long history and organizational understanding of the Company's business with directors who bring new perspectives and ideas to the Board.

Representation of Women on the Board and Senior Management

The Company does not have a written policy on the representation of women on the Board. The Board does not believe that quotas or strict rules necessarily result in the identification or selection of the best candidates. Rather, selection is made based on merit, skills, qualifications, experience, background, needs of the Company at the time, etc. However, the Board has historically and continues to recognize the benefits of, and need for, extending opportunities to all internal personnel and outside candidates, without distinction as to gender, race, colour, religion, sexual orientation, family or marital status, political belief, age, national or ethnic origin, citizenship, disability, or any other basis. The Company's focus has always been, and will continue to be, working to attract the highest quality executive officers and Board candidates with special focus on the skills, experience, character and behavioural qualities of each candidate.

During fiscal 2016, 0% of the Company's directors and 0% of the Company's executive officers were women. The Company has not set a targeted number or percentage of female representation on its Board or for executive officer positions; however, the Board is mindful of the benefit of diversity in the Company's leadership positions and the need to maximize the effectiveness of the Board and management in their decision making abilities. Accordingly, in searches for new directors or officers, the Board considers the level of female representation and diversity within its leadership ranks and this is just one of several factors used in its search process. The Company will continue to monitor developments in the area of diversity while reviewing its own practices in order to adopt a policy that is meaningful for the Company.

Audit Committee

The Audit Committee is responsible for, among other things, monitoring the Company's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Company's external auditors. The Audit Committee is also responsible for reviewing the Company's annual audited consolidated financial statements, unaudited interim consolidated financial statements and management's discussion and analysis of financial results of operations for both annual and interim consolidated financial statements and review of related operations prior to their approval by the Board.

Further information regarding the Audit Committee is contained in the Company's current annual information form dated December 14, 2016 (the "AIF"), under the heading "Audit Committee". A copy of the Audit Committee charter is attached to the AIF as Schedule "A" therein. The AIF is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.bsmwireless.com/ir/reports-and-filings.

Compensation, Governance & Nominating Committee

The CGN Committee held seven meetings in the fiscal year ended September 30, 2016. The members of the CGN Committee and their attendance are set forth below:

Compensation, Governance and Nominating Committee		
Name of Director	Independent ⁽¹⁾	Meeting Attendance
Frank Maw ⁽²⁾	Yes	7/7
Andrew Gutman	No	7/7
Leonard Metcalfe	Yes	7/7
Gregory Monahan ⁽³⁾	Yes	3/3
Kelly Edmison	Yes	3/3

Notes:

- (1) To be considered independent, a member of the Board must not have any direct or indirect “material relationship” with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. Mr. Gutman is not independent by virtue of having formerly been the CEO of Webtech (up to September 30, 2015), which became a subsidiary of the Company after the completion of the Webtech Acquisition.
- (2) Chair of the CGN Committee.
- (3) Messrs. Monahan and Edmison became members of the CGN Committee on June 28, 2016.

Relevant Education and Experience

For a general description of the CGN Committee member’s relevant education and experience, please see “*Business of Meeting – Election of Directors*”.

Responsibilities of the CGN Committee

The CGN Committee is appointed by the Board. Some of the main responsibilities of the CGN Committee include:

- making recommendations to the Board in regards to the compensation of the Company’s directors and executive officers;
- reviewing all executive compensation policies and making recommendations to the Board, where appropriate, in relation to such policies;
- overseeing of the Company’s activities related to corporate governance, legal and regulatory compliance, Board composition, Board nominations and Board conduct and training;
- reviewing policies relating to corporate governance matters generally;
- reviewing and assessing the effectiveness of the Board and individual directors;
- establishing and maintaining position descriptions for the Chairman of the Board and the Chair of each of the Board’s committees;
- assisting the Board in identifying candidates for nomination as directors of the Company and recommending nominees to the Board;
- engaging and, as necessary, directing independent compensation consultants, independent counsel and other advisors as it determines necessary to carry out its duties; and
- reviewing the Board’s relationship with the Company’s management to ensure the Board is able to act independently of management.

GENERAL

Except where otherwise indicated, information contained herein is given as of the 8th day of February, 2017.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com. Financial information concerning the Company's most recently completed fiscal year is provided in the comparative financial statements for the years ended September 30, 2016 and September 30, 2015 and the related MD&A. Inquiries including requests for copies of the Company's financial statements and the related MD&A for the fiscal year ended September 30, 2016, may be directed to the Corporate Secretary of the Company at 75 International Blvd., Suite 100, Toronto, ON M9W 6L9.

APPROVAL

The contents of this Circular and the sending thereof to Shareholders, directors and the auditors of the Company, have been approved by the Board.

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) Aly Rahemtulla

Aly Rahemtulla

President and Chief Executive Officer

SCHEDULE "A"

AMENDED BY-LAW NO. 4

AMENDED BY-LAW NO. 4

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

BSM TECHNOLOGIES INC.

CONTENTS

1. Interpretation
2. Business of the Corporation
3. Directors
4. Committees
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6. Protection of Directors, Officers and Others
7. Shares
8. Dividends and Rights
9. Meetings of Shareholders
10. Divisions and Departments
11. Notices
12. Electronic Documents
13. Effective Date
14. Repeal

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of BSM Technologies Inc. (hereinafter called the "**Corporation**") as follows:

SECTION ONE

INTERPRETATION

1.01 Definitions

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

- (1) "**Act**" means the Business Corporations Act, R.S.O. 1990 c. B.16 and the regulations made pursuant thereto, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;

- (2) **“appoint”** includes “elect” and vice versa;
- (3) **“articles”** means the articles of the Corporation as from time to time amended or restated;
- (4) **“board”** means the board of directors of the Corporation;
- (5) **“by-laws”** means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (6) **“meeting of shareholders”** includes an annual meeting of shareholders and a special meeting of shareholders; **“special meeting of shareholders”** includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;
- (7) **“non-business day”** means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Ontario);
- (8) **“recorded address”** means in the case of a shareholder his address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of a director, officer, auditor or member of a committee of the board his latest address as recorded in the records of the Corporation;
- (9) **“Securities Transfer Act”** means the *Securities Transfer Act* (Ontario) 2006, c.8. as amended from time to time;
- (10) **“signing officer”** means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by paragraph 2.03 or by a resolution passed pursuant thereto;
- (11) all terms contained in the by-laws that are not otherwise defined in the by-laws and which are defined in the Act, such as “resident Canadian”, shall have the meanings given to such terms in the Act; and
- (12) the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter genders; and the word “person” shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

1.02 Conflict with Laws

In the event of any inconsistency between the by-laws and mandatory provisions of the Act or the *Securities Transfer Act*, the provisions of the Act or the *Securities Transfer Act*, as applicable, shall prevail.

SECTION TWO

BUSINESS OF THE CORPORATION

2.01 Corporate Seal

The Corporation may, but need not, have a corporate seal. An instrument or agreement executed on behalf of the Corporation by a director, an officer or an agent of the Corporation is not invalid merely because the corporate seal, if any, is not affixed thereto.

2.02 Financial Year

The financial year of the Corporation shall be as determined by the board from time to time.

2.03 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any two officers or directors, or a combination thereof and instruments in writing so

signed shall be binding upon the Corporation without any further authorization or formality. The board shall have power from time to time by resolution to appoint any officer or officers or any person or persons or any legal entity on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Corporation, if any, may, when required, be affixed to contracts, documents and instruments in writing signed as set out above or by any officer or officers, person or persons, appointed as set out above by resolution of the board.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, movable or immovable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities and all paper writings.

The signature or signatures of the Chairman of the Board (if any), the Vice-Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Chief Technology Officer, the Chief Sales Officer, any Executive Vice-President or any a Senior Vice-President together with any one of the Corporate Secretary, the Treasurer, an Assistant Corporate Secretary, an Assistant Treasurer or any one of the foregoing officers together with any one director of the Corporation and/or any other officer or officers, person or persons, appointed as aforesaid by resolution of the board may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon any contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation on which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation.

2.04 Delegation of Financial Authority

Notwithstanding paragraph 2.03, contracts, documents or instrument in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any one officer, director or employee of the Corporation, and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality.

2.05 Banking Arrangements

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

2.06 Custody of Securities

All shares and securities owned by the Corporation shall be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the board, with such other depositaries or in such other manner as may be determined from time to time by resolution of the board.

All share certificates, bonds, debentures, notes or other obligations or securities belonging to the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

2.07 Voting Shares and Securities in other Companies

All of the shares or other securities carrying voting rights of any other body corporate held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such other body corporate and in such manner and by such person or persons as the board shall from time to time by resolution determine. The proper signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the board.

SECTION THREE

DIRECTORS

3.01 Number of Directors and Quorum

The number of directors of the Corporation shall be the number of directors as specified in the articles or, where a minimum and maximum number of directors is provided for in the articles, the number of directors of the Corporation shall be the number of directors determined from time to time by special resolution or, if a special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. Subject to the Act, the quorum for the transaction of business at any meeting of the board shall be a majority of the number of directors then in office and or such greater number of directors as the board may from time to time by resolution determine.

3.02 Qualification

No person shall be qualified for election as a director if disqualified in accordance with the Act (which would currently include: a person who is less than 18 years of age; a person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere; a person who is not an individual; or a person who has the status of a bankrupt). A director need not be a shareholder. The board shall be comprised of the number of Canadian residents as may be prescribed from time to time by the Act (which is currently a minimum of 25%). If the Corporation is or becomes an offering corporation within the meaning of the Act, at least one-third of the directors of the Corporation shall not be officers or employees of the Corporation or any of its affiliates.

3.03 Election and Term

The election of directors shall take place at the first meeting of shareholders and at each succeeding annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined by special resolution or, if the special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

3.04 Nomination of Directors

Subject only to the Act and the articles, only persons who are nominated in accordance with the

following procedures shall be eligible for election as directors. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

- (a) by or at the direction of the board (or any duly authorized committee thereof) or an authorized officer of the Corporation, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a proposal within the meaning of, and made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or
- (c) by any person (a “**Nominating Shareholder**”): (i) who, at the close of business on the date of the giving of the notice provided for below in this paragraph 3.04 and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this paragraph 3.04.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the principal executive offices of the Corporation in accordance with this paragraph 3.04.

To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Corporation must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 days nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (b) in the case of a special meeting of shareholders (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 close of business on 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 paragraph (b). In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.

To be in proper written form, a Nominating Shareholder’s notice to the Corporate Secretary of the Corporation must set forth:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - (i) the name, age, business address and residential address of the person,
 - (ii) the principal occupation(s) or employment(s) of the person,
 - (iii) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and
 - (iv) 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 (as defined below); and

- (b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this paragraph 3.04; provided, however, that nothing in this paragraph 3.04 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

For purposes of this paragraph 3.04, (i) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory 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 commission and similar regulatory authority of each province and territory of Canada.

Notwithstanding any other provision of this by-law, notice given to the Corporate Secretary of the Corporation pursuant to this paragraph 3.04 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a non-business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this paragraph 3.04.

3.05 Removal of Directors

Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a meeting specially called for such purpose remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by a quorum of the directors.

3.06 Vacation of Office

A director ceases to hold office when he dies or, subject to the Act, resigns; he is removed from office by the shareholders in accordance with the Act; he becomes of unsound mind and is so found by a court in Canada or elsewhere or if he acquires the status of a bankrupt.

3.07 Vacancies

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or maximum number of directors or from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders. In the absence of a quorum of the board, or if

the vacancy has arisen from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

3.08 Action by the Board

The board shall manage or supervise the management of the business and affairs of the Corporation. Subject to paragraph 3.09, the powers of the board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

3.09 Meeting by Telephone or Other Electronic Means

Subject to the Act, if all of the directors present at or participating in the meeting consent, a director may participate in a meeting of the board or a committee of the board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other, and a director participating in a meeting by such means shall be deemed to be present at that meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

3.10 Place of Meetings

Meetings of the board may be held at any place within or outside Ontario. In any financial year of the Corporation, a majority of the meetings of the board need not be held within Canada.

3.11 Calling of Meetings

Subject to the Act, meetings of the board shall be held from time to time on such day and at such time and at such place as the board, the Chairman of the Board (if any), the President, the Chief Executive Officer, an Executive Vice-President, a Senior Vice-President or a Vice-President who is a director or any one director may determine and the Corporate Secretary or Assistant Corporate Secretary, when directed by the board, the Chairman of the Board (if any), the President, the Chief Executive Officer, an Executive Vice-President, a Senior Vice-President or a Vice-President who is a director or any one director shall convene a meeting of the board.

3.12 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in paragraph 11.01 to each director not less than 48 hours (exclusive of any part of a non-business day) before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

3.13 First Meeting of New Board

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

3.14 Adjourned Meeting

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

3.15 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of a schedule of regular meetings of the board setting forth the proposed dates, times and places of such regular meetings shall be sent to each director at the commencement of each fiscal year; however, each director shall also be provided with a follow-up notice of meeting and agenda prior to each regularly scheduled meeting.

3.16 Chairman

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, an Executive Vice-President, a Senior-Vice President or a Vice-President. If no such officer is present, the directors present shall choose one of their number to be chairman.

3.17 Votes to Govern

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

3.18 Conflict of Interest

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders, and a director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders.

3.19 Remuneration and Expenses

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

SECTION FOUR

COMMITTEES

4.01 Committee of Directors

The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of directors has no authority to exercise.

4.02 Transaction of Business

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

4.03 Audit Committee

The board may, and shall if the Corporation becomes an offering corporation within the meaning of the Act, elect annually from among its number an audit committee to be composed of not fewer than three directors of whom a majority shall not be officers or employees of the Corporation or its affiliates. The audit committee shall have the powers and duties provided in the Act.

4.04 Advisory Committees

The board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees shall be advisory only.

4.05 Procedure

Unless otherwise determined by the board, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

SECTION FIVE

OFFICERS

5.01 Appointment

The board may from time to time appoint a Chairman of the Board, a President, a Chief Executive Officer, one or more Vice-Presidents (to which title may be added words indicating seniority or function), the Corporate Secretary, the Chief Financial Officer, the Chief Operating Officer, the Chief Sales Officer, the Treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers' powers to manage the business and affairs of the Corporation. Subject to paragraph 5.02, an officer may but need not be a director and one person may hold more than one office. In case and whenever the same person holds the offices of Corporate Secretary and Treasurer, he may but need not be known as the Corporate Secretary-Treasurer. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

5.02 Chairman of the Board

The Chairman of the Board, if appointed, shall be a director and shall, when present, preside at all meetings of the board. Each committee of the board shall appoint a Chairman which shall be a member of the relevant committee of the board and shall, when present, preside at all meetings of committees of the board. The Chairman of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board. During the absence or disability of the Chairman of the Board, his duties shall be performed and his powers exercised by the President.

5.03 President

The President shall, and unless and until the board designates any other officer of the Corporation to be the Chief Executive Officer of the Corporation, be the Chief Executive Officer and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the

board may specify. The President shall be vested with and may exercise all the powers and shall perform all the duties of the Chairman of the Board if none be appointed or if the Chairman of the Board is absent or unable or refuses to act.

5.04 Chief Financial Officer, Chief Operating Officer, Chief Sales Officer, Executive Vice-President, Senior Vice-President or Vice-President

Each of the Chief Financial Officer, the Chief Operating Officer, the Chief Sales Officer an Executive Vice-President, a Senior Vice-President or a Vice-President shall have such powers and duties as the board or the President may specify. The Chief Financial Officer, the Chief Operating Officer, the Chief Sales Officer, an Executive Vice-President, a Senior Vice-President or a Vice-President or, if more than one, the Chief Financial Officer, the Chief Operating Officer, the Chief Sales Officer, Executive Vice-President, Senior Vice-President or Vice-President designated from time to time by the board or by the President, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that the Chief Financial Officer, the Chief Operating Officer, an Executive Vice-President or a Vice-President who is not a director shall not preside as chairman at any meeting of the board.

5.05 Corporate Secretary or Assistant Corporate Secretary

The Corporate Secretary or Assistant Corporate Secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board may specify.

5.06 Treasurer or Assistant Treasurer

The Treasurer or Assistant Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions as Treasurer or Assistant Treasurer and of the financial position of the Corporation; and he shall have such other powers and duties as the board may specify. Unless and until the board designates any other officer of the Corporation to be the Chief Financial Officer of the Corporation, the Treasurer or Assistant Treasurer shall be the Chief Financial Officer of the Corporation.

5.07 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

5.08 Variation of Powers and Duties

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

5.09 Term of Office

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

5.10 Terms of Employment and Remuneration

The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

5.11 Conflict of Interest

An officer shall disclose his interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with paragraph 3.188.

5.12 Agents and Attorneys

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

5.13 Fidelity Bonds

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine but no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

SECTION SIX

PROTECTION OF
DIRECTORS, OFFICERS AND OTHERS

6.01 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

6.02 For the Protection of Directors and Officers

In supplement of and not by way of limitation upon any rights conferred upon directors by the provisions of the Act, it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit; and, subject to the provisions of the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to the provisions of the Act and to paragraph 3.18, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director is in any way directly or indirectly interested.

6.03 Limitation of Liability

Except as otherwise provided in the Act, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or

deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact of his being a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

6.04 Indemnity

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

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request;
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful; and
- (c) a court or other competent authority has not judged that the individual has committed any fault or omitted to do anything that the individual ought to have done.

The Corporation shall also indemnify such person in such other circumstances as the Act permits or requires. The Corporation may advance monies to a director, officer or other individual for costs, charges and expenses of a proceeding referred to above. The individual shall repay the monies if he or she does not fulfill the conditions set out in paragraphs (a) and (b) above. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

6.05 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in paragraph 6.04 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

SECTION SEVEN

SHARES

7.01 Allotment

The board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act. Shares may be issued as uncertificated securities or be represented by share certificates in accordance with the provisions of the Act and the *Securities Transfer Act*.

7.02 Commissions

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

7.03 Registration of Transfers

All transfers of securities of the Corporation shall be made in accordance with the Act and the *Securities Transfer Act*. Subject to the provisions of the Act and the *Securities Transfer Act*, no transfer of shares represented by a security certificate (as defined in the Act) shall be registered in a securities register except upon presentation of the certificate representing such shares with an endorsement which complies with the Act and the *Securities Transfer Act* made thereon or delivered therewith duly executed by an appropriate person as provided by the Act and the *Securities Transfer Act*, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in paragraph 7.05.

7.04 Transfer Agents and Registrars

The board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Corporation issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to his functions and one person may be designated both registrar and transfer agent. The board may at any time terminate such appointment.

7.05 Lien for Indebtedness

The Corporation shall have a lien on any share registered in the name of a shareholder or his legal representatives for a debt of that shareholder to the Corporation, provided that if the shares of the Corporation are listed on a stock exchange in or outside Canada, the Corporation shall not have such lien. The Corporation may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Corporation by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

7.06 Non-recognition of Trusts

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

7.07 Share Certificates and Written Evidence of Ownership

Every holder of one or more shares of the Corporation that are certificated securities under the Act shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with paragraph 2.03 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate. Holders of uncertificated securities of the Corporation shall be entitled to receive a written notice or other documentation as provided by the Act.

7.08 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee, not exceeding \$3.00, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

7.09 Joint Shareholders

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

7.10 Deceased Shareholders

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

SECTION EIGHT

DIVIDENDS AND RIGHTS

8.01 Dividends

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

8.02 Dividend Cheques

A dividend payable in cash shall be paid either electronically by direct deposit or by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and, if paid by cheque, mailed by prepaid ordinary mail to such registered holder at his

recorded address, unless such holder otherwise directs. In the case of joint holders any cheque issued shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as set out in this section, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

8.03 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as set out in section 8.02, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.04 Record Date for Dividends and Rights

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

8.05 Unclaimed Dividends

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

SECTION NINE

MEETINGS OF SHAREHOLDERS

9.01 Annual Meetings

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine, in any event no later than the earlier of (i) six months after the end of each of the Corporation's financial years, and (ii) fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

9.02 Special Meetings

The board, the Chairman of the Board (if any) or the President shall have the power to call a special meeting of shareholders at any time.

9.03 Place of Meetings

Subject to the Corporation's articles, a meeting of shareholders of the Corporation shall be held at such place in or outside of Ontario as the board may determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located. If the Corporation makes available a telephonic, electronic or other communication facility that permits all participants of a shareholders meeting to communicate adequately with each other during the meeting and otherwise complies with the Act, any person entitled to attend such meeting may

participate by means of such communication facility in the manner prescribed by the Act, and any person participating in the meeting by such means is deemed to be present at the meeting.

9.04 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 11.01 not less than 21 days nor more than 50 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

9.05 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to paragraph 9.06, the list of shareholders entitled to receive notice of the meeting shall be prepared not later than ten days after such record date. If no record date is fixed, the list of shareholders entitled to receive notice of the meeting shall be prepared as of the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting of shareholders for which the list was prepared.

9.06 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days (40 days if notice and access is used or pursuant to the time limitations as may be prescribed by the Act from time to time), as a record date for the determination of the shareholders entitled to receive notice of the meeting, provided that notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

9.07 Meetings Held by Electronic Means

If the directors or shareholders of the Corporation call a meeting of shareholders pursuant to the Act, the directors may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting.

9.08 Meetings without Notice

A meeting of shareholders may be held without notice at any time and place permitted by the Act:

- (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy waive notice of or otherwise consent to such meeting being held, and
- (b) if the auditor and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditor and directors present are not attending for the express purpose of

objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

9.09 Chairman, Corporate Secretary and Scrutineers

The Chairman of the Board or any other director or officer of the Corporation, as determined by the board, may act as chairman of any meeting of shareholders. If no such director or officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the Corporate Secretary or Assistant Corporate Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

9.10 Persons Entitled to be Present

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

9.11 Quorum

Subject to the Act, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or proxyholder for an absent shareholder so entitled, holding or representing in the aggregate not less than 25% of the issued shares of the Corporation enjoying voting rights at such meeting.

9.12 Right to Vote

The persons entitled to vote at any meeting of shareholders shall be the persons entitled to vote in accordance with the Act.

9.13 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney authorized in writing (or by electronic signature) and shall conform with the requirements of the Act.

9.14 Time for Deposit of Proxies

The board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, only if it has been received by the Corporate Secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

9.15 Joint Shareholders

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

9.16 Votes to Govern

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

9.17 Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands, which may include such other indication of a vote made by means of the telephonic, electronic or other communication facility, if any, made available by the Corporation for that purpose, unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present, in person or by means of the telephonic, electronic or other communications facility, if any that the Corporation has made available for such purpose, and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question. For the purpose of this section, if at any meeting the Corporation has made available to shareholders the means to vote electronically, any vote made electronically shall be included in tallying any votes by show of hands.

9.18 Ballots

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

9.19 Adjournment

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

9.20 Resolution in Writing

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditor in accordance with the Act.

SECTION TEN

DIVISIONS AND DEPARTMENTS

10.01 Creation and Consolidation of Divisions

The board may cause the business and operations of the Corporation or any part thereof to be divided or to be segregated into one or more subsidiaries, partnerships or other legal entities upon such basis, including without limitation, character or type of operation, geographical territory, product manufactured or service rendered, as the board may consider appropriate in each case. The board may also cause the business and operations of any such subsidiary, partnership or other legal entity to be further divided into subsidiaries, partnerships or other legal entities and the business and operations of any such subsidiaries, partnerships or other legal entities to be consolidated upon such basis as the board may consider appropriate in each case.

10.02 Name of Division

Any division or its subsidiaries, partnerships or other legal entities may be designated by such name as the board may from time to time determine and may transact business under such name, provided that the Corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Corporation.

10.03 Officers of Division

From time to time the board or, if authorized by the board, the President and/or Chief Executive Officer, may appoint one or more officers for any division, prescribe their powers and duties and settle their terms of employment and remuneration. The board or, if authorized by the board, the President and/or Chief Executive Officer, may remove at its or his pleasure any officer so appointed, without prejudice to such officer's rights under any employment contract. Officers of divisions or their subsidiaries, partnerships or other legal entities shall not, as such, be officers of the Corporation.

SECTION ELEVEN

NOTICES

11.01 Method of Giving Notices

Unless the Act, the regulations thereunder, the articles or the by-laws provide otherwise, any notice (which term includes without limitation any statement, report, record, communication or document or other information) to be given (which term includes without limitation sent, delivered, served or any other word of similar import) pursuant to the Act, the regulations thereunder, the articles, the by-laws to any person may be sent by any one of the following methods:

- (a) delivery at the address recorded by the Corporation for that person, addressed to the person as follows:
 - (i) in the case of a shareholder, at the shareholder's recorded address (whether with the Corporation or its transfer agent);
 - (ii) in the case of a director or officer, the address shown on the register of directors and officers or such other delivery address provided by the recipient for the sending of such notice;
 - (iii) to any other person, the delivery address of the recipient;
- (b) mail addressed by prepaid mail to the person at the applicable address for that person, addressed to the person as follows:

- (i) in the case of a shareholder, at the shareholder's recorded address (whether with the Corporation or its transfer agent);
- (ii) in the case of a director or officer, the address shown on the register of directors and officers or such other mailing address provided by the recipient for the sending of such notice;
- (iii) to any other person, the mailing address of the recipient;
- (c) sending the notice by facsimile to the facsimile (fax) number provided by the intended recipient for the sending of that notice;
- (d) sending the notice by email to the email address provided by the intended recipient for the sending of that notice;
- (e) sending the notice by any other electronic document (as defined in paragraph 12.01 of this by-law); or
- (f) making the notice available for public electronic access in accordance with the procedures referred to as "notice and access" under National Instrument 54-101 and National Instrument 51-102, as applicable, of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation from time to time.

A notice given under this paragraph 11.01 shall be deemed to have been received as follows:

- (a) in the case of delivery, as of the date of personal delivery of the notice;
- (b) in the case of mailing, shall be deemed to have been given when deposited in a post office or public letter box;
- (c) in the case of facsimile, as of the day such notice was sent by facsimile (fax);
- (d) in the case of email, as of the date such notice was sent by email;
- (e) in the case of any other form of electronic, optical or other similar means of delivery, as of the date of such notice was sent by such means; and
- (f) in the case of notice and access, on the date such notice was made available for public electronic access.

11.02 Signature to Notices

The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed, partly written, stamped, typewritten or printed or in such electronic, optical or other similar form as may be prescribed, approved, adopted or provided by any officer or director.

11.03 Proof of Service

With respect to every notice sent by post it is sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in this by-law and put into a post office or into a letter box. With respect to every notice or other document sent as an electronic document it is sufficient to prove that the electronic document was properly addressed to the designated information system as provided in this by-law and sent by electronic means. A certificate of the Chairman of the Board (if any), the President, the Chief Financial Officer, the Chief Operating Officer, an Executive Vice-President, a Senior Vice-President, a Vice-President, the Corporate Secretary, the Assistant Corporate Secretary, the Treasurer or the Assistant Treasurer or of any other officer of the Corporation in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Corporation as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation as the case may be.

11.04 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Corporation in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.

11.05 Computation of Time

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

11.06 Undelivered Notices

If any notice given to a shareholder pursuant to paragraph 11.01 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

11.07 Omissions and Errors

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

11.08 Deceased Shareholders

Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased, and whether or not the Corporation has notice of his decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any person or persons) until some other person be entered in his stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons, if any, interested with him in such shares.

11.09 Persons Entitled by Death or Operation of Law

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

11.10 Waiver of Notice

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

SECTION TWELVE

ELECTRONIC DOCUMENTS

12.01 Creation and Provision of Information

Unless the Corporation's articles provide otherwise, and subject to and in accordance with the Act, the Corporation may satisfy any requirement of the Act to create or provide a notice, document or other information to any person by the creation or provision of an electronic document. Except as provided in the Act, "electronic document" means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means that can be read or perceived by a person by any means.

SECTION THIRTEEN

EFFECTIVE DATE

13.01 Effective Date

This by-law shall come into force upon being passed by the board.

SECTION FOURTEEN

REPEAL

14.01 Repeal

Upon this by-law coming into force, by-law number No. 4 of the Corporation shall be repealed, provided that such repeal shall not affect the previous operation of such by-law number No. 4 so repealed or affect the validity of any act done or right, privilege, obligation, acquired or incurred, or the validity of any contract or agreement made pursuant to such by-law number No. 4 prior to its repeal. All resolutions of the shareholders and of the board with continuing effect passed under such repealed by-law No. 4 shall continue to be good and valid except to the extent that such resolutions are inconsistent with this by-law.

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ENACTED this ____ day of March, 2017.

WITNESS the seal of the Corporation.

Aly Rahemtulla
President and Chief Executive Officer

Louis De Jong
Chief Financial Officer