



Management Information Circular

**Dated
April 2, 2015**

Annual General and Special Meeting

**Thursday, May 14, 2015
4:00 p.m. MDT
The Sutton Place Hotel
Winter Lake Suite
10235 – 101 Street NW
Edmonton, Alberta**

NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Annual General and Special Meeting (the “Meeting”) of the holders of common shares (“Common Shares”) of McCoy Global Inc. (the “Corporation” or “McCoy Global”) will be held at The Sutton Place Hotel, 10235 – 101 Street NW, Edmonton, Alberta, on the 14th day of May, 2015 at the hour of 4:00 p.m. MDT for the following purposes:

1. To fix the number of directors of the Corporation to be elected at the Meeting at seven (7) members;
2. To elect the Board of Directors of the Corporation for the ensuing year;
3. To receive and consider the Audited Financial Statements of the Corporation for the fiscal year ended December 31, 2014 together with the Auditors’ Report thereon;
4. To appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
5. To consider, and if thought fit, to pass an ordinary resolution, as more particularly set forth in the accompanying Management Information Circular, confirming the amendments to By-Law Number 1 of the Corporation made by the directors of the Corporation on March 30, 2015;
6. To consider, and if thought fit, to pass an ordinary resolution, as more particularly set forth in the accompanying Management Information Circular, approving and ratifying the Shareholder Rights Plan Agreement dated April 2, 2015; and
7. To transact such other business as may properly come before the Meeting.

The date for determination of the shareholders entitled to receive Notice of the Meeting and vote shall be holders of Common Shares of the Corporation of record at the close of business on April 2, 2015.

DATED at the City of Edmonton, in the Province of Alberta, this 2nd day of April, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) “Peter Watson”

Peter Watson
Corporate Secretary

INVITATION TO SHAREHOLDERS

On behalf of the Board of Directors and the executive management team of McCoy Global, we invite you to join us at McCoy Global Inc.’s Annual General and Special Meeting. The Meeting will be held:

Date: Thursday, May 14, 2015
Time: 4:00 p.m. MDT
Place: The Sutton Place Hotel
Winter Lake Suite
10235 – 101 Street NW
Edmonton, Alberta

At the Meeting, holders of Common Shares of McCoy Global will be asked to consider and, if thought appropriate, approve the business items in the notice of meeting and this Management Information Circular. We will also update you on the Corporation’s current financial situation and on how the Corporation is continuing to deliver on its strategy. At the end of the Meeting, a question and answer session will take place and at the reception following, you will have an opportunity to meet your directors and executive management team.

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend but would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. All proxies, to be valid, must be deposited with the Corporation in care of Valiant Trust Company at Suite 310, 606 – 4th Street S.W., Calgary, AB T2P 1T1 or via fax at 403-233-2857 at least forty eight (48) hours prior to the meeting, excluding Saturday, Sunday and holidays, or any adjournment(s) thereof. Shareholders are cautioned that the use of the mail to transmit proxies is at each shareholder’s risk.

Late proxies may be accepted or rejected by the Chair of the meeting at the Chair’s discretion, and the Chair is under no obligation to accept or reject any particulate late proxy.

GENERAL INFORMATION

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of McCoy Global Inc. (the "Corporation" or "McCoy Global") for use at the Annual General and Special Meeting of the holders of common shares (the "Common Shares") of the Corporation to be held at The Sutton Place Hotel, 10235 – 101 Street NW, in the City of Edmonton, Alberta on Thursday, the 14th day of May, 2015 at 4:00 p.m. MDT, or at any adjournment thereof (the "Meeting"), for the purposes set forth in the enclosed Notice of Meeting. The information contained herein is given as of the 2nd day of April, 2015 (the "Effective Date"), except where otherwise indicated. There is enclosed herewith a form of proxy for use at the Meeting. The Corporation's annual consolidated financial statements to be presented at the Meeting are available on SEDAR at www.sedar.com. Each shareholder who is entitled to attend at meetings of shareholders is encouraged to participate in the Meeting and shareholders are urged to vote in person or by proxy on matters to be considered.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services.. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefore. All costs of this solicitation will be borne by the Corporation.

In accordance with National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the "Management Designees") in the enclosed instrument of proxy ("Instrument of Proxy") have been selected by the Board of Directors of the Corporation (the "Board") and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached, where an attorney executed the proxy form or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized. In addition, a proxy may be revoked by a shareholder personally attending the meeting and voting his or her shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Valiant Trust Company, 310, 606 – 4th Street S.W., Calgary, AB T2P 1T1 or via fax at 403-233-2857 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chair of the Meeting in the Chair's discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, with Valiant Trust Company, 310, 606 – 4th Street S.W., Calgary, AB T2P 1T1 or via fax at 403-233-2857, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chair of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting their shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder’s name. 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 shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated 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 that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder’s broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

This Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting may have been sent directly by the Corporation, rather than through an intermediary, to non-objecting beneficial owners under National Instrument 54-101. These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING OF PROXIES

Each shareholder may instruct the shareholder's proxy how to vote the shareholder's Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted for or against or withheld from voting (including the voting on any ballot) in respect of each proposed resolution, as the case may be, and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the Effective Date, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

A quorum of shareholders is present at a meeting of shareholders if a holder or holders of not less than 10% of the Common Shares entitled to vote at a meeting of shareholders are present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the Effective Date, the Corporation is authorized to issue an unlimited number of Common Shares, of which 27,694,239 Common Shares are issued and outstanding. The Corporation is also authorized to issue an unlimited number of preferred shares, none of which are issued or outstanding as at the Effective Date. The Common Shares are the only shares entitled to be voted at the meeting and holders of common shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on April 2, 2015 (the "Record Date") are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (i) the holder transfers the holder's shares after the close of business on the Record Date, and (ii) such transferee produces properly endorsed share certificates to the Secretary or Transfer Agent of the Corporation, or otherwise establishes the holder's ownership of the shares, at least ten (10) days prior to the Meeting, in which case the transferee may vote those shares.

Set out below are the names of all persons or companies who, to the knowledge of the directors and executive officers of the Corporation, beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to all issued and outstanding Common Shares.

NAME AND MUNICIPALITY	TYPE OF OWNERSHIP	NUMBER AND PERCENTAGE OF COMMON SHARES BENEFICIALLY OWNED DIRECTLY OR INDIRECTLY, CONTROLLED OR DIRECTED
Foundation Equity Corporation ("Foundation") ⁽¹⁾ St. Albert, AB	Registered and Beneficial	6,202,727 (22%)
Burgundy Asset Management Ltd. ("Burgundy") Toronto, ON	Beneficial	3,821,700 (14%)
Wellington Management Company, LLP ("Wellington") Boston, MA	Beneficial	3,591,880 (13%)

Notes:

Kerry Brown, John Howard and Terry Chalupa, current directors of the Corporation, own or control approximately 18.10%, 7.62%, and 1.91% respectively, of the voting common shares of Foundation. Messrs. Brown, Chalupa and Howard are all directors of Foundation.

FREQUENTLY ASKED QUESTIONS

Q Am I entitled to receive notice of the Meeting and attend the Meeting?

A Yes, if you are a holder of Common Shares of the Corporation as at April 2, 2015, which is the record date for the Meeting.

Q Am I entitled to vote and what am I voting for?

A If you hold Common Shares as of the close of business on April 2, 2015, you are entitled to cast one vote per Common Share held on the matters set forth in the accompanying Notice of Meeting.

Q Am I a registered or beneficial shareholder?

A You are a registered shareholder if you have a share certificate registered in your name.

You are a beneficial shareholder if:

- Your Common Shares are registered in the name of an intermediary (i.e. a bank, trustee or an investment dealer) or the name of a clearing agency of which the intermediary is a participant; or
- You hold your Common Shares through the Corporation's Employee Share Purchase Plan.

Q How can I vote my Common Shares?

A You can vote either by attending and voting your Common Shares at the Meeting or, if you cannot attend the Meeting, by having your Common Shares voted by proxy. How you exercise your vote depends on whether you are a registered or beneficial shareholder.

Voting by attending the Meeting – registered and beneficial shareholders

If you are a registered shareholder, you are entitled to attend the Meeting and cast your vote in person.

If you are a beneficial shareholder, you are entitled to attend the Meeting and cast your vote in person, provided you have submitted a properly executed proxy (signed by the registered holder), inserting your name in the blank space provided and returning it in the envelope provided. When you arrive at the Meeting, advise the registration staff that you are a proxy appointee. If you have received a voting instruction form, please follow the instructions on the form.

Valiant Trust Company ("Valiant") is the trustee of all Common Shares held on behalf of members of the Corporation's Employee Share Purchase Plan.

Voting by proxy

How you vote depends on whether you are a registered shareholder, a beneficial shareholder or a holder of employee shares.

Voting by proxy – registered shareholders

If you are a registered shareholder, you may vote your proxy by depositing same with the Corporation in care of Valiant Trust Company at Suite 310, 606 – 4th Street S.W., Calgary, AB T2P 1T1 or via fax at 403-233-2857 at least forty eight (48) hours prior to the Meeting, excluding Saturday, Sunday and holidays, or any adjournment(s) thereof. Shareholders are cautioned that the use of the mail to transmit proxies is at each shareholder's risk. Late proxies may be accepted or rejected by the Chair of the Meeting at the Chair's discretion and the Chair is under no obligation to accept or reject any particular late proxy.

Voting by proxy – beneficial shareholders

If you are a beneficial shareholder and you receive materials entitling you to vote through an investment dealer or other intermediary, complete and return such materials, by following the instructions provided to you by the investment dealer or other intermediary.

Internet voting by proxy

You may use the internet (www.valianttrust.com) to transmit your voting instructions. You will need the form of proxy in hand when you access the website as you will be prompted to enter a Control Number, which is located on the form of proxy. If you elect to vote by internet, then your vote must be received no later than 4:00 p.m. MDT on May 12, 2015 or 48 hours prior to the adjournment of the Corporations' annual general and special meeting.

Q What if I am an employee of the Corporation and hold shares which were purchased through the Employee Share Purchase Plan?

A If you are an employee of the Corporation and have purchased shares through the Employee Share Purchase Plan you are treated in the same manner as beneficial shareholders. You are entitled to attend the Meeting and cast your vote in person, provided you have submitted a properly executed proxy, inserting your name in the blank space provided and returning it according to the instructions on the form. When you arrive at the meeting, advise the registration staff that you are a proxy appointee.

Q Who votes my shares?

A Each Of the Management Designees named in the proxy to represent shareholders at the Meeting is a director and/or officer of the Corporation. You can appoint someone else to represent you at the Meeting; however, you must appoint that person by proxy by inserting his or her name in the appropriate space on the proxy form, or completing another acceptable paper proxy. The person you appoint does not need to be a shareholder but must attend the Meeting in person in order for your vote to be cast.

Q How will my shares be voted if I return a proxy?

A By completing and returning a proxy, you are authorizing the person named in the proxy to attend the Meeting and vote your shares on each item of business you are entitled to vote on, according to your instructions. If there are no instructions with respect to your proxy, your Common Shares will be voted in favour of:

- fixing the number of directors to be elected at the Meeting at seven (7) members;
- electing as a director each person nominated by the Corporation for the ensuing year;
- appointing PricewaterhouseCoopers LLP as auditors for the ensuing year and authorizing the directors to fix their remuneration;
- confirming the amendments to By-Law Number 1 of the Corporation; and
- approving and ratifying the Shareholder Rights Plan Agreement.

Q Can I revoke a proxy?

A Yes, if you are a registered shareholder and have voted by proxy, you may revoke it by delivering a duly executed proxy with a later date or a form of revocation of proxy.

Such proxies can be delivered to the Corporation c/o Valiant Trust Company at Suite 310, 606 – 4th Street S.W., Calgary, AB T2P 1T1 or via fax at 403-233-2857 at least forty eight (48) hours prior to the Meeting, excluding Saturday, Sunday and holidays, or any adjournment(s) thereof.

Alternatively, you may revoke your proxy and vote in person, by delivering a form of revocation of proxy to the Chair of the Meeting at the Meeting or any adjournment thereof before the vote in respect of which the proxy is to be used is taken. You may also revoke your proxy in any other manner permitted by law.

If you are a beneficial shareholder, you may revoke your proxy or voting instructions by contacting the individual who serves your account, prior to the proxy cut-off time of at least forty eight (48) hours prior to the Meeting, excluding Saturday, Sunday and holidays, or any adjournment(s) thereof.

As a holder of employee shares, if you have provided your proxy you may revoke it by delivering another with a later date or a form of revocation of proxy, no later than 4:00 p.m. (local time) at least forty eight (48) hours prior to the Meeting, excluding Saturday, Sunday and holidays, or any adjournment(s) thereof.

Q Who has discretionary authority to vote on amendments or variations to any of the business items and on any other matter that may properly come before the meeting?

A Your voting instructions provided by proxy give discretionary authority to the person you appoint to

vote as he or she sees fit on any amendment or variation to any of the matters identified in the notice of the meeting and any other matters that may properly be brought before the Meeting, to the extent permitted by law. As of the Effective Date, neither the directors nor senior officers of the Corporation are aware of any variation, amendment or other matter to be presented for a vote at the Meeting.

BUSINESS TO BE TRANSACTED

To the knowledge of the Board of Directors of the Corporation, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. NUMBER OF DIRECTORS

Shareholders of the Corporation will be asked to consider, and if thought appropriate, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at seven (7).

In order to be effective an ordinary resolution requires approval by a majority of the votes cast by shareholders who vote in respect of the resolution. At the Meeting, it will be proposed that seven directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed it is the intention of the Management Designees, if named as proxy, to vote the proxies in favour of the resolution fixing the number of directors to be elected at the Meeting at seven (7).**

2. ELECTION OF DIRECTORS

The affairs of the Corporation are managed by its Board of Directors. The directors are elected by the shareholders annually at each annual general meeting of the shareholders and hold office until the next annual general meeting, or until their successors are duly elected or appointed or until a director vacates the director's office or his office is earlier vacated in accordance with the by-laws of the Corporation, or the provisions of the *Business Corporations Act* (Alberta) to which the Corporation is subject.

The Corporate Governance Guidelines includes a majority voting policy ("Policy") relating to the election of directors in non-contested elections. Under the Policy, each proxy for the election of directors will permit the shareholders to vote "For" or "Withhold" each individual director, and any director nominee who receives from the votes cast a greater number of "Withhold" votes than "For" votes shall promptly, following the certification of the shareholder vote, submit his or her resignation from the Board, which shall either accept or reject the resignation in accordance with the Policy.

For the forthcoming year, it is proposed that the Board of Directors shall consist of seven (7) members.

The persons named below have been nominated for election and have consented to such nomination.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors.**

The following table provides the name and background information of each nominee, present principal occupation, principal occupations during the past five years, the number of Common Shares owned and positions held with the Corporation, if any.

NAME AND MUNICIPALITY OF RESIDENCE	PRINCIPAL OCCUPATION FOR PAST FIVE YEARS	DATE FIRST BECAME A DIRECTOR OF THE CORPORATION	NUMBER OF COMMON SHARES OWNED AS AT THE EFFECTIVE DATE ⁽¹⁾
FRANK BURDZY, MBA⁽²⁾ Calgary, Alberta, Canada Director	Currently, Mr. Burdzy is the President & CEO of Champion Petfoods LP. Prior to that, Mr. Burdzy was the Vice President of Operations for Superior Propane in Calgary, Alberta from 2006-2010. Mr. Burdzy holds a Master of Business Administration degree from the University of Regina. Mr. Burdzy brings additional business acumen to the Board, particularly in such areas as strategic business planning, business operations, finance and mergers and acquisitions.	September 2005	2,500

NAME AND MUNICIPALITY OF RESIDENCE	PRINCIPAL OCCUPATION FOR PAST FIVE YEARS	DATE FIRST BECAME A DIRECTOR OF THE CORPORATION	NUMBER OF COMMON SHARES OWNED AS AT THE EFFECTIVE DATE ⁽¹⁾
TERRY D. FREEMAN, FCA, ICD.D⁽²⁾⁽³⁾ Edmonton, Alberta, Canada Director	Currently, Mr. Freeman is the Chief Executive Officer of Corrosion and Abrasion Solutions Ltd. an industry leading service company in the business of preventing surface wear from corrosion and abrasion. Prior to that, Mr. Freeman was the Managing Director of Northern Plains Capital Corporation from 2007 to 2012. Mr. Freeman is a member of the Board of Directors of various private companies. He was previously a member of the Audit Committee and Board of Directors of Flint Energy Services Ltd. Mr. Freeman is a member of the Institute of Chartered Accountants of Alberta, graduated from the University of Alberta with a Bachelor of Commerce degree, and has completed the Directors Education Program offered jointly by the Institute of Corporate Directors and the Rotman School of Management at the University of Toronto. Mr. Freeman has 20 years of experience in energy services companies applicable to the Corporation's operations. He has been involved in over 30 acquisitions of companies and is a faculty member of the Institute of Chartered Accountants of Alberta CFO Leadership Course, teaching the corporate governance module.	September 2009	Nil
JOHN IRWIN⁽³⁾⁽⁴⁾ Houston, Texas, United States of America Director	Mr. Irwin was the President and Chief Executive Officer and a Director of Atwood Oceanics, Inc. ("Atwood"), an international off shore drilling contractor, for 17 years. Mr. Irwin joined Atwood in 1979 and retired from the company in 2010 having served as an officer in various executive positions beginning in 1980. His previous experience in the oil and gas industry included resident assignments in the US, Europe, Asia, Africa, and the Middle East. He has served as chairman and a director of the International Association of Drilling Contractors and as a director of the Offshore Technology Conference in Houston, and is currently a director of the University of Melbourne USA Foundation. Mr. Irwin is a Fellow, Institution of Engineers, Australia, and was named Entrepreneur of the Year, Houston and the Gulf Coast, by Ernst & Young in 2006.	July 2012	Nil
CARMEN LOBERG⁽³⁾⁽⁴⁾ Calgary, Alberta, Canada Director	Currently, Mr. Loberg is retired and serves as a corporate director on various boards, including the Vancouver Fraser Port Authority. Mr. Loberg was the President & CEO of NorTerra Inc. from 2000-2010, a private investment and management company based in Edmonton with investments in transportation, logistics, and manufacturing. Mr. Loberg is a director of HNZ Group Inc. (formerly Canadian Helicopters Group Inc.) and is also a director of Stuart Olson Inc. (formerly, The Churchill Corporation).	May 2008	42,000
JIM RAKIEVICH, ICD.D Edmonton, Alberta, Canada President, Chief Executive Officer and Director	Currently, Mr. Rakievich is the President and Chief Executive Officer of the Corporation and has served in this capacity since 2002. Prior to his appointment as President and Chief Executive Officer, Mr. Rakievich served the Corporation in senior executive roles since 1996. Mr. Rakievich completed the Directors Education Program offered jointly by the Institute of Corporate Directors and the Rotman School of Management at the University of Toronto and holds his ICD.D. designation. Mr. Rakievich serves as a director on the Canadian Manufacturers & Exporters board, Alberta division.	October 2002	408,986
CHRIS SEAVER, MBA, J.D. Calgary, Alberta, Canada Chair and Director	Currently, Mr. Seaver is retired and serves as a corporate director on several boards. Mr. Seaver was the President and Chief Executive Officer of HydriL Company from 1993-2007. Mr. Seaver holds a Master of Business Administration and Juris Doctorate from Stanford University. He is a director of Oil States International Inc. and Exterran Holdings Inc., both based out of Houston, TX. Mr. Seaver is also a general partner of Seaver Partners, LP.	December 2010	41,500

NAME AND MUNICIPALITY OF RESIDENCE	PRINCIPAL OCCUPATION FOR PAST FIVE YEARS	DATE FIRST BECAME A DIRECTOR OF THE CORPORATION	NUMBER OF COMMON SHARES OWNED AS AT THE EFFECTIVE DATE ⁽¹⁾
DALE TREMBLAY Calgary, Alberta, Canada Director Nominee	Currently, Mr. Tremblay is self-employed and serves as a corporate director on two corporate boards, including Horizon North Logistics Inc., a TSX listed company specializing in remote accommodations in Western Canada and Alaska. Mr. Tremblay was the founder, Chairman and Chief Executive Officer of the recapitalized Western Energy Services Corp. from December 2009 to December 2013. Prior thereto, Mr. Tremblay was the Chairman of SES Holdings Limited, the parent company of Saxon Energy Services Inc., from August 2005 to December 2009 in addition to serving as President and Chief Executive Officer of Saxon Energy Services Inc. Prior thereto, Mr. Tremblay was the Senior Vice President, Finance and Chief Financial Officer of Precision Drilling Corporation from 1988 to 2005. He has had extensive dealings in the public markets in both Canada and the United States. Mr. Tremblay has over 25 years of experience in the oilfield services industry.	N/A	Nil

Notes:

- (1) The information as to the Common Shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective directors.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation & Human Resources Committee.
- (4) Member of the Governance Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders and Bankruptcies

Except as described below, to the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such proposed directors) is, as of the Effective Date, or has been within ten (10) years before the Effective Date, a director, chief executive officer or chief financial officer of any company (including the Corporation), that: (i) was subject to a cease trade order (including a management 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 (collectively, an "Order"), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as described below, to the knowledge of the Corporation no proposed director of the Corporation (nor any personal holding company of any of such proposed directors): (i) is, as of the Effective Date, or has been within the ten (10) years before the Effective Date, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten (10) years before the Effective Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Chris Seaver served as a director of Innovative Wireline Solutions Inc. ("IWS") from June 30, 2010 until October 26, 2011. On December 2, 2011 the Alberta Securities Commission issued a Cease Trade Order ("CTO") for the ceasing of trading in or purchasing of any securities of IWS; on December 6, 2011, the British Columbia Securities Commission issued a CTO in respect of IWS, and on December 19, 2011, the Ontario Securities Commission issued a CTO in respect of IWS. These orders were issued due to the failure of IWS to file interim financial statements and the associated management's discussion and analysis and certificates under National Instrument 52-109 for the interim period ended September 30, 2011. These CTOs have not been revoked.

Mr. Dale Tremblay was a director of Liv Spa Inc., a private company that was placed into voluntary bankruptcy on August 22, 2008, which bankruptcy was completed on December 2, 2009. Additionally, Mr. Tremblay was a director of Gasfrac Energy Services Inc. ("Gasfrac") between May 27, 2013 and February 13, 2014. In January 2015, Gasfrac commenced proceedings and obtained court protection under the Companies' Creditors Arrangement Act ("CCAA") pursuant to an initial order granted by the Court of Queen's Bench in the Province of Alberta ("Court") as amended. As of the Effective Date, Gasfrac continues to remain under CCAA protection as granted by the Court.

Penalties or Sanctions

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such proposed directors) has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

3. FINANCIAL STATEMENTS

The Board has approved the audited comparative consolidated financial statements of the Corporation for the fiscal year ended December 31, 2014 and December 31, 2013, copies of which were posted on SEDAR at www.sedar.com on March 12, 2015. Financial information related to the Corporation for the year ended December 31, 2014 is provided in these financial statements and the related Management's Discussion and Analysis.

4. APPOINTMENT AND REMUNERATION OF AUDITORS

The shareholders will be asked to vote for the re-appointment of PricewaterhouseCoopers LLP, as auditors of the Corporation. **Unless directed otherwise by a proxyholder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing PricewaterhouseCoopers LLP, Chartered Accountants, of Edmonton, Alberta, as auditors for the Corporation for the ensuing year,** to hold office until the close of the next annual general meeting of shareholders or until the firm of PricewaterhouseCoopers LLP, Chartered Accountants, is removed from office or resigns as provided by law or by the Corporation's by-laws, and authorizing the directors to fix the compensation of the auditors.

5. APPROVAL AND RATIFICATION OF AMENDMENTS TO BY-LAW NUMBER 1

On March 30, 2015, the Board approved a resolution to amend By-Law Number 1 of the Corporation, being a by-law relating generally to the transaction of the business and affairs of the Corporation, to provide for advance notice requirements relating to director nominations (the "Advance Notice Provisions") as well as certain other changes that are of a housekeeping nature. The full text of the amended and restated By-Law Number 1, along with a blackline showing the amendments, is attached as Schedule "A" to this Management Information Circular.

The Board is committed to: (i) facilitating an orderly and efficient annual meeting or, where the need arises, special meeting, process; (ii) ensuring that shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation. The purpose of the Advance Notice Provisions is to provide shareholders, directors and management of the Corporation with a clear and fair framework for nominating directors. The Advance Notice Provisions fix a deadline by which holders of record of Common Shares must submit director nominations to the Corporation prior to any annual or special meeting of shareholders. The Advance Notice Provisions also set forth the information that a shareholder must include in the written notice to the Corporation for that notice to be in proper form to make a director nominee eligible for election at an annual or special meeting of shareholders.

Among other things, the Advance Notice Provisions require shareholders to provide the Corporate Secretary of the Corporation with notice of director nominations 30 to 65 days prior to the date of an annual meeting, provided that, if the first public announcement of the annual meeting is less than 50 days prior to the meeting date, then shareholders will have until 10 days after the announcement to submit the notice. In the case of a special meeting which is not also an annual meeting, shareholders will have until 15 days after the first public announcement of the special meeting to submit the notice. To be in proper form, the shareholder's notice to the Corporate Secretary of the Corporation must comply with certain requirements of the Advance Notice Provisions, including disclosing certain information about the person whom the shareholder proposes to nominate for election as a director and certain information about the shareholder and each beneficial owner, if any, on whose behalf the nomination is made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Provisions.

In addition to the Advance Notice Provisions, the Board also approved certain amendments to By-Law Number 1 that are of a housekeeping nature, including updating the name of the Corporation, providing for a more consistent use of defined terms and conforming the limitation of liability and indemnity provisions to those contained in the *Business Corporations Act* (Alberta).

The shareholders are being asked to consider, and if deemed fit, to approve, confirm and ratify the amendments to By-Law Number 1 by passing the following ordinary resolution:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. By-Law Number 1, being a by-law relating generally to the transaction of the business and affairs of the Corporation, as amended and restated on March 30, 2015, attached as Schedule "A" to the Corporation's Management Information Circular dated the Effective Date is hereby ratified, confirmed and approved as a by-law of the Corporation.
2. Any one director or officer is authorized and directed on behalf of the Corporation to perform all such acts, deeds and things and execute, under seal of the Corporation if applicable, all such documents, instruments, certificates and other writings as may be necessary or desirable to give effect to this resolution."

In order for this ordinary resolution to be passed, it requires the positive approval of a simple majority (greater than 50%) of the votes cast thereon at the Meeting. The Board believes the passing of the foregoing ordinary resolution is in the best interests of the Corporation and recommends that shareholders of the Corporation vote in favour of the resolution. **Unless directed otherwise by a proxyholder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of the foregoing ordinary resolution.**

6. APPROVAL OF ADOPTION OF SHAREHOLDER RIGHTS PLAN

The shareholders will be asked to approve the adoption of the shareholder rights plan agreement approved by the Board and entered into between the Corporation and Valiant Trust Company (the "Rights Agent") on April 2, 2015, (the "Rights Plan") attached as Schedule "B" to this Management Information Circular. The Board believes it is in the best interests of the shareholders that the Rights Plan be adopted for one year following the date of its confirmation by a majority of the votes cast by the shareholders at the Meeting, or until the date it is earlier terminated. The Rights Plan is not being proposed for adoption in anticipation of or in response to any known offer or similar transaction, nor is the Board aware of any pending or threatened take-over bid for the Corporation.

The following is a summary only of the terms of the Rights Plan and is qualified in its entirety by the full text of the Rights Plan. Shareholders are urged to read the Rights Plan, which is attached as Schedule "B" to this Management Information Circular. All capitalized terms used but not defined in this section of this Management Information Circular have the meanings ascribed to them in the Rights Plan, unless otherwise indicated.

Objectives and Rationale

The primary objectives of the Rights Plan are to provide the Board with sufficient time to explore and develop alternatives to maximize shareholder value if a take-over bid is made for the Corporation and to ensure that all shareholders are treated fairly in such an instance. Value-maximizing alternatives may include identifying other potential bidders, conducting an orderly auction or developing a corporate restructuring alternative. In recommending the approval of the Rights Plan, it is not the intention of the Board to either secure the continuance of the directors or management of the Corporation or to preclude a take-over bid for the Corporation. The Rights Plan encourages a potential acquiror to proceed either by way of a Permitted Bid, which requires the take-over bid to satisfy certain minimum standards designed to promote fairness, or with the concurrence of the Board in circumstances where there is an opportunity to bargain for terms and conditions to any take-over bid that is believed to be in the best interests of the Corporation. In recommending the adoption of the Rights Plan, the Board considered the legal framework in Canada governing take-over bids. Even in the context of a take-over bid that does not meet the Permitted Bid criteria, the directors are always bound by their fiduciary duty to consider any take-over bid for the Corporation and consider whether or not they should waive the application of the Rights Plan in respect of such a take-over bid. The adoption of the Rights Plan is not expected to interfere with the day-to-day operations of the Corporation and will not alter the financial condition of the Corporation or impede the Corporation's business plans. It should be noted however, that if a Flip-in Event (as described below under "Flip-in Event") occurs and the Rights separate from the Common Shares, reported earnings per Common Share and reported cash flow per Common Share may be affected. In addition, holders of Rights not exercising their Rights may suffer substantial dilution.

Time

Current legislation permits a take-over bid to expire 35 days after it is initiated. The Board is of the view that 35 days may not be enough time to allow shareholders to consider a take-over bid and to make a reasoned and unhurried decision. The Rights Plan provides a mechanism whereby the minimum expiry period for a take-over bid must be sixty (60) days after the date of the bid, and the bid must remain open for another ten (10) Business Days after the Acquiring Person publicly announces that the Common Shares deposited or tendered and not withdrawn amount to more than 50% of the Common Shares issued and outstanding held by Independent Shareholders. The Rights Plan is intended to provide shareholders with adequate time to properly evaluate the offer and to provide the Board with sufficient time to explore and develop alternatives to maximize shareholder value.

Pressure to Tender

In some cases, a shareholder may consider a take-over bid to be inadequate but may feel compelled to tender its Common Shares out of a concern that by not doing so, the shareholder may be left with illiquid or minority discounted Common Shares. This is particularly so in the case of a partial take-over bid for less than all of the Common Shares, where the bidder wishes to obtain a control position but does not wish to acquire all of the Common Shares. The Rights Plan provides shareholders with a tender approval mechanism. This mechanism is intended to ensure that shareholders can separate the decision to tender from the approval or disapproval of a particular take-over bid. As further described below in the section entitled “Permitted Bid and Competing Bid”, if more than fifty percent (50%) of the Common Shares held by Independent Shareholders have been deposited and not withdrawn pursuant to a take-over bid, a take-over bid is required to remain open for acceptance for another ten (10) Business Days following a public announcement. A shareholder’s decision to accept a bid is therefore separated from the decision to tender, lessening the undue pressure to tender typically encountered by a securityholder that is the subject of a take-over bid.

Unequal Treatment: Full Value

While current legislation has addressed many concerns in this regard, there remains the possibility that control of the Corporation may be acquired by way of a private agreement in which one or a small group of shareholders dispose of Common Shares at a premium to Market Price, where that premium is not shared with the other shareholders. Additionally, a Person may slowly accumulate Common Shares through stock exchange acquisitions which may result, over time, in acquisition of a position of control without paying fair value for control or, a fairly sharing a control premium among all of the Corporation’s shareholders. The Rights Plan addresses these concerns by applying to acquisitions of twenty percent (20%) or more of the Common Shares (subject to certain exclusions described below), which is intended to provide equal treatment to shareholders.

Overview of the Operation of the Rights Plan

Issuance and Exercise of Rights

The Rights Plan provides that one right (a “Right”) will be issued by the Corporation pursuant to the Rights Plan in respect of each Common Share outstanding as of the close of business (the “Record Time”) on the Effective Date of the Rights Plan. One Right will also be issued for each additional Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time, subject to the earlier termination or expiration of the Rights as set out in the Rights Plan. Each Right entitles the registered holder thereof, after the Separation Time, to purchase from the Corporation one Common Share at the exercise price of \$100, subject to adjustment in accordance with the Rights Plan (including in the event of a Flip-in Event as described below under “Flip-in Event”).

Until the Separation Time, (i) the Rights will not be exercisable and no Right may be exercised, and (ii) for administrative purposes each Right will be evidenced by the Share Registrations for the associated Common Shares registered in the names of the holders of such Common Shares and will be transferable only together with, and will be transferred by a transfer of, such associated Common Shares.

Separation Time

The Separation Time is the Close of Business on the tenth Trading Day after the earliest of (i) the Share Acquisition Date, which is the first date of public announcement of facts indicating that a Person has become an Acquiring Person; (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a take-over bid (other than a Permitted Bid or a Competing Bid); and (iii) the date on which a Permitted Bid or Competing Bid ceases to qualify as such. In each case, the Separation Time can be such later date as may be determined by the Board provided that, if any take-over bid expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, it shall be deemed never to have been made, and provided further that if the Board determines to waive the application of the Rights to which registered holders are entitled to upon the occurrence of a Flip-in Event (as further described below in the section entitled “Redemption and Waiver”), the Separation Time in respect of such Flip-in Event will be deemed never to have occurred.

Acquiring Person

In general, an Acquiring Person is a Person who is at any time the Beneficial Owner of twenty percent (20%) or more of the Corporation’s outstanding Common Shares. Excluded from the definition of “Acquiring Person” are (i) the Corporation and any of its Subsidiaries, (ii) any Person who becomes an Acquiring Person as a result of one or any combination of a Corporate Acquisition, a Permitted Bid Acquisition, a Corporate Distribution, an Exempt Acquisition, or a Convertible Security Acquisition, (iii) for a period of ten (10) days after the Disqualification Date, being the first date of the public announcement of fact indicating that any Person is making or intends to make a take-over bid, any Person who becomes the Beneficial Owner of twenty percent (20%) or more of the outstanding Common Shares of the Corporation as a result of such Person becoming disqualified from relying on the exclusion from being deemed a Beneficial Owner as a result of holding such security in its capacity as a Fund Manager, Trust Company, Statutory Body, Crown Agent, Independent Person or Pension Fund, (iv) an underwriter or member of a banking or selling group that acquires Common Shares from the Corporation in connection with the distribution of securities (including, for greater certainty, by way of private placement of such

securities) to the public; and (v) a Person (a “Grandfathered Person”) who is the Beneficial Owner of twenty percent (20%) or more of the outstanding Common Shares of the Corporation as at the Record Time, provided, however, that this exception will not be, and will cease to be, applicable to a Grandfathered Person if such Grandfathered Person, after the Record Time: (A) ceases to Beneficially Own twenty percent (20%) or more of the outstanding Common Shares of the Corporation; or (B) becomes the Beneficial Owner (other than pursuant to any one or a combination of the operation of a Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition or Convertible Security Acquisition) of additional Common Shares constituting (1%) or more of the outstanding Common Shares of the Corporation.

The definitions of “Corporate Acquisition”, “Permitted Bid Acquisition”, “Corporate Distribution”, “Exempt Acquisition”, and “Convertible Security Acquisition” are set out in the Rights Plan.

To the knowledge of the senior officers of the Corporation, the Corporation has one Grandfathered Person, being Foundation Equity Corporation. See “*Voting Securities and Principal Holders Thereof*”.

Beneficial Ownership, Exemptions for Portfolio Managers and Others and Permitted Lock-up Agreements

As described above, in determining whether a Person has become an Acquiring Person, all Common Shares which the Person is deemed to Beneficially Own at the time are included. A Person is deemed to Beneficially Own any Common Shares that its Associates, Affiliates, or persons “acting jointly or in concert” with any of the foregoing for the purpose of acquiring Common Shares, owns or has the right to acquire within sixty (60) days. Fund Managers, Trust Companies, Statutory Bodies, Crown Agents and Pension Funds are not Acquiring Persons simply because they may have the right to vote Common Shares managed by them for others.

The definitions of “Fund Manager”, “Trust Company”, “Statutory Body”, “Crown Agent” and “Pension Fund” are set out in the Rights Plan.

A Person may also be considered to Beneficially Own Common Shares that are subject to an agreement under which a shareholder agrees to tender its Common Shares to a take-over bid (“lock-up bid”) made by that Person. The Person is not deemed to Beneficially Own such Common Shares if the shareholder has agreed to deposit or tender its Common Shares pursuant to a Permitted Lock-Up Agreement. In order for an agreement to be considered a Permitted Lock-Up Agreement, certain conditions must be met, including:

- (i) the terms of the agreement are publicly disclosed and a copy of the agreement is publicly available not later than the date of the lock-up bid or, if the lock-up bid has not been made prior to the date on which such agreement is entered into, not later than the day following the date of such agreement;
- (ii) the holder who has agreed to tender Common Shares to the lock-up bid made by the other party to the agreement is permitted to terminate its obligation under the agreement, in order to tender Common Shares to another takeover bid or to support another transaction where: (i) the offer price or value of the consideration payable under the other take-over bid or transaction is greater than the price or value of the consideration per share at which the holder has agreed to deposit or tender Common Shares to the lock-up bid, or is greater than a specified minimum which is not more than 7% higher than the price or value of the consideration per share at which the holder has agreed to deposit or tender Common Shares under the lock-up bid; and (ii) if the number of Common Shares offered to be purchased under the lock-up bid is less than all of the Common Shares (excluding Common Shares held by the offeror), the number of Common Shares offered to be purchased under the other take-over bid or transaction (at an offer price not lower than in the lock-up bid) is equal to or greater than a specified number which is not more than 7% higher than the number of Common Shares offered to be purchased under the lock-up bid; and
- (iii) no break-up fees, top-up fees, or other penalties that exceed in the aggregate the greater of 2.5% of the price or value of the consideration payable under the lock-up bid and 50% of the increase in consideration resulting from another take-over bid or transaction shall be payable by the holder if the holder fails to deposit or tender Common Shares to the lock-up bid.

Flip-In Event and Exercise

A Flip-in Event occurs when any Person becomes an Acquiring Person. In the event that, prior to the Expiration Time, a Flip-in Event which has not been waived by the Board occurs (as further described below in the section entitled “Redemption and Waiver”), each Right (except for Rights Beneficially Owned or which may thereafter be Beneficially Owned by an Acquiring Person or a transferee of such a Person, which Rights will become null and void) will thereafter constitute the right to purchase from the Corporation upon exercise of such Right in accordance with the terms of the Rights Plan that number of Common Shares having an aggregate Market Price on the date of the Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such Right being subject to anti-dilution adjustments). For example, if at the time of the Flip-In Event the Exercise Price is \$100 and the Market Price of the Common Shares is \$10, the holder of each Right would be entitled to purchase Common Shares having an aggregate Market Price of \$200 (that is, 20 Common Shares) for \$100 (that is, a 50% discount from the Market Price).

Permitted Bid and Competing Bid

An Offeror can avoid causing a Flip-in Event by making a Permitted Bid. A Permitted Bid is a take-over bid made by means of a take-over bid circular and which also complies with the following additional provisions:

- (i) the take-over bid must be made to all registered holders of record of Common Shares (other than the Common Shares held by the Offeror);
- (ii) the take-over bid must contain, and the take-up and payment for securities tendered or deposited under the take-over bid must be subject to, an irrevocable and unqualified condition that no Common Shares will be taken up or paid for pursuant to the take-over bid prior to the close of business on the date which is not less than sixty (60) days following the date of the take-over bid and that no Common Shares will be taken up or paid for pursuant to the take-over bid unless, at such date, more than fifty percent (50%) of the then outstanding Common Shares held by Independent Shareholders have been deposited to the take-over bid and not withdrawn;
- (iii) the take-over bid must contain an irrevocable and unqualified provision that, unless the take-over bid is withdrawn, Common Shares may be deposited pursuant to such take-over bid at any time during the period of time described in Clause (ii) above and that any Common Shares deposited pursuant to the take-over bid may be withdrawn at any time until taken up and paid for; and
- (iv) the take-over bid must contain an irrevocable and unqualified provision that should the condition referred to in Clause (ii) above be met: (A) the Offeror will make a public announcement of that fact on the date the take-over bid would otherwise expire; and (B) the take-over bid will be extended for a period of not less than ten (10) Business Days from the date it would otherwise expire.

An Offeror can also avoid causing a Flip-in Event by making a Competing Bid. A Competing Bid means a take-over bid that: (i) is made while another Permitted Bid is in existence, and (ii) satisfies all the components of the definition of a Permitted Bid as described above, except that the requirements set out in Clause (ii) above of the definition of a Permitted Bid will be satisfied if the take-over bid contains, and the take up and payment for securities tendered or deposited under the take-over bid are subject to, an irrevocable and unqualified condition that no Common Shares will be taken up or paid for pursuant to the Competing Bid prior to the close of business on the date that is no earlier than the date which is the later of thirty-five (35) days after the date the Competing Bid is made or sixty (60) days after the earliest date on which any other Permitted Bid or Competing Bid that is then in existence was made and only if at that date, more than fifty percent (50%) of the then outstanding Common Shares held by Independent Shareholders have been deposited or tendered to the Competing Permitted Bid and not withdrawn; provided always that a Competing Bid will cease to be a Competing Bid at any time when such bid ceases to meet any of the provisions of this definition and any acquisitions of securities made pursuant to such bid that has ceased to be a Competing Bid, including any acquisition of securities made before the bid ceased to be a Competing Bid, will cease to be a Permitted Bid Acquisition.

Redemption and Waiver

If a potential offeror does not desire to make a Permitted Bid, it can negotiate with, and obtain the prior approval of, the Board to make a take-over bid by way of a take-over bid circular sent to all holders of Common Shares on terms which the Board considers fair to all shareholders. In such circumstances, the Board may waive the application of the Rights Plan thereby allowing such bid to proceed without dilution to the offeror. Any waiver of the application of the Rights Plan in respect of a particular take-over bid shall also constitute a waiver of any other take-over bid which is made by means of a take-over bid circular to all holders of Common Shares while the initial take-over bid is outstanding. The Board may also waive the application of the Rights Plan in respect of a particular Flip-in Event that has occurred through inadvertence, provided that the Acquiring Person that inadvertently triggered such Flip-in Event reduces its beneficial holdings to less than 20% of the outstanding Common Shares within thirty (30) days or such earlier or later date as may be specified by the Board. With the prior consent of the holders of Common Shares, the Board may, prior to the occurrence of a Flip-in Event that would occur by reason of an acquisition of Common Shares otherwise than pursuant to a take-over bid made by way of a take-over bid circular, waive the application of the Rights Plan to such Flip-in Event.

The Board may, with the prior consent of the holders of Common Shares, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right. Rights are deemed to be redeemed following completion of a Permitted Bid, a Competing Bid or a take-over bid in respect of which the Board has waived the application of the Rights Plan.

Supplements and Amendments

The Board may amend the Rights Plan to correct clerical or typographical errors or to maintain the validity of the Rights Plan in light of legislative changes. Other amendments can only be made with the approval of the shareholders of the Corporation or, after the Separation

Time, the holders of the Rights. Any supplements or amendments to the Rights Plan require the prior approval of the Toronto Stock Exchange and any other stock exchange on which the Common Shares are listed.

Protection Against Dilution

The Exercise Price, the number and nature of Common Shares that may be purchased upon the exercise of Rights and the number of Rights outstanding are subject to adjustment from time to time to prevent dilution in the event of stock dividends, subdivisions, consolidations, reclassifications or other changes in the outstanding Common Shares, pro rata distributions to holders of Common Shares and other circumstances where adjustments are required to appropriately protect the interests of the holders of Rights.

Expiration

The Rights Plan and all outstanding Rights terminate and are void and of no further force and effect on and from the Expiration Time, which, assuming the Termination Time has not occurred, shall be the close of business on the day following the Corporation's annual meeting of shareholders in 2016.

If the Rights Plan is not confirmed by a majority of the votes cast by holders of Common Shares (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Common Shares are then listed) who vote in respect of confirmation of the Rights Plan at the Meeting, or any adjournment of the Meeting, then the Rights Plan and all outstanding Rights will terminate and will be void and of no further force and effect from the close of business (Calgary time) on the date of the Meeting or adjournment of the Meeting (if adjourned).

Duties of the Board

The adoption of the Rights Plan will not in any way lessen or affect the duty of the Board to act honestly and in good faith with a view to the best interests of the Corporation. The Board, when a take-over bid or similar offer is made, will continue to have the duty and power to take such actions and make such recommendations to shareholders as are considered appropriate.

TSX Approval

The Toronto Stock Exchange has accepted filing of the Rights Plan, subject to shareholder ratification, on April 2, 2015.

Certain Canadian Federal Income Tax Considerations of the Rights Plan

The following discussion generally summarizes certain Canadian federal income tax considerations of the issuance of Rights. This summary is not exhaustive of all possible Canadian federal income tax considerations and does not anticipate any change in law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations. The Corporation should not have any income for the purposes of the *Income Tax Act* (Canada) and the regulations thereunder (the "ITA") as a result of the issuance of the Rights. The conferral on all holders of common shares of a corporation of a right to acquire additional shares of the corporation is not a taxable benefit for the purposes of the ITA, and hence the value of such right need not be included in the income of the holder as a taxable benefit and is not subject to non-resident withholding tax under the ITA, provided that identical rights are conferred on all holders of common shares of the corporation. Although the Rights were conferred on all holders of Common Shares of the Corporation, the Rights may become void in the hands of certain holders of the Corporation's Common Shares upon certain triggering events occurring (see "Flip-in Event" above), and, consequently, whether or not the issue of the Rights will give rise to a taxable benefit to all holders of Common Shares is not entirely free from doubt. In any event, no amount must be included in income if the Rights do not have a monetary value at the date of issue. The Corporation considers that the Rights have no monetary value when issued, there being only a remote possibility that the Rights will ever be exercised. A holder of Rights could be required to include an amount in computing income or be subject to withholding tax under the ITA if the Rights become exercisable or are exercised. A holder of Rights may be subject to tax under the ITA in respect of the proceeds of disposition of such Rights.

This statement is of a general nature only and is not intended to constitute nor should it be construed to constitute legal or tax advice to any particular holder of Common Shares. Such shareholders are advised to consult their own tax advisors regarding the consequences of acquiring, holding, exercising or otherwise disposing of their Rights, taking into account their own particular circumstances and any applicable federal, provincial, territorial or foreign legislation.

Vote Required and Recommendation of the Board

The Board recommends that shareholders vote FOR the resolution approving the adoption of the Rights Plan. The Rights Plan is subject to shareholder approval by a simple majority of votes cast by shareholders who vote in person or by proxy at the Meeting (subject to any applicable minority approval requirements, including any such requirements imposed by the Toronto Stock Exchange), and if such approval is not received, the Rights Plan cannot be adopted.

Unless otherwise directed, it is the intention of management designees to vote proxies FOR of the resolution approving the adoption of the Rights Plan, as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Rights Plan attached as Schedule “B” to the Management Information Circular of the Corporation dated the Effective Date and the issue of Rights thereunder be and are hereby adopted, ratified and confirmed;
2. the making on or prior to the date hereof of any revisions to the Rights Plan as may be required by any stock exchange or by professional commentators on shareholder rights plans to conform the Rights Plan to versions of shareholder rights plans prevalent for public reporting issuers in Canada, as may be approved by any director or officer of the Corporation, is hereby authorized and approved; and
3. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation to execute or cause to be executed, whether under corporate seal or otherwise, and deliver or cause to be delivered all such documents, to conclude any agreements and to take any action, which, in the opinion of that person, is necessary or desirable to give effect to this resolution, including compliance with applicable securities laws.”

OTHER BUSINESS

While there is no other business other than that mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting, or any adjournment(s) thereof, in accordance with the discretion of the persons authorized to act thereunder.**

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The shareholders approved the present Option Plan on March 19, 2011. In February 2012, the Board amended the Option Plan to include a broker-assisted cashless exercise option and additional information on withholding tax changes. The amendments did not require shareholder or TSX approval as per Section 3.09 of the Option Plan. On March 11, 2015, the Board further amended the Option Plan to (i) extend the term of options that may be granted under the Option Plan from up to five (5) years from the date of grant to up to ten (10) years from the date of grant for all options granted on or after March 11, 2015; (ii) extend the vesting provisions set out in the Stock Option Agreement attached as Schedule A to the Option Plan from three (3) years to five (5) years such that 20% of the options granted vest in each year; (iii) refine the definition of a change of control event and to provide for automatic accelerated vesting of options in such circumstances; and (iv) implement certain other changes of a housekeeping nature. These amendments do not require shareholder or TSX approval in accordance with Section 3.09 of the Option Plan and Section 613 of the TSX Company Manual. A blackline of the Option Plan, as amended, which sets out these amendments, is attached as Schedule "C" to this Management Information Circular.

The following is a description of the material terms and conditions of the Option Plan, as amended. Under the Option Plan, the Board may, from time to time, grant options to purchase Common Shares to certain directors, officers, key employees and service providers of the Corporation and its operating subsidiaries. The maximum number of Common Shares issuable under the Option Plan, together with all other security based compensation arrangements of the Corporation, is 10% of the Common Shares outstanding from time to time on a non-diluted basis, subject to the following limitations:

- (a) the aggregate number of Common Shares reserved for issuance to any one person under the Option Plan, together with all other security based compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Common Shares (on a non-diluted basis);
- (b) in the aggregate, no more than 10% of the outstanding issue of Common Shares (on a non-diluted basis) may be reserved at any time for insiders under all security based compensation arrangements of the Corporation, including the Option Plan; and
- (c) the number of securities of the Corporation issued to insiders, within any one year period, under all security based compensation arrangements, including the Option Plan, cannot exceed 10% of issued and outstanding Common Shares (on a non-diluted basis).

The exercise price per Common Share shall be fixed by the Board but under no circumstances shall any exercise price at the time of the grant be lower than the closing market price of the Common Shares on the TSX on the last trading day preceding the date of grant. The term of options granted may be up to a (i) ten-year period from the date of grant for all options granted on or after March 11, 2015 or (ii) five-year period from the date of grant for all options granted on or before March 10, 2015. Except as otherwise determined by the Board, an optionee's vested options will expire 90 days after an optionee ceases to act for the Corporation, other than by reason of death or termination for cause. Options of an optionee that has been terminated for cause by the Corporation will expire on the date of termination. In the event of death of an optionee, the optionee's estate shall have 6 months in which to exercise the outstanding vested options.

The Option Plan also includes a provision that should an option expiration date fall within a black out period or within nine business days following a black out period, the expiration date will automatically be extended for ten business days following the end of the black out period. The Option Plan allows the Board to terminate or discontinue the Option Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not alter or impair any option previously granted under the Option Plan. The only amendments to the Option Plan that would be subject to shareholder approval are amendments that would:

- (a) reduce the exercise price of an option held by an insider of the Corporation;
- (b) extend the expiry date of an option held by an insider of the Corporation (subject to such date being extended by virtue of the black out provision noted above);
- (c) amend the limitations on the maximum number of Common Shares reserved or issued to insiders;
- (d) increase the maximum number of Common Shares issuable pursuant to the Option Plan; or
- (e) amend the amendment provisions of the Option Plan.

The Option Plan does not provide any specific vesting provisions for options granted thereunder. Any vesting provisions for stock options granted under the Option Plan will be set out in the agreements evidencing such stock options. The form of Stock Option Agreement attached as Schedule A to the Option Plan provides that options will vest over a five (5) year period such that 20% of the

options granted vest in each year. Options granted under the Option Plan are non-assignable, except in the case of the death of an optionee, and subject to early termination in the event of death or permanent disability of the optionee or the optionee ceasing to be an officer, director, employee or consultant of the Corporation or a subsidiary of the Corporation. At the discretion of the Board, the expiry date may be extended; however, in no event will an option be exercisable at a date in excess of ten (10) years from the date of grant. The Option Plan does not confer upon an optionee any right with respect to continuation of employment with the Corporation nor does it affect in any way the rights of the Corporation or optionee to terminate the relationship between the Corporation and the optionee at any time. The Option Plan contains standard anti-dilution provisions.

Subject to any laws applicable to the Corporation, the Option Plan provides that on terms and conditions to be determined by the Board, the Board may at any time authorize the Corporation to loan money to the optionee to assist such optionee in exercising an option held by him.

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHT	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING OUTSTANDING SECURITIES REFLECTED IN COLUMN 1)
Equity compensation plans approved by security holders	1,078,337 Common Shares	\$5.73 per Common Share	1,691,087 Common Shares
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	1,078,337 Common Shares	\$5.73 per Common Share	1,691,087 Common Shares

COMPENSATION DISCUSSION & ANALYSIS

COMPENSATION & HUMAN RESOURCES COMMITTEE

The mandate of the Compensation & Human Resources Committee ("the Compensation & HR Committee") is to assist the Board of Directors in fulfilling its oversight responsibilities including the following:

- Executive Compensation for key executive positions
- Ensure the Corporation has a succession plan for the CEO and other key executive positions
- Provide guidance on Human Resources strategy

In addition, the Board of Directors, with oversight by the Compensation & HR Committee, assesses risk associated with executive compensation by actively reviewing compensation design and compensation decision making processes. The Board, through the Compensation & HR Committee's work plan and charter, assess and determine risk and risk level related to compensation programs embedded in the business model as well as any short term compensation gain for executives that may create excessive risk to the Corporation.

The Compensation & HR Committee is satisfied that:

- The Corporation's policy and plans on compensation do not encourage any Named Executive Officer or employee who is in a senior management or leadership position to take inappropriate or excessive risks.
- There were not any identified risks arising from the Corporation's compensation plans or policies that would have had any negative or material impact on the Corporation.

The Corporation's compensation practices and plans are aligned with the overall business strategy and are designed in accordance with progressive human resources practices that are focused on engagement, retention and performance.

Further information on the Compensation & HR Committee and its membership is available under the Statement of Corporate Governance Practices in this Management Information Circular.

COMPENSATION OF DIRECTORS

As at the Effective Date, the Corporation has nine directors, of which eight are considered to be independent directors. National Instrument 58-101 provides that a director is independent if he or she would be independent within the meaning of Section 1.4 of National Instrument 52-110.

The Corporation's director compensation program is designed to address the following:

- Complexity The role of the director is changing and more complex.
- Competitiveness Attracting and retaining knowledgeable and skilled directors is a challenge in today's economic climate.
- Accountability Increasing public and shareholder demands creates more accountability, governance and responsibility.
- Contribution The contribution made by the director in time and expertise.
- Growth The organization is growing and has a strategy of continued growth.

Annual Retainers and Board Meeting Fees

Annual retainers and Board meeting fees are presently paid to the members of the Board of Directors who are outside directors of the Corporation on the following basis:

	ANNUAL RETAINER AS AT DECEMBER 31, 2014 \$	MEETING PARTICIPATION FEES (1)(2) \$
Board Chair	50,000	-
Director, other than Board Chair	30,000	-
Committee Chair		
- Audit	8,000	-
- Compensation	8,000	-
- Governance	5,000	-
Committee Member		
- Audit	7,000	-
- Compensation	4,000	-
- Governance	4,000	-
Board Meeting	-	1,000
Audit Committee Meeting	-	1,200
Compensation Committee Meeting	-	1,000
Governance Committee Meeting	-	1,000

Note:

(1) For meetings over half day. Fifty percent of fee for meeting for half day. No fees for meetings less than one hour.

From January 1, 2014 to December 31, 2014 each outside director was paid a fee of \$1,000 for each Board meeting attended. From January 1, 2014 to June 14, 2014, Kerry Brown was paid a retainer of \$22,917, through semi-monthly payments plus a contribution to his group benefits plan for serving as Chair of the Board. From June 14, 2014 to December 31, 2014, Chris Seaver was paid a retainer of \$27,083, through semi-monthly payments. Other executive officers of the Corporation who also act as directors of the Corporation did not receive any compensation for services rendered solely in their capacity as directors, other than as paid to them in their capacity as executive officers.

Total cash remuneration earned by non-management directors of the Corporation in their capacity as directors from January 1, 2014 until December 31, 2014 was \$404,334. The Corporation also reimburses directors for related travel and out-of-pocket expenses incurred in the course of carrying out their duties as directors.

Directors' Deferred Share Unit Plan

The Corporation has adopted a deferred share unit ("DSU") plan for its outside directors. The DSU plan has two components: an "appointment grant" and a "continuous grant". The appointment grant is provided to each newly appointed director. The number of DSU's issued for the appointment grant is equivalent to \$50,000, at the time of the grant. The appointment grant fully vests on the third anniversary of the grant date. The continuous grant provides for an annual issue of DSU's to eligible directors. The number of DSU's issued for the continuous grant is equivalent to \$7,500, at the time of the grant. One-third of the continuous grant vests annually on the anniversary of the grant date. On the date the participant ceases to be a director of the Corporation, the participant is paid a cash amount

equal to the product obtained by multiplying the number of vested DSUs by the volume weighted average closing price of the Common Shares on the Toronto Stock Exchange for the 20 trading days prior to such date. The DSU plan is a cash plan.

Total Compensation of Outside Directors

The table below reflects in detail the total compensation earned by the Outside Directors during the fiscal year ended December 31, 2014:

NAME	FEES EARNED (\$)		SHARE-BASED AWARDS ⁽¹⁾	OPTION-BASED AWARDS ⁽²⁾	NON-EQUITY INCENTIVE PLAN COMPENSATION	TOTAL
	Retainer	Meeting Participation	(\$)	(\$)	(\$)	(\$)
Kerry Brown	48,792	10,600	7,500 ⁽³⁾	-	-	66,892
Frank Burdzy	38,000	9,900	7,500 ⁽³⁾	-	-	55,400
Terry Chalupa	34,000	9,000	7,500 ⁽³⁾	-	-	50,500
Terry Freeman	45,000	10,900	7,500 ⁽³⁾	-	-	63,400
John Howard	37,000	9,900	7,500 ⁽³⁾	-	-	54,400
John Irwin	38,000	11,000	7,500 ⁽³⁾	-	-	56,500
Carmen Loberg	39,000	10,500	7,500 ⁽³⁾	-	-	57,000
Chris Seaver	44,042	8,700	7,500 ⁽³⁾	-	-	60,242

Notes:

- (1) “Share-Based Award” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) “Option-Based Award” means an award under an equity incentive plan of options, including, for greater certainty, stock options, share appreciation rights and similar instruments that have option-like features.
- (3) Amounts shown are the DSU’s granted under the terms of the Directors’ Deferred Share Unit Plan and the fair value has been determined by the Board of Directors’ intended value on grant date. The value of the continuous grant is currently equivalent to \$7,500, at the time of the grant.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all option-based awards and share-based awards outstanding for outside directors who are not also Named Executive Officers as at the most recent financial year end, including awards granted before the most recently completed financial year.

NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION-BASED AWARDS			SHARE-BASED AWARDS		
		OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$)	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED (#)	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED (\$) ⁽¹⁾	MARKET OR PAYOUT VALUE OF VESTED SHARE-BASED AWARDS NOT PAID OUT OR DISTRIBUTED (\$) ⁽¹⁾
Kerry Brown	-	-	-	-	3,273	13,747	53,899
Frank Burdzy	-	-	-	-	3,273	13,747	53,899
Terry Chalupa	-	-	-	-	3,273	13,747	53,899
Terry Freeman	-	-	-	-	3,273	13,747	170,596
John Howard	-	-	-	-	3,273	13,747	53,899
John Irwin	-	-	-	-	16,883	70,909	1,546
Carmen Loberg	-	-	-	-	3,273	13,747	82,648
Chris Seaver	-	-	-	-	3,273	13,747	71,707

Note:

(1) The market value of the DSUs was calculated using the market value of the Common Shares as at December 31, 2014 (\$4.20).

The following table sets forth the value of option-based awards and share-based awards that vested or were earned during the most recently completed financial year for outside directors of the Corporation.

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 (\$)
Kerry Brown	-	4,040	n/a
Frank Burdzy	-	4,040	n/a
Terry Chalupa	-	4,040	n/a
Terry Freeman	-	4,040	n/a
John Howard	-	4,040	n/a
John Irwin	-	1,546	n/a
Carmen Loberg	-	28,759	n/a
Chris Seaver	-	4,040	n/a

Note:

(1) The figures in this column are based on the difference between the market price of the options as at December 31, 2014 (\$4.20) and the exercise price.

(2) The figures in this column are based on multiplying the number of DSUs by the market value of underlying shares on the vesting date.

The significant terms of the Option Plan and the DSU plan are disclosed in this Management Information Circular under “*Securities Authorized for Issuance under Equity Compensation Plans*.” and “*Directors’ Deferred Share Unit Plan*”, respectively.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Philosophy and Objectives

The Board of Directors’ philosophy on total rewards is to ensure that the Corporation’s executives are rewarded for achievement of the Corporation’s strategic plan and financial results. In addition, executive compensation at the Corporation is established based on individual contribution and performance, relevant external labour markets and the following principles:

- Aligning executive goals to the interests of the organization and shareholders;
- Motivating and rewarding executives to exceed business objectives, performance and growth; and

- Providing for the attraction and retention of superior executive talent.

Compensation Elements and Positioning

Executive total compensation is defined as base pay, annual bonus program or short-term incentive plan (“STIP”), and equity incentive or long-term incentive plan (“LTIP”). The combination of these elements, specifically the STIP and LTIP, provide the executive with significant reward for the successful execution of the Corporation’s strategic plan.

Benchmarking Practices

The Corporation uses publicly available salary information to form the base comparison and review of executive compensation.

Base Salary

Base salaries for identified executive positions are targeted at the median or average base of the established comparator group. The Corporation conducts periodic surveys and reviews of organizations, of the target market, to identify the appropriate base salary for identified positions. Actual base salary for the executives is tied to the position’s scope in the organization, overall competency and performance and retention risk and is reviewed annually.

While the Board wants to ensure the Corporation’s executives receive fair base pay compensation, greater emphasis is placed on variable rewards, both STIP and LTIP, to motivate short and long-term results.

Non-Equity Incentives

In 2014 the Committee adopted the following STIP for the executives of the Corporation:

Annual bonus payouts have assigned maximums based on a percentage of salary specific to the executive’s position with the Corporation. The following STIP was in place for 2014.

POSITION	MAXIMUM BONUS AS A PERCENTAGE OF SALARY
President and Chief Executive Officer	125%
Senior Vice President, McCoy Global	125%
Chief Financial Officer	100%
Vice President, Human Resources	62.5%
General Counsel & Corporate Secretary	50.0%

The annual bonus will be measured by a combination of financial measures and individual objectives.

The financial measure component of STIP includes:

- (i) Net earnings as a percentage of revenue;
- (ii) EBITDA (net earnings from continuing operations before finance charges (net), income tax expense, depreciation, amortization, impairment losses, net changes in fair value related to derivative financial instruments and stock based compensation) as a percentage of revenue; and
- (iii) Return on invested capital

In order to qualify for a financial measure STIP award a minimum performance threshold must be achieved by the Corporation. The amount of the STIP award for each financial measure is then determined based on actual financial performance by the Corporation, up to a maximum award for any individual financial measure.

Equity Incentives

Equity incentives, namely the LTIP, are established as a component of total compensation and are designed to align the executives with the longer term interests of the Corporation and the shareholders. The LTIP provides the executive with the opportunity for additional compensation based on achieving the long-term strategy and growth of the Corporation. Stock options are currently the only element of the LTIP of the executive compensation program.

The Corporation emphasizes stock options in executive compensation as they allow executive officers to share in positive corporate results in a manner which is relatively cost-effective despite the financial impact on the Corporation of treating stock options as a compensation expense. The President and Chief Executive Officer recommends to the Board stock options proposed to be granted to other employees and consultants. As part of its review of executive compensation the Compensation Committee recommends to the Board stock options proposed to be granted to senior executives. In this review, previous grants of stock options are considered when recommending new grants.

The Compensation & HR Committee, with approval of the Board, established a LTIP in 2011. The Board has the authority to amend or discontinue the LTIP.

Under the LTIP the executives of the Corporation have historically received an annual grant of stock options which were granted pursuant to the terms of the Option Plan. Grants were made in September of each year, subject to the Corporation not being in blackout. The number of stock options granted to the respective executives was dependent on the executive's position with the Corporation and was as follows:

POSITION	ANNUAL GRANT
President and Chief Executive Officer	100,000
Chief Financial Officer	50,000
Senior Vice President, McCoy Global	50,000
General Counsel and Corporate Secretary	50,000
Vice President, Human Resources	50,000

On March 11, 2015, the Board adopted a policy such that, beginning in fiscal 2015, there will no longer be automatic annual grants of stock options to executives. Rather, stock options will be granted to the executives of the Corporation at the discretion of the Board. On March 17, 2015, the following stock options were granted under the LTIP pursuant to the terms of the Option Plan, as amended:

EXECUTIVE	GRANT
Jim Rakievich	200,000
Jacob Coonan	150,000
Kenneth Watt	150,000
Peter Watson	120,000

SUMMARY COMPENSATION TABLE

The following table summarizes the total compensation paid to individuals who were acting as, or were acting in a capacity similar to, a Chief Executive Officer or Chief Financial Officer and the three most highly compensated executive officers whose total compensation exceeded \$150,000 per annum (the “Named Executive Officers”) during the financial years ended December 31, 2014, including their respective total compensation during the financial years ended December 31, 2013 and December 31, 2012.

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$)	OPTION- BASED AWARDS \$(⁽¹⁾)	NON-EQUITY INCENTIVE PLAN COMPENSATION (\$)		ALL OTHER COMPENSATION \$(⁽²⁾)	TOTAL COMPENSATION (\$)
				Annual incentive plans	Long- term incentive plans		
JIM RAKIEVICH President & Chief Executive Officer	2014	400,000	121,452	145,543	-	110,148	777,143
	2013	400,000	189,477	425,000	-	108,711	1,123,188
	2012	380,000	-	456,000	-	101,000	937,000
JACOB COONAN Chief Financial Officer	2014	200,000	60,726	49,891	-	44,437	355,054
	2013	168,750	151,582	175,500	-	231,649	727,481
	2012	-	-	-	-	-	-
KENNETH WATT ⁽³⁾ Senior Vice President, McCoy Global	2014	297,452	115,379	96,142	-	54,057	563,030
	2013	197,926	142,108	141,744	-	7,001	488,779
	2012	-	-	-	-	-	-
PETER WATSON ⁽⁴⁾ General Counsel and Corporate Secretary	2014	236,740	60,726	43,229	-	60,055	400,750
	2013	216,277	94,739	104,084	-	60,931	476,031
	2012	-	-	-	-	-	-
TOM WATTS ⁽⁵⁾ Vice President, Human Resources	2014	187,328	60,726	-	-	44,346	292,400
	2013	189,000	94,739	114,109	-	47,219	445,067
	2012	180,000	96,077	108,900	-	36,000	420,977

Notes:

- (1) “Option-Based Award” means an award under an equity incentive plan of options, including, for greater certainty, stock options, share appreciation rights and similar instruments that have option-like features. The “grant date fair value” has been determined by using the Black-Scholes option pricing model. Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant “grant date fair value” based on a Black-Scholes option pricing model, especially where, as in the case of the Corporation, the price of the Common Share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (2) “All Other Compensation” is defined as allowances and the employer contributions of the Corporation’s RSP, 401K, ESPP and benefits. For more details please see “Other Forms of Compensation” in this Management Information Circular.
- (3) Mr. Watt was appointed as an Executive Officer as of December 10, 2013, and as Senior Vice President, McCoy Global on February 10, 2014. For the period of January 1, 2013 to October 31, 2014, Kenneth Watt’s salary was converted from GBP to CAD using the average exchange rate for the applicable year. For the period of November 1, 2014 to December 31, 2014, Kenneth Watt’s salary was adjusted to USD\$275,000 annually and converted from USD to CAD using the average exchange rate for the applicable year. Annual incentive plan calculations for 2013 for Kenneth Watt were converted from GBP to CAD using the exchange rate as at December 31 for the applicable year. Annual incentive plan calculations for 2014 for Kenneth Watt were converted from GBP to CAD using the exchange rate as at December 31 for the applicable year.
- (4) Mr. Watson was appointed as the Vice President, Legal and Corporate Secretary on December 3, 2012. Peter Watson’s salary was converted from USD to CAD using the average exchange rate for the applicable year. Annual incentive plan calculations for Peter Watson were converted from USD to CAD using the exchange rate as at December 31 for each applicable year.
- (5) Mr. Watts resigned from the Corporation on November 21, 2014.

Outstanding Option-Based Awards

The following table sets forth details of all option-based awards outstanding for Named Executive Officers as at the most recent financial year end, including awards granted before the most recently completed financial year.

NAME	OPTION-BASED AWARDS			
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$) ^{(1) (2)}
JIM RAKIEVICH President & Chief Executive Officer	100,000	6.70	December 2, 2018	-
	100,000	5.59	September 29, 2019	-
JACOB COONAN Chief Financial Officer	20,000	3.20	January 25, 2017	20,000
	80,000	6.70	December 2, 2018	-
	50,000	5.59	September 29, 2019	-
KENNETH WATT Senior Vice President, McCoy Global	30,000	3.41	October 8, 2017	23,700
	75,000	6.70	December 2, 2018	-
	95,000	5.59	September 29, 2019	-
PETER WATSON General Counsel & Corporate Secretary	20,000	4.25	December 11, 2017	-
	50,000	6.70	December 2, 2018	-
	50,000	5.59	September 29, 2019	-

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 31, 2014, being \$4.20 per Common Share, and the exercise price of the options.

Incentive Plan Awards (value vested or earned during the year)

The following table sets forth the value of option-based awards that vested or were earned during the most recently completed financial year for Named Executive Officers.

NAME	OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$) ⁽¹⁾	NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$)
JIM RAKIEVICH, President & Chief Executive Officer	-	145,543
JACOB COONAN, Chief Financial Officer	28,668	49,891
KENNETH WATT, Senior Vice President, McCoy Global	17,700	96,142
PETER WATSON, General Counsel & Corporate Secretary	-	43,229
TOM WATTS, Vice President, Human Resources	116,402	-

- (1) The figures in this column are based on the difference between the market price of the options at the vesting dates and the exercise price. Figure excludes options where no value was created on vesting date.

The significant terms of the Option Plan are disclosed in this Management Information Circular under “Securities Authorized for Issuance under Equity Compensation Plans.”

Other Forms of Compensation

Benefits and Allowances

The Corporation's executive officers may choose to participate in the Corporation's employee benefit program which includes extended health care, dental, life and disability insurance. A portion of the costs of the premiums are paid by the employee and a portion of the premium costs are paid by the Corporation. In addition, the executive officers receive a spending account, to a maximum of \$5,000 in accordance with applicable laws and regulations.

The Corporation provides the executive officers a vehicle allowance to assist with travel expenses incurred during the normal course of business operations. These benefits and allowances are designed to be competitive with equivalent positions comparable in the targeted industry.

Retirement Benefits

The Corporation's executive officers are eligible to participate in the Corporation's retirement savings plan. Under the plan the Corporation matches 100% of the participant's contributions to a maximum of 3.0% of base salary for Canadian participants and 4% of base salary for US participants. These programs are available to all regular full-time employees at the same contribution levels.

A retirement savings program has been designed for Jim Rakievich providing for a company contribution of 12.5% of base salary with Mr. Rakievich contributing 2.5%. For contributions in excess of the maximum retirement savings plan amounts, as defined by the applicable laws and regulations, the Corporation funds a retirement compensation arrangement (RCA).

The other executive officers' are required to contribute up to an additional 2% of base salary, above the Corporation's employee plans, to a maximum of 5.0% of base salary and the Corporation matches this amount to a company maximum of 5.0%, or the annual maximum in accordance with applicable laws and regulations.

The Corporation does not have a registered pension plan, or a deferred compensation plan for its executive officers.

Employee Share Purchase Plan

The Corporation's executive officers are eligible to participate in the Corporation's Employee Share Purchase Plan ("ESPP"). Under the plan the Corporation matches a portion of the participant's contributions to a maximum of 2.0% of base salary. The Corporation's matching obligation is dependent on the employee's contribution years in the plan: less than one year a 33% match; between one and three years a 67% match; between four and seven years a 100% match; and greater than eight years a 133% match. This program is available to all regular full-time employees and may, if available, be directed to: a non-registered account; a registered retirement savings plan account; or a registered tax free savings account. The amounts are considered vested immediately, however the employee is restricted from accessing the Corporation's matching amount for 12 months following the purchase. In addition, the plan 'penalizes' transfers or withdrawals prior to 5 years' service in the plan and every five years thereafter. Any transfer or withdraw of Common Shares from the plan will result in the matching level being reset to the 33%. The Board requires the Corporation's executive officers to contribute 5.0% to the ESPP. The Corporation matches this amount according to the contribution years in the plan.

Termination and Change of Control Agreements

Mr. Jim Rakievich's employment agreement provides for severance in the event of termination without cause. The severance amount is a lump sum payment equal to twelve (12) months base salary. This amount increases by one month per full year of service after August 1, 2009 to a maximum of eighteen (18) months. In addition, the Corporation will pay the greater of any Annual Bonuses that have been declared, accrued, and earned as of the termination or Two Hundred Thousand (\$200,000) Dollars. Mr. Rakievich's employment agreement contains a change of control clause. The change of control is defined as at least two of the following events occurring: (i) A change in the majority of members currently sitting on the Board of Directors of the Corporation; (ii) Any change in the holding of shares of the Corporation that changes the ownership of the Corporation (entitling the holders to cast more than 30% of the votes); (iii) A merger, consolidation, share exchange or similar form of transaction involving the Corporation; (iv) The approval by directors of shareholders of the Corporation of a complete liquidation or dissolution of the Corporation; or (v) A sale or other disposition of all or substantially all of the property or assets of the Corporation. For a period of twelve months following a change of control if the Corporation terminates Mr. Rakievich's employment without cause or Mr. Rakievich terminates his employment for good reason, Mr. Rakievich is entitled to the severance pay as above.

Mr. Jacob Coonan's employment agreement provides for severance in the event of termination without cause. The severance amount is the greater of a one-time lump sum amount equal to twelve (12) months base salary or a lump sum payment equal to one month per year of service that the Employee has with the Employer (including any years of service served prior to the execution of this or any other written employment agreements) to a maximum of eighteen (18) months multiplied, by the "Monthly Amount". The "Monthly Amount" is calculated as following annual compensation amounts divided by twelve (12): (i) base salary; (ii) average of the previous three (3) years bonus payments; (iii) five percent (5%) of the base salary, representing annual employer paid benefits and (iv) five percent (5%) of

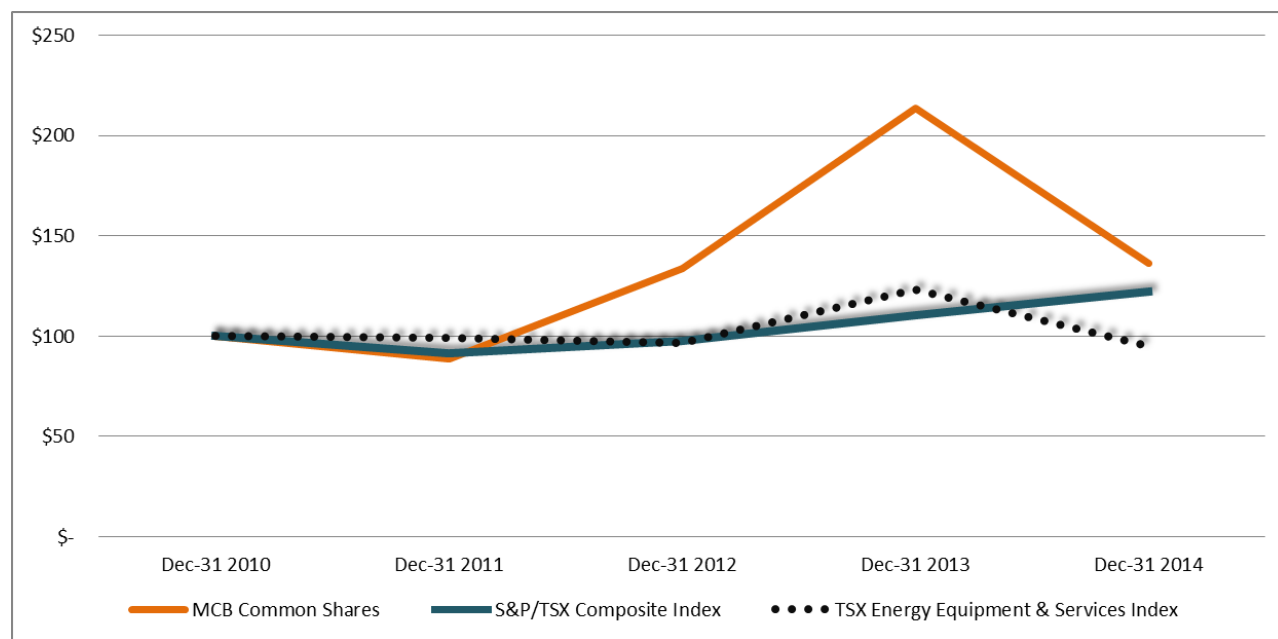
the base salary, representing annual employer paid retirement savings plan. In addition, the Corporation will pay any unpaid bonuses from the prior fiscal period owing to the employee as at the termination date and a bonus for the fiscal period in which the termination date occurs. Mr. Coonan's employment agreement also contains a change in control clause, defined as at least two of the following events occurring: (i) A change in the majority of members currently sitting on the Board of Directors of the Corporation; (ii) Any change in the holding of shares of the Corporation that changes the ownership of the Corporation (entitling the holders to cast more than 30% of the votes); (iii) A merger, consolidation, share exchange or similar form of transaction involving the Corporation; (iv) The approval by directors of shareholders of the Corporation of a complete liquidation or dissolution of the Corporation; (v) A sale or other disposition of all or substantially all of the property or assets of the Corporation, other than to an affiliate within the meaning of the Securities Act (Alberta) or pursuant to a Non-Qualifying Transaction; or (vi) Any determination by the majority of Incumbent Directors of the Corporation that a Change of Control has occurred. For a period of twelve months following a change of control, if the Corporation terminates Mr. Coonan's employment without cause or Mr. Coonan terminates his employment for good reason, Mr. Coonan is entitled to the severance pay as above.

Mr. Kenneth Watt's employment agreement provides for severance in the event of termination without cause. The severance amount is equal to (i) all accrued benefits; (ii) plus a lump sum payment equal to one month of base salary per year of service that the Employee has with the Corporation up to a maximum of twelve (12) months of base salary with a minimum amount equal to a lump sum amount representing six (6) months base salary, plus a lump sum amount for annual bonus, calculated by multiplying the annualized base salary by 50%, then dividing the product by twelve and multiplying the quotient by the total years of service, plus a lump sum amount for vehicle allowance and benefits. In addition, Mr. Watt is entitled to reimbursement for reasonable relocation expenses incurred, should Mr. Watt chose to return to Aberdeen, Scotland upon termination without cause.

Mr. Peter Watson's employment agreement provides for severance in the event of termination without cause. The severance amount is equal to (i) all accrued benefits; (ii) plus a lump sum payment equal to one month of base salary per year of service that the Employee has with the Corporation up to a maximum of twelve (12) months of base salary with a minimum amount equal to a lump sum amount representing six (6) months base salary, plus a lump sum amount for annual bonus, calculated by multiplying the annualized base salary by 50%, then dividing the product by twelve and multiplying the quotient by the total years of service, plus a lump sum amount for vehicle allowance and benefits. For purposes of calculating the payment to be made, the Employee shall be entitled to a minimum of six years of service.

PERFORMANCE GRAPH

The following graph compares cumulative shareholder return commencing on December 31, 2010 and ending on December 31, 2014 (assuming a \$100 investment was made on December 31, 2010) with the cumulative total return of S&P/TSX Composite Index and TSX Energy Equipment and Services Index. This assumes all dividends paid by the Corporation were re-invested in the Corporation's Common Shares.



INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the executive officers, directors and employees of the Corporation and its subsidiaries, past and present, are, or have been since the beginning of the last completed financial year, indebted to the Corporation, nor has the Corporation or its subsidiaries guaranteed or otherwise supported any indebtedness of such persons as at the Effective Date.

MANAGEMENT CONTRACT

Other than as set forth herein, during the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Please refer to “Voting Securities and Principal Holders of Voting Securities” for a description of Foundation and the interests of certain directors of the Corporation in Foundation. Management of the Corporation is not aware of any material interest, direct or indirect, of any informed person or persons of the Corporation, or any associate or affiliate of any informed person of the Corporation, in any past or proposed transaction which in either case has materially affected or will materially affect the Corporation since January 1, 2014.

On September 16, 2014 McCoy Global sold 100 percent of the issued and outstanding shares of its wholly-owned subsidiary, Inotec Coating and Hydraulics Inc., to Corrosion and Abrasion Solutions Ltd. (“CASL”) for proceeds of \$9.3 million, subject to a net working capital adjustment as defined by the share purchase agreement. The net working capital adjustment as defined by the share purchase agreement is pending finalization. Further, certain amounts pertaining to the purchase price continue to be held in escrow, as outlined by the share purchase agreement. Mr. Terry Freeman is a director of the Corporation and the Chair and Chief Executive Officer of CASL. Mr. Freeman also holds a 15% equity interest in CASL.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate Governance Practices relates to the activities of the Board, the members of which are elected and are accountable to the Corporation’s shareholders, and take into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board and senior management considers good corporate governance to be central in the effective and efficient operation of the Corporation.

Pursuant to the provisions of National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) issuers are required to disclose their corporate governance practices annually and provide guidance on corporate governance practices respectively. The Board has reviewed its practices relative to the new guidelines and offers the following summary.

1. BOARD OF DIRECTORS

Pursuant to NI 58-101, a director is independent if the director would be considered independent within the meaning contained in section 1.4 of National Instrument 52-110 (“NI 52-110”) which states that a director is independent if he or she has no direct or indirect relationship with the Corporation which could, in the view of the Corporation’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board is currently comprised of nine (9) directors, eight (8) of whom the Board has determined are independent. In assessing whether a director is independent for these purposes, the circumstances of each director have been examined in relation to the factors described in NI 52-110. Eighty nine percent (89%) of the directors are independent.

DIRECTOR	INDEPENDENCE STATUS	BASIS FOR DETERMINATION OF NON-INDEPENDENCE
Kerry Brown	Independent	Not applicable – no material relationship
Frank Burdzy	Independent	Not applicable – no material relationship
Terry Chalupa	Independent	Not applicable – no material relationship

Terry Freeman	Independent	Not applicable – no material relationship
John Howard	Independent	Not applicable – no material relationship
John Irwin	Independent	Not applicable – no material relationship
Carmen Loberg	Independent	Not applicable – no material relationship
Jim Rakievich, President & CEO	Not independent	Is considered to have a material relationship with the company by virtue of his current executive officer position with the Corporation
Chris Seaver, Chair	Independent	Not applicable – no material relationship

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management. Each Board meeting concludes with an *in camera* session which excludes management and management directors. These sessions are of no fixed duration and participating directors are encouraged to raise and discuss any issues of concern. The independent directors may choose to meet privately at any time, either following an *in camera* session or at another time of their choosing.

Currently, the Board is satisfied that it exercises its responsibilities for independent oversight of management. The ability to establish ad hoc committees comprised solely of independent directors provides the Board with the ability to meet independently of management whenever deemed necessary or appropriate and the chair of each such ad hoc committee provides leadership for such committee.

Directors and officers of the Corporation are required to declare any material conflict or potential conflict of interest, either in writing to the Corporation or to the Board or by request to have the nature and extent of his or her interest entered in the minutes of the Board meeting. A director having declared such an interest shall abstain from voting on any resolution approving the arrangement. The disclosure requirements for directors and officers are in accordance with the *Business Corporations Act* (Alberta). Similarly, any related-party transactions must be approved by the non-related directors and appropriately disclosed to the public.

The following table sets out details of directorships currently held by each director of the Corporation in reporting issuers other than the Corporation:

NAME OF DIRECTOR	NAME OF PUBLIC CORPORATION(S)	MARKET (IF APPLICABLE)
Kerry Brown	Nil	n/a
Frank Burdzy	Nil	n/a
Terry Chalupa	Nil	n/a
Terry Freeman	Nil	n/a
John Howard	Nil	n/a
John Irwin	Nil	n/a
Carmen Loberg	HNZ Group Inc. (formerly Canadian Helicopters Group Inc.)	TSX
	Stuart Olson Inc. (formerly The Churchill Corporation)	TSX
Jim Rakievich	Nil	n/a
Chris Seaver	Oil States International Inc. Exterran Holdings Inc.	NYSE NYSE

The Board met a total of eleven (11) times since the beginning of the Corporation's financial year ended December 31, 2014:

The following is the record of attendance at Board meetings since the beginning of the Corporation's financial year ended December 31, 2014:

DIRECTOR	BOARD MEETINGS HELD WHILE A DIRECTOR	BOARD MEETINGS ATTENDED
Kerry Brown	11	11
Frank Burdzy	11	11
Terry Chalupa	11	10.5
Terry Freeman	11	10
John Howard	11	11
John Irwin	11	11
Carmen Loberg	11	10.5
Jim Rakievich	11	11
Chris Seaver	11	11

2. BOARD MANDATE

The primary responsibility of the Board is to foster the long term success of the Corporation.

While the Board is responsible for the “management of the business and affairs of the Corporation”, this is done by proxy through the President and Chief Executive Officer, who is charged with the day to day management of the Corporation.

In performing its function, the Board also considers the legitimate interest which shareholders and other stakeholders have in the Corporation by supervising the conduct of its business. The Board, through the President and Chief Executive Officer, will set standards of conduct for the Corporation and ensure the safety of its operations.

The Board has delineated the roles and responsibilities of the Board and the President and Chief Executive Officer. The President and Chief Executive Officer’s employment agreement further defines his specific role and responsibilities. While the Board is responsible for the management of the business and affairs of the Corporation, this is accomplished in part by delegation to the President and Chief Executive Officer who is charged with the day-to-day management of the Corporation. The President and Chief Executive Officer reports directly to the Board and has responsibility for the leadership and management of the Corporation within the parameters adopted by the Board.

The following table provides a description of how the Board has delineated various roles and responsibilities between it and the Corporation’s President and Chief Executive Officer. The Board Mandate was reviewed by the Governance Committee in 2011 and revisions were recommended by the Governance Committee to the Board and approved.

ROLES & RESPONSIBILITIES OF THE BOARD AND PRESIDENT & CEO

RESPONSIBILITY	BOARD	PRESIDENT AND CHIEF EXECUTIVE OFFICER
Written medium and long range strategic plan	Participate and Approve	Develop and Execute
Overall integration of business units	Review	Define and Execute
Ensure the timely preparation and review of: - Annual operating budgets and plans - Annual capital budgets and plans - Annual financial statements - Quarterly financial statements - Management, take-over and directors circulars	Approve Approve Approve Approve Approve	Develop Develop Prepare Prepare Prepare
Operate within all applicable laws and regulations and file all required Public Company documents	Review	Define and Execute
Appoint auditors	Recommend	Review
Adequate internal controls and management information systems	Review and Approve	Develop and Implement
Compliance with Business Code of Conduct	Review	Monitor
Issuance and acquisition of corporation securities	Approve	Develop
Adopt, amend or repeal articles	Approve	Develop
Communication plan: - Investor Relations - Significant or material developments - Governance Practices	Approve Approve Approve Prepare and Develop	Develop Develop Develop
Ensure principal risks are identified and effectively managed	Review and Approve	Define
Ensure a strong, capable management team is in place: - President and Chief Executive Officer, role and responsibilities and compensation - Senior management, role and responsibilities and compensation - Succession and training plan	Define and Engage Approve Approve	 Define and Engage Define and Engage
Safety of employees	Review	Define and Execute
Business acquisitions	Approve	Develop and Execute
Business dispositions	Approve	Develop and Execute
Exercise statutory duties and obligations under the law: - Employment - Environmental - Statutory Remittances	Approve Approve Approve	Define Define Define
Board of Directors: - Size - Compensation - Board vacancy - Chairs, committees and mandates - Education and orientation - Corporate Governance - Expectations and Responsibilities of Board members	Define Define Appoint Define and Appoint Define and Implement Define and Adopt Define and Adopt	

Strategic Planning and Principal Risks

The Board reviews and approves an annual plan (operating and capital budgets) of the Corporation prepared by management. The annual plan sets out the material corporate and financial objectives, plans and actions of the Corporation and sets out and takes into account the opportunities and risks of the Corporation's businesses. The Board is kept current on the Corporation's progress towards achieving these objectives through detailed monthly financial statements and the President's Report to the Board which is delivered in advance of each scheduled Board meeting. It is the responsibility of the President and CEO of the Corporation to initiate the strategic planning process and it is the responsibility of the Board to support the strategic planning activities of the President and CEO. The Board reviews and approves any major policy initiatives and strategic decisions. The Board has also implemented a strategic planning process which includes a full day Board session.

Policy Review, Financial Reporting and Disclosure

The Board oversees the integrity and effectiveness of the Corporation's Disclosure and Confidentiality, Disclosure Controls and Procedures, Insider Trading Policies and the Corporation's Business Code of Conduct and, in conjunction with the Disclosure Committee, undertakes a review of such policies annually and revises them as appropriate with input from management. The Board also monitors and oversees all aspects of the Corporation's financial reporting and disclosure. Finally, the Board requires all news releases and reports to shareholders containing financial information regarding the Corporation to be reviewed by the Audit Committee prior to their public release.

Internal Controls and Management Information Systems

The Audit Committee is responsible for overseeing the adequacy and effectiveness of the Corporation's internal controls and management information systems. Any deficiencies or concerns are reported to the full Board.

Management Evaluation and Succession Planning

The Compensation & HR Committee reviews and assesses the performance of the President and Chief Executive Officer and, with the President and Chief Executive Officer, the performance of executive officers who report to the President and Chief Executive Officer and establishes and recommends for approval to the Board the compensation packages of the President and Chief Executive Officer and other executive officers of the Corporation. The Governance and Compensation & HR Committees are charged with committee oversight of the succession plan for the President and Chief Executive Officer and other executive officers and periodically report to the Board on such succession plan.

Expectations and Responsibilities of Board Members

Directors should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of shareholders. They must be in good standing with respect to financial matters and all applicable laws, regulations and statutes. Directors must have mature judgment and demonstrated ability to provide leadership and relevant expertise, industry knowledge, or marketing acumen. Directors should possess knowledge of securities regulations, disclosure requirements and other corporate governance principles as appropriate for a TSX listed public company. Directors must be able to devote sufficient time to effectively fulfill their responsibilities and duties and must be willing to limit their other activities to ensure this ability. Consistent with the importance of Board responsibilities, each director is expected to be familiar with the Corporation's business and public disclosures, to review in advance of Board meetings all related materials distributed to the Board and to attend and participate in meetings of the Board and meetings of any committee of which such director is a member.

Board Approval

The Board reviews and approves various corporate documents and transactions including the annual plan (budget); the annual financial statements and associated public disclosure materials; all capital expenditures; all mergers, business acquisitions and dispositions; all material borrowing and banking arrangements; equity financings of the Corporation; the purchase and redemption of securities; any changes to the by-laws or articles of the Corporation; the recruitment, and if necessary, the termination of the President and Chief Executive Officer; all major strategic and policy decisions; and any other matter specified by the Board as requiring its approval.

Shareholder Communication with the Board

Shareholders may communicate directly with non-management directors through the Corporate Secretary, by writing to:

Mr. Peter Watson
Corporate Secretary
McCoy Global, Inc.
#301, 9618 – 42 Avenue
Edmonton AB T6E 5Y4
pwatson@mccoyglobal.com

3. POSITION DESCRIPTIONS

The Board has adopted the following position descriptions for the Chair of the Board and the Chair of each Committee of the Board. The position description for the President & CEO is provided in the table above titled “Roles & Responsibilities of the Board and President & CEO.”

Chair of the Board of Directors

In addition to the Chair’s responsibilities as a director of the Corporation, as provided by the *Business Corporations Act* (Alberta) (the “Act”), and the Corporation’s By-Laws, the Chair shall also have specific duties and responsibilities as set out below. In addition, the Chair shall have other such powers and duties as the Board may specify.

Provisions of the Corporation’s By-laws:

“The Chair of the Board of Directors (the “Board”) shall be a director and shall have such other duties and powers as the directors may specify and delegate. During the absence or disability of the Chair of the board, his duties shall be performed and his powers exercised by the Vice-Chair of the Board or by the President or by any other director designated by the directors.

The Chair of any meeting of the directors shall be the first mentioned of such of the following persons as has been appointed and who is a director and is present at the meeting: Chair of the Board, Vice-Chair of the Board, or President. If no such person is present, or if such persons decline to act, the directors present shall choose one of their numbers to be Chair.”

Responsibilities

The Chair must act in the best interests of the Corporation and the shareholders within applicable legislation and best practices in corporate governance.

The Chair must set the appropriate atmosphere for the Board and its members, and will require a combination of relationship and consensus building skills to do so. The Chair must encourage directors to participate in healthy debate and take independent viewpoints when appropriate. The Chair must also provide the guidance and leadership to support a group perspective. Such an atmosphere is intended to promote ethical and responsible decision making, proper oversight of management and best practices in corporate governance.

Specific Undertakings

The Chair is specifically responsible to ensure that the following actions occur:

- (i) times and places of meetings of the Board and shareholders are determined and disseminated to appropriate parties;
- (ii) the Board meets a minimum of four times a year plus as many additional times as required to carry out its duties;
- (iii) the shareholders meet at least once annually and any other additional times as may be required by law or circumstances;
- (iv) all business required to be brought before a meeting of shareholders is brought before a meeting of shareholders;
- (v) all business required to be brought before the Board is brought before the Board in a manner that facilitates the Board in the performance of its duties to manage, or supervise the management of, the business and affairs of the Corporation;

- (vi) all business on the agenda of any Board or shareholder meeting is discussed, the discussion is closed, and the matter is brought to resolution as required;
- (vii) all meetings of the Board and shareholders are presided over by the Chair or allowable alternate;
- (viii) the Board meets, or has the opportunity to meet, at regular intervals without management present;
- (ix) the Board and its members and Board Committees are given leadership to assist with effectively carrying out their duties and responsibilities;
- (x) the President and Chief Executive Officer receives counsel and support from the Chair, the Board and its members; and
- (xi) alternative views of the Board members are given due consideration.

Chair of the Audit Committee

The primary functions of the Audit Committee are to fulfill the Board's oversight responsibilities as they relate to the Corporation's accounting policies, internal controls, disclosure controls, financial reporting practices, and legal and regulatory compliance.

Responsibilities

The Audit Committee Chair is appointed annually or more frequently if required, by the Board. The Chair is charged with oversight of the Committee. Oversight responsibilities include convening and presiding over Committee meetings and taking the lead role as a member of the Board in dealings with the external auditor.

Specific Undertakings

The Chair is specifically responsible to ensure that the following actions occur:

- (i) meetings are scheduled in sufficient number and at appropriate times of the year to facilitate proper continuous disclosure of the Corporation's financial performance and related documents;
- (ii) Committee members are kept current with any changes in the CICA Handbook that pertain to the Corporation;
- (iii) all disclosure documents that are required to be reviewed and approved by the Committee are reviewed, amended as required and approved;
- (iv) all members of the Committee are independent and financially literate within the guidelines of National Instrument 52-110 (*Audit Committees*);
- (v) new members to the Committee are recommended based on relevant education and experience;
- (vi) the Committee's findings, conclusions and recommendations are reported to the Board;
- (vii) an annual self-evaluation of the Committee is undertaken and the results reported to the Board;
- (viii) the Committee's terms of reference are reviewed at least annually and any proposed changes are recommended to the Board for approval; and
- (ix) management is able to communicate with the Committee through the Chair during the intervals between scheduled meetings.

Chair of the Compensation & HR Committee

The primary function of the Compensation & HR Committee is to establish the compensation philosophy of the Corporation.

Responsibilities

The Chair of the Compensation & HR Committee bears primary responsibility for leading the Committee and establishing the agenda for any meeting of the Committee. The Chair is appointed annually by the Board from the Committee's members.

The Chair must schedule meetings of the Committee and prepare the agenda and any related documents for the meetings. The Chair must provide leadership in developing and amending the Corporation's compensation philosophy and encourage orderly

discussion among the Committee members. The Chair is responsible for reporting significant developments to the Corporation's Board.

Specific Undertakings

The Chair is specifically responsible to ensure the following actions occur:

- (i) the Committee is convened at least semi-annually;
- (ii) the annual *Report on Executive Compensation* is reviewed and, if required, amended, prior to inclusion in proxy materials;
- (iii) provides regular reports to the Board regarding the Committee's activities and decisions;
- (iv) ensures review of the Committee's terms of reference at least annually and amended if appropriate;
- (v) ensures periodic self-evaluations of the Committee's functions are performed and communicated to the Board;
- (vi) communicates controversial executive compensation practices to the Board;
- (vii) advises and gives counsel to other Board members of the Corporation on matters of compensation, reviews major activities and plans to ensure conformity with the Board's view on corporation compensation philosophy and policy;
- (viii) presents any proposed changes in major policies of the Corporation for Board action;
- (ix) retains and works with outside consultants and other advisors when necessary;
- (x) promotes legal and regulatory compliance in the Committee's activities;
- (xi) co-ordinates the Committee evaluation process;
- (xii) manages meetings so that there is adequate time for review and discussion of all matters; and
- (xiii) considers Committee development needs and may recommend directors for Committee involvement.

Chair of the Governance Committee

The Governance Committee is responsible for making recommendations to the Board on matters of corporate governance and for the disclosure of the Corporation's corporate governance practices in response to legal and regulatory requirements. The Committee is responsible for ensuring that the mission and strategic direction of the Corporation is reviewed annually and that the Board and its committees carry out their functions in accordance with due process. The Committee is also responsible for assessing the effectiveness of the Board as a whole, the committees of the Board, and the contribution of each individual director. The Committee has the responsibility to address governance issues; and also holds the responsibility of identifying, recruiting, nominating, endorsing, recommending appointment of, and orienting new directors. The Committee shall consist of at least three unrelated directors, one of whom shall be the Chair of the Board.

Responsibilities

The Governance Committee Chair is appointed annually or more frequently if required, by the Board. The Chair is charged with oversight of the Committee. Oversight responsibilities include convening and presiding over Committee meetings.

Specific Undertakings

The Chair is specifically responsible to ensure the following actions occur:

- (i) Committee meetings are scheduled at least annually and an agenda is distributed in advance of the meeting;
- (ii) the Committee's terms of reference are reviewed at least annually and any proposed changes are recommended to the Board for approval;
- (iii) management is able to communicate with the Committee through the Chair during the intervals between scheduled meetings;

- (iv) assessments of the Board's performance are conducted at least annually;
- (v) written statements affirming compliance with the Corporation's *Business Code of Conduct* are received from each employee annually;
- (vi) any matters brought to the Chair by any employee, member of management or director is brought to the full Committee for review and reported to the Board;
- (vii) Committee members are current with regulatory requirements and best practices pertaining to corporate governance;
- (viii) if any member of management is invited to attend any Committee meeting, that member is identified and notified in advance of the meeting; and
- (ix) potential director candidates are identified to the Board and the President and Chief Executive Officer.

4. ORIENTATION AND CONTINUING EDUCATION

The Governance Committee provides significant written orientation and educational material for new directors. The Corporation has prepared a "Directors' Manual" for new directors that includes comprehensive background information on the Corporation and its various divisions and subsidiaries and contains key corporate policies. In addition, an existing Board member is assigned to conduct facility tours and to further orient and inform any new Board member on an ad hoc basis.

Each director is responsible for attaining and maintaining the skill and knowledge necessary to ensure his substantial participation and contribution to the Board and its committees. The Corporation encourages directors to participate in courses and seminars dealing with financial literacy, corporate governance and related matters.

In 2010, the Board approved a directors' education program as recommended by the Governance Committee. The directors' education program includes governance and industry education sessions. The governance sessions are conducted by the University of Alberta School of Business, Executive Education Program and began in 2011. In 2014, two governance education sessions were held. The first presentation, discussing mergers and acquisition transactions, was held in March 2014. The second presentation was given in September 2014 on the topic of industry trends and company challenges.

The Corporation has had a high degree of continuity in its directors which has enabled them to develop a considerable understanding of the Corporation's business.

5. ETHICAL BUSINESS CONDUCT

The Corporation is committed to performing its business activities and operations with integrity and due regard to the public interest and the interest of its shareholders. For the Corporation to meet those standards, the Corporation expects all employees, contractors, directors and officers to make a conscientious effort to maintain a high standard of business ethics and social awareness while conducting their corporate and operating activities.

The Board has adopted a Business Code of Conduct (the "Code") for the directors, officers, and employees of the Corporation, its divisions and wholly owned subsidiaries. The Code formally sets out standards for behavior and practice and requires all directors, officers, and employees to indicate in writing their familiarity with the Code and their agreement to comply with it. The Code is reviewed and revised periodically to ensure currency and inclusiveness. A hard copy is provided to each new employee who must agree to comply with it as a condition of employment and each employee must certify annually that they have received, read, understood and complied with the Code. In addition, each manager responsible for a business unit certifies annually that the manager's employees have received, read and understood the Code. Each member of the Board certifies their compliance with the Code annually. The responses are reported to the President and Chief Executive Officer and the Governance Committee as well as the full Board. A copy of the Code is posted on the Corporation's web site and available to any party who requests a hard copy. A copy has also been filed on SEDAR at www.sedar.com.

If any director or officer has a material interest in any potential or existing transaction or agreement involving the Corporation, the director or officer must disclose that interest in writing in accordance with the provisions of the *Business Corporations Act* (Alberta). The disclosing director may be excused from any discussions pertaining to the topic and must abstain from voting on any motion regarding the matter.

The Board supports a culture of ethical business conduct and leads by example. The Board has also adopted a whistleblower policy and engaged a third party service provider to ensure that employees can report inappropriate conduct anonymously and without fear of reprisal.

6. NOMINATION OF DIRECTORS

The Governance Committee shall carry out the nomination process on an annual basis, and specifically shall:

- i) Develop criteria which reflect the needs of the Board in recruiting new directors;
- ii) Meet with, interview and evaluate potential candidates for the position of Director to ensure that:
 - A. the Board is constituted with individuals of diverse background talents and experience;
 - B. when a vacancy occurs, qualified candidates are available;
- iii) Request nominations from the membership and place into nomination the names of candidates who are nominated by the members of the Corporation, in accordance with the Corporation's by-laws;
- iv) Provide Committee endorsement of one or more of the nominees for each of the open positions, and communicate its recommendation to the membership in the election process; and
- v) Review and recommend changes in policy and procedures related to the nomination and election of Directors, subject to the Corporation's by-laws.

7. COMPENSATION & HUMAN RESOURCES COMMITTEE

The Board has a Compensation & HR Committee composed of a minimum of three directors, a majority of whom are not officers or employees of the Corporation and are unrelated, independent directors of the Corporation. The Board's policy regarding director independence is to adopt the practice which best serves the Corporation's needs at any particular time. In the Board's view, the current Compensation & HR Committee structure is appropriate considering the size of the Corporation and the Board and that the Corporation has a controlling shareholder. Each of the four current Committee members resides in Alberta and is well-versed in compensation practices for the region and industry in which the Corporation operates. The Compensation & HR Committee also encourages every member of the Board to actively participate in discussions relating to executive compensation, and full Board approval is required for the President and Chief Executive Officer's compensation. The Compensation & HR Committee makes recommendations to the full Board for review and approval. As of the Effective Date, the Compensation & HR Committee members are Kerry Brown, Terry Freeman, John Irwin and Carmen Loberg. All members are considered to be independent as at December 31, 2014.

The Compensation & HR Committee charter was approved in 2011. In respect of compensation matters, the Committee reviews and provides recommendations to the Board on the following matters:

- (a) Compensation policies and guidelines for supervisory and management personnel of the Corporation and its related entities;
- (b) Corporate benefits, bonuses and other incentives, including stock options;
- (c) Reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives and determining the CEO's compensation level based on this evaluation;
- (d) Non-CEO officer and director compensation, incentive compensation plans and equity based plans;
- (e) The review of executive compensation disclosure before the Corporation publicly discloses such information;
- (f) Succession plans for the officers and for key employees of the Corporation; and
- (g) Any material changes or trends in human resources policy, procedure, compensation and benefits.

If, in order to properly discharge its functions, duties and responsibilities, it is necessary, in the opinion of the Committee, that the Committee obtain the advice and counsel of external advisors, the Chair of the Committee shall, at the request of the Committee, engage the necessary advisors.

8. OTHER BOARD COMMITTEES

The Board has no standing committees other than – the Audit Committee (as described in the Corporation's Annual Information Form dated March 12, 2015 for the year ended December 31, 2014 filed on SEDAR at www.sedar.com), the Compensation Committee (as described above) and the Governance Committee (as described below).

Governance Committee

The Governance Committee is responsible for making recommendations to the Board on matters of corporate governance and for the disclosure of the Corporation's corporate governance practices in response to legal and regulatory requirements. The Governance Committee is responsible for ensuring that the mission and strategic direction of the Corporation is reviewed annually and that the Board and its Committees carry out their functions in accordance with due process. The Governance Committee is also responsible for assessing the effectiveness of the Board as a whole, the Committees of the Board, and the contribution of each individual director. The Committee has the responsibility to address governance issues and also holds the responsibility for identifying, recruiting, nominating, endorsing, recommending appointment of, and orienting new directors. As of the Effective Date, there were three (3) members of the Governance Committee: Terry Chalupa, John Irwin and Carmen Loberg.

The Governance Committee reviewed and revised its charter in 2012, which was approved by the Board. In respect of corporate governance matters, the Committee reviews and provides recommendations to the Board on the following matters:

Board Performance & Effectiveness

Develop written corporate governance guidelines and mandate for the Board in which it explicitly acknowledges responsibility for the stewardship of the Corporation and considers (i) measures for receiving feedback from stakeholders and (ii) expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials;

- (a) Develop clear position descriptions for the Chair of the Board and the Chair of each Board Committee, and together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities and developing the corporate goals and objectives that the CEO is responsible for meeting;
- (b) Oversee the assessment of the Board, its committees and each individual director in respect of effectiveness and contribution;
- (c) Cause the Board to annually review its definition of an "independent" director;
- (d) Develop a comprehensive orientation and continuing education program for all directors;
- (e) Review aggregate skills and competencies of the Board;
- (f) Ensure that all members of the Board have been informed of and are aware of their duties and responsibilities as a director of the Corporation;

Regulatory Oversight

- (g) Ensuring compliance by the Board and the Corporation with all applicable securities laws and stock exchange rules;
- (h) Develop and monitor the Corporation's general approach to corporate governance issues as they may arise;
- (i) Propose changes as necessary from time to time to respond to particular governance recommendations or guidelines from regulatory authorities and ensure that all appropriate or necessary governance systems remain in place and are periodically reviewed for effectiveness;
- (j) Ensure that the Corporation has in effect adequate policies and procedures to allow the Corporation to meet all of its continuous disclosure requirements;
- (k) Develop and monitor the Corporation's policies relating to trading in securities of the Corporation by insiders as well as communication and confidentiality;

Risk Management

- (l) In conjunction with the Audit Committee, ensure that the Corporation has in effect adequate policies and procedures to identify and manage the principal risks of the Corporation's business;
- (m) Annually reviewing areas of potential personal liability of directors and ensure reasonable protective measures are in place;

Corporation Effectiveness

- (n) Ensure that the vision, values and strategic direction of the Corporation are reviewed annually including execution by management
- (o) Periodically consider the need for special policies of the Corporation, initiated by the Board, in unique or emerging policy areas such as corporate ethics, gender equality, sexual harassment or environmental practices.
- (p) Develop a written code of business conduct and ethics that is applicable to all directors, officers and employees of the Corporation;

Director Succession Planning

- (q) Develop and follow a process for identifying, recruiting and evaluating the potential of new directors;
- (r) Nominate, to the Board, directors with the appropriate skills and abilities to enable the Board to carry out its responsibilities;

9. ASSESSMENTS

The Governance Committee is responsible for, and has established processes for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director. A Board Self-Evaluation Survey has been developed for periodic use at the discretion of the Governance Committee. The Governance Committee periodically considers the effectiveness of the full board and contributions of individual directors as well as reviews the structure and terms of reference for each of the Board committees. Additionally, the contributions of individual directors may be discussed in camera at any Governance Committee or Board meeting. In 2010 and 2012, the Governance Committee conducted, on behalf of the board, a board evaluation and an individual board member evaluation. Results were summarized by the Committee and discussed with the board. The same evaluations were completed by the Governance Committee, on behalf of the Board, in the second quarter of 2014.

10. DIVERSITY

Director Term Limits and Other Mechanisms of Board Renewal

The Board has not adopted director term limits or other mechanisms of board renewal for the following reasons:

- the implementation of director term limits is problematic, as it is an inappropriate and unproven method of encouraging board effectiveness;
- the imposition of director term limits on a board implicitly discounts the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members as a result of an arbitrary determination;
- the impositions of rigid, prescribed term limits on the tenure of directors implies that boards cannot properly govern themselves, by usurping core functions of the board and replacing them with fixed criteria that may not adequately represent the interests of shareholders;
- directors with the level of understanding of a company's business, history and culture acquired through long service on the board provide additional value;
- term limits run the risk of acting as a substitute for proper board self-assessment and renewal; and
- there is little empirical evidence that a director's ability to act independently of management declines after any specific period of service.

Policies Regarding the Representation of Women on the Board

The Corporation has not adopted a policy, written or otherwise, relating to the identification and nomination of women directors to the Board because the Board generally considers diversity of race, ethnicity, gender, age, cultural background and professional experience in evaluating candidates for Board membership.

Consideration of the Representation of Women in the Director Identification and Selection Process and in Executive Officer Appointments

In identifying and nominating candidates for election or re-election to the Board, the Governance Committee and the Board do not specifically consider the level of representation of women on the Board. Moreover, in appointing executive officers to the management team, the Corporation does not specifically consider the level of representation of women in executive officer positions. Rather, in considering individuals as potential directors or members of senior management, the Corporation at all times seeks the most qualified persons, regardless of gender. The Corporation believes that this approach enables it to make decisions regarding the composition of the Board and senior management team based on what is in the best interests of the Corporation and its shareholders.

Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Corporation has not adopted targets regarding the representation of women on the Board or in executive officer positions. The Corporation does not believe that any director nominee or candidate for an executive officer position should be chosen nor excluded solely or largely because of gender. Rather, directors and executive officers are recruited based on their ability and contributions. Moreover, in selecting a director nominee or a candidate for an executive officer position, the Corporation considers the skills, expertise and background that would complement the existing Board or management team, as applicable.

Number of Women on the Board and in Executive Officer Positions

As of the Effective Date, there are no women on the Board and none of the Corporation's executive officers are women.

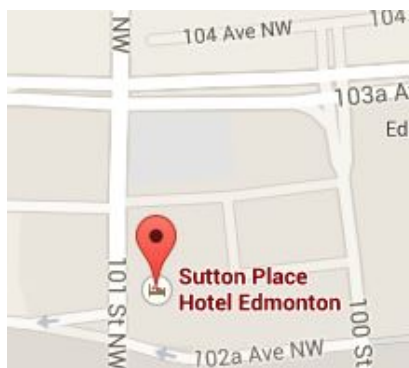
GENERAL

Unless otherwise directed, it is management's intention to vote proxies in favour of the resolutions set forth herein. All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. All approvals by disinterested shareholders require the approval of the shareholders not affected by, or interested in, the matter to be approved.

The contents and the sending of this Management Information Circular have been approved by the Board as of the Effective Date.

Additional financial information is provided in the comparative consolidated financial statements for the years ended December 31, 2014 and December 31, 2013 and associated Management's Discussion & Analysis, which are available in their entirety on SEDAR at www.sedar.com. Single copies of the Annual Report 2014, Annual Information Form and Information Circular are available upon request, from the Corporation's Corporate Secretary at #301, 9618 – 42 Avenue, Edmonton, Alberta T6E 5Y4 (780) 453-8451, fax (780) 453-8756. Requests for multiple copies may be subject to a nominal fee.

Refer to the Corporation's Annual Information Form dated March 12, 2015 for the year ended December 31, 2014, a copy of which is available on SEDAR, for information regarding the Audit Committee of the Board in the form prescribed by Form 52-110F1 of National Instrument 52-110.



ANNUAL GENERAL AND SPECIAL MEETING

THURSDAY, MAY 14, 2015
4:00 P.M. MDT

THE SUTTON PLACE HOTEL
10235 – 101 Street NW
Edmonton, Alberta, Canada

SCHEDULE A
BY-LAW NUMBER 1

Please see attached.

BY-LAW NUMBER 1

A BY-LAW
RELATING GENERALLY TO THE TRANSACTION
OF THE BUSINESS AND AFFAIRS OF

McCOY GLOBAL INC.

as amended and restated

May 14, 2015

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BY-LAW NUMBER 1 IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. INTERPRETATION

1.1 Definitions

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

- (a) "**Act**" means the Business Corporations Act (Alberta), as from time to time amended, or any statute that may be substituted therefor;
- (b) "**appoint**" means "elect" and vice versa;
- (c) "**Articles**" means the following as are from time to time in effect in respect of the Corporation, namely, the articles of incorporation, articles of amalgamation or articles of continuance, as from time to time amended or restated;
- (d) "**Board**" means the board of Directors from time to time of the Corporation;
- (e) "**By-laws**" means this by-law as amended from time to time and all other by-laws of the Corporation from time to time in force and effect;
- (f) "**Corporation**" means McCOY GLOBAL INC.;
- (g) "**Directors**" means those individuals who have been duly elected or appointed from time to time to act as directors of the Corporation;
- (h) "**recorded address**" means, in the case of a Shareholder, the address as recorded in the securities register; 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 Directors, the latest address as recorded in the records of the Corporation;
- (i) "**Shareholder**" means a person shown on the securities register of the Corporation and does not include a person who holds an interest in shares of the Corporation on a beneficial basis or other indirect basis; and
- (j) "**shareholder**" includes a Shareholder and any person who holds an interest in shares of the Corporation on a beneficial basis or other indirect basis.

Save as mentioned, words and expressions defined in the Act have the same meaning when used herein and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

1.2 Interpretation

- (a) The headings used throughout this By-Law are inserted for convenience of reference only and are not to be used as an aid in the interpretation thereof.
- (b) To the extent of any conflict between the provisions of this By-Law and the provisions of the Act or the Articles, the provisions of the Act and the Articles will govern.
- (c) The invalidity or unenforceability of any provision of this By-Law will not affect the validity or enforceability of the remaining provisions of this By-Law.

2. BUSINESS OF THE CORPORATION

2.1 Corporate Seal

The corporate seal of the Corporation will be as determined from time to time by the Directors.

2.2 Financial Year

The financial year of the Corporation will terminate December 31 or on such date as may be determined from time to time by resolution of the Directors.

2.3 Execution of Instruments

The corporate seal will be affixed to all documents requiring execution under the corporate seal of the Corporation by any two of the individuals from time to time holding the office of Chair of the Board, Vice Chair of the Board, Chief Executive Officer, President, Vice-President or Corporate Secretary or by such Director or officer of the Corporation, or such other individual or individuals as may be authorized, from time to time, by the Board. Any documents which are to be executed on behalf of the Corporation but which do not require a corporate seal will be executed by any one individual from time to time holding the office of Chief Executive Officer, President, Vice-President or Corporate Secretary, or by such Director or officer of the Corporation, or such other individual or individuals as may be authorized, from time to time, by the Board. Without limiting the generality of the foregoing, any two Directors or officers of the Corporation are authorized to sell, assign, transfer, exchange, convert or convey all securities owned by and registered in the name of the Corporation and to sign and execute (under seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveyancing any such securities.

2.4 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, will 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 Directors. Such banking business or any part thereof will be transacted under such agreements, instructions and delegations of powers as the Directors may from time to time prescribe or authorize.

2.5 Voting Rights in Other Bodies Corporate

The Directors may from time to time direct the manner in which and designate the person or persons by whom the voting rights attaching to any securities held by the Corporation may or will be exercised. The person or persons designated in Section 2.3 may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise such rights and, in the absence of a resolution of the Directors, may direct the manner in which and designate the person or persons by whom such rights may or will be exercised.

3. DIRECTORS

3.1 Election and Term

The election of Directors will take place at each annual meeting of the Shareholders and all the Directors then in office will be removed from office but, if qualified, will be eligible for re-election. The number of Directors to be elected at any such meeting will be the number of Directors then in office unless the Directors otherwise determine. The election will be by ordinary resolution. A Director need not be a shareholder.

3.2 Nomination of Directors

- (a) Only individuals who are nominated in accordance with the procedures set out in this Section 3.2 will be eligible for election as Directors. Nominations for election may only be made at an annual meeting of Shareholders (or at a special meeting of Shareholders called for any purpose which includes the election of Directors) as follows:
 - (i) at the direction of the Board (or an authorized officer of the Corporation);
 - (ii) at the direction of one or more shareholders pursuant to a proposal made in accordance with the Act or a requisition of a meeting of Shareholders made in accordance with the Act; or
 - (iii) at the direction of a person (a "**Nominating Shareholder**"), who:
 - (A) is, at the close of business on the date of giving notice provided for in Section 3.2(c) and on the record date for notice of such meeting, either (1) 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 (2) a beneficial owner of shares entitled to be voted at such meeting; and
 - (B) has given timely notice in proper written form as set forth in this Section 3.2.

- (b) Section 3.2(a) is the exclusive means for any person to bring nominations for election of Directors to the Board before any meeting of Shareholders.
- (c) For a nomination made by a Nominating Shareholder to be timely notice (a "**Timely Notice**"), the Nominating Shareholder's notice must (1) comply with Section 3.2(d) and (2) be received by the Corporate Secretary at the principal executive offices of the Corporation:
 - (i) in the case of an annual meeting of Shareholders, not later than the close of business on the 30th day and not earlier than the opening of business on the 65th day before the date of the meeting, provided that if the first public announcement of the date of the annual meeting is less than 50 days prior to that date, not later than the close of business on the 10th day following the day of public announcement; and
 - (ii) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for purposes which includes the election of Directors, not later than the close of business on the 15th day following the day of the first public announcement of the date of such special meeting.
- (d) The time periods for giving of a Timely Notice will in all cases be determined based on the actual date that the annual meeting occurs or the first public announcement of the actual date of the annual or special meeting, as applicable, if an adjournment or postponement occurs. An adjournment or postponement will commence a new time for the giving of a Timely Notice.
- (e) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary must comply with all the provisions of this Section, including these requirements:
 - (i) disclose in respect of each individual whom the Nominating Shareholder nominates (a "**Proposed Nominee**"):
 - (A) their name, age, business and residential address, principal occupation or employment and status as a "resident Canadian" (as such term is defined in the Act);
 - (B) their direct or indirect ownership, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;
 - (C) any relationships, agreements or arrangements (including financial, compensation) between the Proposed Nominee and any person acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder, or any of their affiliates or associates; and

- (D) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of Directors pursuant to applicable law,
- (ii) disclose, in respect of the each Nominating Shareholder and each beneficial owner directing the Nominating Shareholder (if any) on whose behalf the nomination is made:
 - (A) their name, business and residential address and direct or indirect ownership of, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;
 - (B) their interests in, or rights or obligations associated with, an agreement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation;
 - (C) any relationships, agreements or arrangements (including financial, compensation) and any person acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee, or any of their associates or affiliates;
 - (D) any proxy arrangement or agreement pursuant to which such person (or any of its affiliates or associates, or any person acting jointly or in concert with such person) has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of Directors to the Board;
 - (E) a representation as to whether such person intends to deliver a proxy circular or form of proxy to any shareholder in connection with the nomination, or otherwise solicit proxies from shareholders in support of the nomination; and
 - (F) any other information relating to such person that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitations of proxies for election of Directors pursuant applicable law.
- (f) Notwithstanding Section 10, any notice, or other document or information required to be given to the Corporate Secretary pursuant to this Section 3.2 may only be given by personal delivery, email (at such email address as may be stipulated from time to time by the Corporate Secretary for purposes of this notice) or fax, and will be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the principal executive offices of

the Corporation, sent by email or sent by fax. If such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Mountain time) on a day which is a business day, then such delivery or electronic communication will be deemed to have been made on the next following day that is a business day.

- (g) Despite any other provision of this Section 3.2, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of Shareholders to present the nomination of the Proposed Nominee, the nomination will be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.
- (h) Nothing in this Section 3.2 will obligate the Corporation or the Board to include in any proxy statement or other shareholder communication distributed by or on behalf of the Corporation or the Board any information with respect to any proposed nomination or any Nominating Shareholder or Proposed Nominee.
- (i) The Board may, in its sole discretion, waive one or more of the requirements of Section 3.2.
- (j) For the purposes of this Section 3.2, "public announcement" means disclosure in a press release disseminated by the Corporation through a national news service in Canada, or in a document filed by or on behalf of the Corporation for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (k) Despite any other provision of this Section 3.2, this Section 3.2 will not apply to the annual and special meeting of Shareholders to be held in May 2015 or any adjournment or postponement thereof.

3.3 Removal of Directors

Subject to the provisions of the Act, the Shareholders may by ordinary resolution passed at a special meeting 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 the Directors as provided in Section 3.4.

3.4 Vacation of Office

A Director ceases to hold office when:

- (a) he dies;
- (b) he is removed from office by the Shareholders;
- (c) he ceases to be qualified for election as a Director as provided in the Act; or

- (d) his written resignation is sent or delivered to the Corporation or, if a time is specified in such resignation, at the time so specified, whichever is later.

3.5 Vacancies

A quorum of the Directors may fill a vacancy among the Directors, except a vacancy resulting from an increase in the minimum number of Directors or from a failure of the Shareholders to elect the minimum number of Directors. If there is not a quorum of Directors, or if there has been a failure to elect the minimum number required by the Articles, the Directors then in office will forthwith call a special meeting of the Shareholders to fill the vacancy. If the Directors fail to call such meeting or if there are no Directors then in office, any Shareholder may call the meeting. The Shareholders may also fill any vacancy among the Directors at any meeting duly called for that purpose. A vacancy created by the removal of a Director may be filled by the Shareholders at the meeting at which the Director is removed or, if not so filled, may be filled by a quorum of the Directors.

3.6 Action by the Directors

The Directors will manage the business and affairs of the Corporation. The powers of the Directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of Directors, and such resolution will be effective from the date of the resolution.

3.7 Calling of Meetings

Meetings of Directors will be held from time to time and at such place as the Chair, Chief Executive Officer, President, or any two Directors or any officer may determine.

3.8 Place of Meetings

Meetings of the Directors or of any committee of Directors may be held at any place in or outside of Canada.

3.9 Notice of Meeting and Waiver of Notice

Notice of each meeting of the Board will be given to each Director not less than 48 hours before the time when the meeting is to be held. Notice of a meeting of the Board may be given verbally, in writing or by email, fax or any other means of communication. A notice of a meeting of Directors need not specify the purpose of or the business to be transacted at the meeting. A Director may in any manner and at any time waive notice of or otherwise consent to a meeting of the Directors. Notwithstanding the foregoing, the Board may from time to time fix a day or days in any month or months for regular meetings of the Board at a specified place and time, in which case, no other notice will be required for any such meeting (except where the Act requires specification of the purpose or the business to be transacted at the meeting, provided that a copy of all resolutions approved at such meetings be provided to all Directors).

3.10 Meetings by Other Means

A Director may participate in a meeting of the Directors or of a committee of the Directors by electronic means, telephone or other communication facility that permits all individuals participating in the meeting to hear or otherwise communicate with each other, and a Director participating in such a meeting by such means is deemed to be present at the meeting.

3.11 Quorum

The quorum for the transaction of business at any meeting of the Directors will be a majority of the number of Directors then holding office.

3.12 First Meeting of New Directors

Provided a quorum of Directors is present, the newly elected Directors may, without notice, hold their first meeting immediately following the meeting of Shareholders at which such Directors are elected.

3.13 Notice of Adjourned Meeting

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

3.14 Chair

The Chair of any meeting of the Directors will be the first mentioned of such of the following individuals as has been appointed and who is a Director and is present at the meeting: Chair of the Board, Vice-Chair of the Board, Chief Executive Officer or President. If no such individual is present, or if such individuals decline to act, the Directors present will choose one of their number to be Chair.

3.15 Votes to Govern

At all meetings of the Directors every question will be decided by a majority of the votes cast on the question. In the case of an equality of votes the Chair of the meeting will not be entitled to a second or casting vote in addition to his ordinary vote.

3.16 Conflict of Interest

A Director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation will disclose the nature and extent of his interest at the time and in the manner provided by the Act. A Director interested in a contract so referred to the Board will not vote on any resolution to approve it except as permitted by the Act.

3.17 Remuneration of Directors and Others

The Directors may fix, from time to time, the remuneration of the Directors, officers and employees of the Corporation.

4. COMMITTEES

4.1 Committees of Directors

The Directors will appoint such committees of Directors as are required by applicable law and may appoint one or more other committees of Directors, however designated, and delegate to such committees any of the powers of the Directors except those which, under the Act, a committee of Directors has no authority to exercise.

4.2 Transaction of Business

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

4.3 Procedure and Quorum

Unless otherwise determined herein or from time to time by the Directors, each committee will have the power to fix its quorum at not less than a majority of its members, to elect its Chair and to regulate its procedure.

4.4 Termination of Committee Membership

Any Director who ceases for any reason to be a Director will, upon ceasing to be a Director, thereupon also cease to be a member of each and every committee of Directors.

5. OFFICERS

5.1 Appointment

The Directors may from time to time appoint a Chair of the Board, Vice-Chair of the Board, Chief Executive Officer, President, one or more Vice-Presidents (to which title may be added words indicating a seniority or function), a Corporate Secretary and such other officers as the Directors may determine. The Directors may specify the duties of and, in accordance with the By-laws and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to Sections 5.2 and 5.3, an officer may be a Director and one individual may hold more than one office.

5.2 Chair of the Board

The Chair of the Board will be a Director and will have such other duties and powers as the Directors may specify and delegate. During the absence or disability of the Chair of the

Board, his duties will be performed and his powers exercised by the Vice-Chair of the Board, by the Chief Executive Officer, by the President or by any other Director designated by the Directors. After each annual meeting of the Shareholders, the Chair will be the director who occupied that office before that annual meeting, unless the Directors resolve otherwise.

5.3 Vice-Chair of the Board

The Vice-Chair of the Board will be a Director and will have such duties and powers as the Directors may specify and delegate.

5.4 Chief Executive Officer

The Chief Executive Officer may be a Director. The Chief Executive Officer will (subject to the authority of the Directors) have general supervision of the business of the Corporation (including the authority to employ or discharge agents and employees of the Corporation) and will have such other duties and powers as the Directors may specify and delegate from time to time. The Chief Executive Officer will at all reasonable times give to the Directors, or any of them, all information they may require regarding the affairs of the Corporation.

5.5 President and Vice-Presidents

The President and each Vice-President will have such duties and powers as the Directors may specify and delegate.

5.6 Corporate Secretary

The Corporate Secretary, as and when requested to do so, will attend and be the Corporate Secretary of all meetings of the Directors, Shareholders and committees of Directors and will enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat, will give or cause to be given, as and when instructed, all notices to Shareholders, Directors, officers, auditors and members of committees of Directors, will be the custodian of the corporate seal, and will have such other powers and duties as the Directors may specify and delegate. The Corporate Secretary will at all reasonable times provide access to the records of that office to any Director.

5.7 Powers and Duties of Other Officers

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

5.8 Variation of Powers and Duties

The Directors may from time to time vary, add to or limit the duties and powers of any officer.

5.9 Term of Office

The Directors may at any time, in their discretion, remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the Directors will hold office until a successor is appointed.

5.10 Conflict of Interest

An officer of the Corporation who is a party to, or is a Director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation will disclose in writing to the Corporation or request to have entered in the minutes of the Directors the nature and extent of that interest at the time and in the manner provided by the Act.

5.11 Agents and Attorneys

The Directors will have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such duties and powers (including the power to subdelegate) as may be thought fit.

6. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.1 Limitation of Liability

No Director or officer of the Corporation will 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 will be placed or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person with whom or with which any moneys, securities or effects will be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets of or belonging to the Corporation or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of the respective office or trust or in relation thereto unless the same will happen by or through the failure to exercise the powers and to discharge the duties of the office honestly, in good faith and with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

6.2 Indemnity

The Corporation will, to the maximum extent permitted under the Act, indemnify a Director or officer, a former Director or officer, and an individual who acts or acted at the Corporation's request as a Director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and such person's heirs and legal representatives, against all costs, charges and expenses, including any amount paid to settle an action or

satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director or officer of the Corporation or such body corporate, including (without limitation) any such action by or on behalf of the Corporation or such body corporate to procure a judgment in its favour, and the Corporation will use its commercially reasonable efforts to obtain any approval or approvals necessary for such indemnification.

7. SECURITIES AND TRANSFERS

7.1 Securities and Transfers

Security certificates (and the form of transfer power on the reverse side thereof) will (subject to compliance with the Act) be in such form as the Directors may from time to time by resolution approve and, subject to the Act, such certificates will be signed manually by at least one Director or officer of the Corporation or by or on behalf of a registrar, transfer agent or branch transfer agent of the Corporation, or by trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificates may be printed or otherwise mechanically reproduced thereon. Notwithstanding any change in the individuals holding an office between the time of actual signing and the issuance of any certificate and notwithstanding that an individual signing may not have held office at the date of issuance of such certificate, any such certificate so signed will be valid and binding upon the Corporation.

7.2 Registrar and Transfer Agent

The Directors may from time to time by resolution appoint or remove an agent to maintain a central securities register and branch securities registers for the Corporation.

7.3 Surrender of Security Certificates

Subject to the Act, no transfer of a security issued by the Corporation will be recorded or registered unless or until the security certificate representing the security to be transferred has been surrendered and cancelled or; if no security certificate has been issued by the Corporation in respect of such shares, unless or until a duly executed security transfer power in respect thereof has been presented for registration.

7.4 Replacement of Security Certificates

The Directors or any officer or agent designated by the Directors may in their discretion direct the issue of a new security certificate in lieu of and upon cancellation of a security certificate claimed to be lost, destroyed or wrongfully taken, on such terms of indemnity, reimbursement of expenses and evidence of loss and of title as the Corporate Secretary (or, in the absence of or failure to act by the Corporate Secretary, the Directors) may from time to time prescribe, whether generally or in any particular case.

7.5 Joint Shareholders

The Corporation is not required to issue more than one share certificate in respect of shares held jointly by two or more persons and delivery of such certificate to one of such persons will be sufficient delivery to all of them.

8. DIVIDENDS

8.1 Dividend Cheques

A dividend payable in cash will be paid by cheque or electronic funds transfer drawn on the Corporation's bank accounts to the order of each Shareholder of the class or series of which it has been declared and mailed by prepaid ordinary mail to such Shareholder at such holder's recorded address or otherwise transferred to an account identified by the Shareholder, unless such holder otherwise directs in writing. In the case of joint holders the cheque will, unless such joint holders otherwise direct in writing, be made payable to the order of all such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, will 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.

8.2 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation will 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 Corporate Secretary (or, in the absence of or failure to act by the Corporate Secretary, the Directors) may from time to time prescribe, whether generally or in any particular case.

8.3 Unclaimed Dividends

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

9. MEETINGS OF SHAREHOLDERS

9.1 Annual Meetings

The annual meeting of Shareholders will be held at such time in each year as the Directors may from time to time determine for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing Directors and appointing auditors, and for the transaction of such other business as may properly be brought before the meeting.

9.2 Special Meetings

The Directors may call a special meeting of Shareholders at any time.

9.3 Place and Form of Meetings

Meetings of Shareholders will be held in such place in Alberta as the Directors determine. At the election of the Directors, Shareholders may participate in a Shareholder meeting by electronic means, telephone or other communication facility that permits all persons participating in the meeting to hear or otherwise communicate with each other, in accordance with applicable law, and a Shareholder participating in such a meeting is deemed to be present at the meeting. At the election of the Directors, the Shareholder meeting may occur exclusively by such means.

9.4 Notice of Meetings

Notice of the time and place of each meeting of Shareholders will be given, in the manner provided in Section 10.1 and within the time period prescribed by the Act or other applicable law, to each Director, to the auditors and to each Shareholder entitled to receive notice of 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 re-appointment of the incumbent auditors will state the nature of such business in reasonable detail and will state the text of any special resolution to be submitted to the meeting.

9.5 Business at Annual or Special Meeting

- (a) No business may be transacted at an annual or special meeting of Shareholders other than business that is:
 - (i) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board;
 - (i) otherwise properly brought before the meeting at the direction of the Board; or
 - (ii) otherwise properly brought before the meeting by any shareholder who complies with the proposal procedures in Section 9.5(b).
- (b) For business to be properly brought before a meeting by a shareholder, the shareholder must submit a proposal to the Corporation for inclusion in the Corporation's management proxy circular in accordance with the requirements of the Act, provided that any proposal that includes nominations for the election of Directors must comply with the requirements of Section 3.2.

9.6 Chair, Corporate Secretary and Scrutineers

The chair of any meeting of Shareholders will be the first mentioned of such of the following individuals as has been appointed, is present at the meeting and is a Director: Chair of the Board, Vice-Chair of the Board, Chief Executive Officer, President or a Vice-President. If no such individual is present within one hour from the time fixed for holding the meeting, the Shareholders present and entitled to vote will choose another Director to be Chair of the meeting and if no Director is present or if all of the Directors present decline to take the

chair then the Shareholders present and entitled to vote will choose an officer of the Corporation or one of their number to be the Chair of the meeting. If the Corporate Secretary of the Corporation is absent, the Chair will appoint some individual, who need not be a Shareholder, to act as secretary of the meeting. One or more scrutineers, who need not be Shareholders, may be appointed by the Chair, in the Chair's sole discretion.

9.7 Persons Entitled to be Present

The only persons entitled to be present at a meeting of Shareholders will be those Shareholders who are entitled to vote at such meeting, the Directors and auditors 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 Chair of the meeting.

9.8 Quorum

The quorum for a meeting of the Shareholders will be two persons, each of whom is either a Shareholder entitled to attend and vote at such meeting, or a proxyholder appointed by such a Shareholder and holding or representing not less than 10% of the issued shares of the Corporation enjoying voting rights at such meeting. If a quorum is present at the opening of a meeting, the Shareholders present in person or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present within one hour from the opening of a meeting of Shareholders, the Shareholders personally present or represented at the meeting may adjourn the meeting to a fixed time (which time will be not less than seven days or more than one month from the time of the adjourned meeting) and the same place as the adjourned meeting but may not transact any other business.

9.9 Proxies

Every Shareholder entitled to vote at a meeting of Shareholders may by means of a proxy appoint a proxy holder, or one or more alternate proxy holders, who need not be a Shareholder or Shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by such proxy. A proxy will be in writing executed by the Shareholder or an attorney authorized in writing and will conform with the requirements of the Act. A proxy is valid only at the meeting in respect of which it is given or at any adjournment thereof and may be revoked in accordance with the provisions of the Act.

9.10 Voting and Votes to Govern

At any meeting of Shareholders, every question will, unless otherwise required by the Articles or the By-laws, be determined by the majority of the votes cast on the question. In the case of an equality of votes either upon a show of hands or upon a ballot, the Chair of the meeting will not be entitled to a second or casting vote.

9.11 Show of Hands

Subject to applicable law, any question at a meeting of Shareholders will be decided by a show of hands unless a ballot thereon is required or demanded as provided by Section 9.12. Upon a show of hands every person who is present and entitled to vote will have one vote. Whenever a vote by show of hands will have been taken upon a question, unless a ballot thereon is required or demanded, a declaration by the Chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting will 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. The result of the vote will be the decision of the Shareholders on the question, unless a ballot is demanded or required immediately after the show of hands.

9.12 Ballots

On any question proposed for consideration at a meeting of Shareholders, and whether or not a show of hands has been taken, any Shareholder or proxy holder entitled to vote at the meeting may require or demand a ballot. A ballot so required will be taken in such manner as the Chair will 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 will be entitled, in respect of the shares which that person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken as reported on by the scrutineers (if they have been appointed) will be the decision of the Shareholders upon the question.

9.13 Adjournment

If a meeting of Shareholders is adjourned for less than one month, it will not be necessary to give notice of the adjourned meeting, other than by announcement at the meeting that has been adjourned.

10. NOTICES

10.1 Manner of Giving Notice

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the Articles, the By-laws or otherwise to a Shareholder, Director, officer, auditor or member of a committee of Directors will be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to that person's recorded address or if mailed to that person's recorded address by prepaid mail or if sent to that person's recorded address by means of email, fax or any means of transmitted or recorded communication. A notice:

- (a) so delivered will be deemed to have been given when it is delivered personally or to the recorded address;
- (b) so mailed will be deemed to have been received as provided in the Act; and

- (c) so sent by any means of transmitted or recorded communication will be deemed to have been given when actually transmitted by the person giving such notice, or if dispatched or delivered to a communication company or its agency or its representative when such communication company or agency actually transmits such notice.

The Corporate Secretary will change or cause to be changed the recorded address of any Shareholder, Director, officer, auditor or member of a committee of the Directors in accordance with any information believed by him to be reliable.

10.2 Notice of Joint Shareholders

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

10.3 Omissions and Errors

The accidental omission to give any notice to any Shareholder, Director, officer, auditor or member of a committee of Directors or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof will not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

10.4 Persons Entitled by Death or Operation of Law

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

10.5 Waiver of Notice

Any Shareholder (or duly appointed proxy holder), Director, officer, auditor or member of a committee or Directors may at any time waive any notice, or waive or abridge the time for any notice, required to be given under any provision of the Act, the regulations thereunder, the Articles, the By-laws or otherwise and such waiver or abridgement will cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement will be in writing except a waiver of notice of a meeting of Shareholders or of the Directors which may be given in any reasonable manner.

11. INFORMATION AVAILABLE TO SHAREHOLDERS

11.1 Provision of Information

Except as provided by the Act, no Shareholder will be entitled to obtain information respecting any details or conduct of the Corporation's business which would not, in the opinion of the Board, be in the interests of the Corporation to so communicate.

11.2 Inspection of Records

The Board may from time to time, subject to the rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books, registers and accounting records of the Corporation or any of them will be open to the inspection of Shareholders and no Shareholder will have any right to inspect any document, book, register or accounting record of the Corporation except as conferred by statute, the Articles, the By-laws or authorized by the Board or by a resolution of the Shareholders.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 1st day of January, 1998 and confirmed by the Shareholders of the Corporation as of the 1st day of January, 1998, and as amended by the Directors of the Corporation on March 30, 2015 and confirmed by the Shareholders of the Corporation on May 14, 2015 as evidenced by the signatures of the Chief Executive Officer and Corporate Secretary endorsed below.

Chief Executive Officer

Corporate Secretary

BY-LAW NUMBER 1
A BY-LAW
RELATING GENERALLY TO THE TRANSACTION
OF THE BUSINESS AND AFFAIRS OF

McCOY ~~BROS.~~GLOBAL INC.

as amended and restated

May 14, 2015

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BY-LAW NUMBER 1 IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. INTERPRETATION

1.1 Definitions

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

- (a) "Act" means the Business Corporations Act (~~S.A. 1981, c. B-15~~, Alberta), as from time to time amended, or any statute that may be substituted therefor;
- (b) "appoint" means "elect" and vice versa;
- (c) "Articles" means the following as are from time to time in effect in respect of the Corporation, namely, the articles of incorporation, articles of amalgamation or articles of continuance, as from time to time amended or restated;
- (d) "Board" means the ~~Board~~board of Directors from time to time of the Corporation;
- (e) "~~By-law~~laws" means this ~~By~~by-law as amended from time to time and all other by-laws of the Corporation from time to time in force and effect;
- (f) "Corporation" means McCOY ~~BROS.~~GLOBAL INC.;
- (g) "~~directors~~Directors" means those ~~persons~~individuals who have been duly elected or appointed from time to time to act as directors of the Corporation; ~~and~~
- (h) "recorded address" means, in the case of a ~~shareholder~~Shareholder, ~~his~~the address as recorded in the securities register; in the case of joint ~~shareholders~~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~~Director, officer, auditor or member of a committee of the ~~directors,~~ ~~his~~Directors, the latest address as recorded in the records of the Corporation;~~;~~
- (i) "Shareholder" means a person shown on the securities register of the Corporation and does not include a person who holds an interest in shares of the Corporation on a beneficial basis or other indirect basis; and
- (j) "shareholder" includes a Shareholder and any person who holds an interest in shares of the Corporation on a beneficial basis or other indirect basis.

Save as mentioned, words and expressions defined in the Act have the same meaning when used herein and words importing the singular ~~gender~~number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

1.2 Interpretation

- (a) The headings used throughout this By-Law are inserted for convenience of reference only and are not to be used as an aid in the interpretation thereof.
- (b) To the extent of any conflict between the provisions of this By-Law and the provisions of the Act or the Articles, the provisions of the Act and the Articles ~~shall~~will govern.
- (c) The invalidity or unenforceability of any provision of this By-Law ~~shall~~will not affect the validity or enforceability of the remaining provisions of this By-Law.

2. BUSINESS OF THE CORPORATION

2.1 Corporate Seal

The corporate seal of the Corporation ~~shall be in the form impressed on the margin in the copy of this By-law in the records of the Corporation or~~will be as determined from time to time by ~~resolution of the directors~~Directors.

2.2 Financial Year

The financial year of the Corporation ~~shall~~will terminate December 31 or on such date as may be determined from time to time by resolution of the ~~directors~~Directors.

2.3 Execution of Instruments

The corporate seal ~~shall~~will be affixed to all documents requiring execution under the corporate seal of the Corporation by any two of the ~~persons~~individuals from time to time holding the office of ~~Chairman~~Chair of the Board, Vice ~~Chairman~~Chair of the Board, Chief Executive Officer, President, Vice-President or Corporate Secretary or by such ~~director~~Director or officer of the Corporation, or such other ~~person~~individual or ~~persons~~individuals as may be authorized, from time to time, by the Board. Any documents which are to be executed on behalf of the Corporation but which do not require a corporate seal ~~shall~~will be executed by any one ~~person~~individual from time to time holding the office of Chief Executive Officer, President, Vice-President or Corporate Secretary, or by such ~~director~~Director or officer of the Corporation, or such other ~~person~~individual or ~~persons~~individuals as may be authorized, from time to time, by the Board. Without limiting the generality of the foregoing, any two ~~directors~~Directors or officers of the Corporation are authorized to sell, assign, transfer, exchange, convert or convey all securities owned by and registered in the name of the Corporation and to sign and execute (under seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveyancing any such securities.

2.4 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, ~~shall~~will 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 ~~directors~~Directors. Such banking business or any part thereof ~~shall~~will be transacted under such agreements, instructions and delegations of powers as the ~~directors~~Directors may from time to time prescribe or authorize.

2.5 Voting Rights in Other Bodies Corporate

The ~~directors~~Directors may from time to time direct the manner in which and designate the person or persons by whom the voting rights attaching to any securities held by the Corporation may or ~~shall~~will be exercised. The person or persons designated in ~~paragraph~~Section 2.3 may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise such rights and, in the absence of a resolution of the ~~directors~~Directors, may direct the manner in which and designate the person or persons by whom such rights may or ~~shall~~will be exercised.

3. DIRECTORS

3.1 Election and Term

The election of ~~directors~~Directors ~~shall~~will take place at each annual meeting of the ~~shareholders~~Shareholders and all the ~~directors~~Directors then in office ~~shall retire~~will be removed from office but, if qualified, ~~shall~~will be eligible for re-election. The number of ~~directors~~Directors to be elected at any such meeting ~~shall~~will be the number of ~~directors~~Directors then in office unless the ~~directors~~Directors otherwise determine. The election ~~shall~~will be by ordinary resolution. A ~~director~~Director need not be a shareholder ~~of the Corporation~~.

3.2 Nomination of Directors

(a) Only individuals who are nominated in accordance with the procedures set out in this Section 3.2 will be eligible for election as Directors. Nominations for election may only be made at an annual meeting of Shareholders (or at a special meeting of Shareholders called for any purpose which includes the election of Directors) as follows:

- (i) at the direction of the Board (or an authorized officer of the Corporation);
- (ii) at the direction of one or more shareholders pursuant to a proposal made in accordance with the Act or a requisition of a meeting of Shareholders made in accordance with the Act; or
- (iii) at the direction of a person (a "Nominating Shareholder"), who:
 - (A) is, at the close of business on the date of giving notice provided for in Section 3.2(c) and on the record date for notice of such meeting, either (1) 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 (2) a beneficial owner of shares entitled to be voted at such meeting; and

(B) has given timely notice in proper written form as set forth in this Section 3.2.

(b) Section 3.2(a) is the exclusive means for any person to bring nominations for election of Directors to the Board before any meeting of Shareholders.

(c) For a nomination made by a Nominating Shareholder to be timely notice (a "Timely Notice"), the Nominating Shareholder's notice must (1) comply with Section 3.2(d) and (2) be received by the Corporate Secretary at the principal executive offices of the Corporation:

(i) in the case of an annual meeting of Shareholders, not later than the close of business on the 30th day and not earlier than the opening of business on the 65th day before the date of the meeting, provided that if the first public announcement of the date of the annual meeting is less than 50 days prior to that date, not later than the close of business on the 10th day following the day of public announcement; and

(ii) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for purposes which includes the election of Directors, not later than the close of business on the 15th day following the day of the first public announcement of the date of such special meeting.

(d) The time periods for giving of a Timely Notice will in all cases be determined based on the actual date that the annual meeting occurs or the first public announcement of the actual date of the annual or special meeting, as applicable, if an adjournment or postponement occurs. An adjournment or postponement will commence a new time for the giving of a Timely Notice.

(e) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary must comply with all the provisions of this Section, including these requirements:

(i) disclose in respect of each individual whom the Nominating Shareholder nominates (a "Proposed Nominee"):

(A) their name, age, business and residential address, principal occupation or employment and status as a "resident Canadian" (as such term is defined in the Act);

(B) their direct or indirect ownership, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;

- (C) any relationships, agreements or arrangements (including financial, compensation) between the Proposed Nominee and any person acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder, or any of their affiliates or associates; and
 - (D) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of Directors pursuant to applicable law,
 - (ii) disclose, in respect of the each Nominating Shareholder and each beneficial owner directing the Nominating Shareholder (if any) on whose behalf the nomination is made:
 - (A) their name, business and residential address and direct or indirect ownership of, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;
 - (B) their interests in, or rights or obligations associated with, an agreement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation;
 - (C) any relationships, agreements or arrangements (including financial, compensation) and any person acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee, or any of their associates or affiliates;
 - (D) any proxy arrangement or agreement pursuant to which such person (or any of its affiliates or associates, or any person acting jointly or in concert with such person) has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of Directors to the Board;
 - (E) a representation as to whether such person intends to deliver a proxy circular or form of proxy to any shareholder in connection with the nomination, or otherwise solicit proxies from shareholders in support of the nomination; and
 - (F) any other information relating to such person that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitations of proxies for election of Directors pursuant applicable law.
- (f) Notwithstanding Section 10, any notice, or other document or information required to be given to the Corporate Secretary pursuant to this Section 3.2 may only be given by personal delivery, email (at such email address as may be

stipulated from time to time by the Corporate Secretary for purposes of this notice) or fax, and will be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the principal executive offices of the Corporation, sent by email or sent by fax. If such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Mountain time) on a day which is a business day, then such delivery or electronic communication will be deemed to have been made on the next following day that is a business day.

- (g) Despite any other provision of this Section 3.2, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of Shareholders to present the nomination of the Proposed Nominee, the nomination will be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.
- (h) Nothing in this Section 3.2 will obligate the Corporation or the Board to include in any proxy statement or other shareholder communication distributed by or on behalf of the Corporation or the Board any information with respect to any proposed nomination or any Nominating Shareholder or Proposed Nominee.
- (i) The Board may, in its sole discretion, waive one or more of the requirements of Section 3.2.
- (j) For the purposes of this Section 3.2, "public announcement" means disclosure in a press release disseminated by the Corporation through a national news service in Canada, or in a document filed by or on behalf of the Corporation for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (k) Despite any other provision of this Section 3.2, this Section 3.2 will not apply to the annual and special meeting of Shareholders to be held in May 2015 or any adjournment or postponement thereof.

3.3 ~~3.2~~ Removal of Directors

Subject to the provisions of the Act, the ~~shareholders~~Shareholders may by ordinary resolution passed at a special meeting remove any ~~director~~Director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the ~~directors~~Directors as provided in ~~paragraph~~Section 3.4.

3.4 ~~3.3~~ Vacation of Office

A ~~director~~Director ceases to hold office when:

- (a) he dies;
- (b) he is removed from office by the ~~shareholders~~Shareholders;
- (c) he ceases to be qualified for election as a ~~director~~Director as provided in the Act; or

- (d) his written resignation is sent or delivered to the Corporation or, if a time is specified in such resignation, at the time so specified, whichever is later.

3.5 ~~3.4~~ Vacancies

A quorum of the ~~directors~~Directors may fill a vacancy among the ~~directors~~Directors, except a vacancy resulting from an increase in the minimum number of ~~directors~~Directors or from a failure of the ~~shareholders~~Shareholders to elect the minimum number of ~~directors~~Directors. If there is not a quorum of ~~directors~~Directors, or if there has been a failure to elect the minimum number required by the Articles, the ~~directors~~Directors then in office ~~shall~~will forthwith call a special meeting of the ~~shareholders~~Shareholders to fill the vacancy. If the ~~directors~~Directors fail to call such meeting or if there are no ~~directors~~Directors then in office, any ~~shareholder~~Shareholder may call the meeting. The ~~shareholders~~Shareholders may also fill any vacancy among the ~~directors~~Directors at any meeting duly called for that purpose. A vacancy created by the removal of a ~~director~~Director may be filled by the ~~shareholders~~Shareholders at the meeting at which the ~~director~~Director is removed or, if not so filled, may be filled by a quorum of the ~~directors~~Directors.

3.6 ~~3.5~~ Action by the Directors

The ~~directors shall~~Directors will manage the business and affairs of the Corporation. The powers of the ~~directors~~Directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the ~~directors~~Directors entitled to vote on that resolution at a meeting of ~~directors~~Directors, and such resolution ~~shall will~~ be effective from ~~and relate back to~~ the date ~~stated thereon~~of the resolution.

3.7 ~~3.6~~ Calling of Meetings

Meetings of ~~the directors shall~~Directors will be held from time to time and at such place as the ~~Chairman of the Board, the~~Chair, Chief Executive Officer, President, or any two ~~directors~~Directors or any officer may determine.

3.8 ~~3.7~~ Place of Meetings

Meetings of the ~~directors~~Directors or of any committee of ~~directors~~Directors may be held at any place in or outside of Canada.

3.9 ~~3.8~~ Notice of Meeting and Waiver of Notice

Notice of ~~the time and place of~~ each meeting of the ~~directors shall~~Board will be given ~~in the manner provided in paragraph 10.1~~ to each ~~director~~Director not less than ~~forty-eight~~48 hours before the time when the meeting is to be held. ~~A notice of a meeting of directors shall specify such matters to be dealt with at the meeting as are required by the Act to be specified therein but~~ Notice of a meeting of the Board may be given verbally, in writing or by email, fax or any other means of communication. A notice of a meeting of Directors need not specify the purpose of or the business to be transacted at the meeting. A ~~director~~Director may in any manner and at any time waive notice of or otherwise consent to

a meeting of the ~~directors~~Directors. Notwithstanding the foregoing, the Board may from time to time fix a day or days in any month or months for regular meetings of the Board at a specified place and time, in which case, no other notice will be required for any such meeting (except where the Act requires specification of the purpose or the business to be transacted at the meeting, provided that a copy of all resolutions approved at such meetings be provided to all Directors).

3.10 ~~3.9~~ Meetings by ~~Telephone~~Other Means

A ~~director~~Director may participate in a meeting of the ~~directors~~Directors or of a committee of the ~~directors~~Directors by electronic means ~~of such~~, telephone or other ~~communications facilities as permit all persons~~communication facility that permits all individuals participating in the meeting to hear or otherwise communicate with each other, and a ~~director~~Director participating in such a meeting by such means is deemed to be present at the meeting.

3.11 ~~3.10~~ Quorum

The quorum for the transaction of business at any meeting of the ~~directors shall~~Directors will be a majority of the number of ~~directors~~Directors then holding office.

3.12 ~~3.11~~ First Meeting of New Directors

Provided a quorum of ~~directors~~Directors is present, the newly elected ~~directors~~Directors may, without notice, hold their first meeting immediately following the meeting of ~~shareholders~~Shareholders at which such ~~directors~~Directors are elected.

3.13 ~~3.12~~ Notice of Adjourned Meeting

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

~~3.13~~ — ~~Chairman~~

3.14 Chair

The ~~chairman~~Chair of any meeting of the ~~directors shall~~Directors will be the first mentioned of such of the following ~~persons~~individuals as has been appointed and who is a ~~director~~Director and is present at the meeting: ~~Chairman~~Chair of the Board, Vice-~~Chairman~~Chair of the Board, Chief Executive Officer or President. If no such ~~person~~individual is present, or if such ~~persons~~individuals decline to act, the ~~directors~~Directors present ~~shall~~will choose one of their number to be ~~Chairman~~Chair.

3.15 ~~3.14~~ Votes to Govern

At all meetings of the ~~directors~~Directors every question ~~shall~~will be decided by a majority of the votes cast on the question. In the case of an equality of votes the ~~chairman~~Chair of the meeting ~~shall~~will not be entitled to a second or casting vote in addition to his ordinary vote.

3.16 ~~3.15~~ Conflict of Interest

A ~~director~~Director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation ~~shall~~will disclose the nature and extent of his interest at the time and in the manner provided by the Act. A ~~director~~Director interested in a contract so referred to the Board ~~shall~~will not vote on any resolution to approve it except as permitted by the Act.

3.17 ~~3.16~~ Remuneration of Directors and Others

The ~~directors~~Directors may fix, from time to time, the remuneration of the ~~directors~~Directors, officers and employees of the Corporation.

4. COMMITTEES

4.1 Committees of Directors

The ~~directors~~Directors will appoint such committees of ~~directors~~Directors as are required by applicable law and may appoint one or more other committees of ~~directors~~Directors, however designated, and delegate to such committees any of the powers of the ~~directors~~Directors except those which, under the Act, a committee of ~~directors~~Directors has no authority to exercise.

4.2 Transaction of Business

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

4.3 Procedure and Quorum

Unless otherwise determined herein or from time to time by the ~~directors~~Directors, each committee ~~shall~~will have the power to fix its quorum at not less than a majority of its members, to elect its ~~Chairman~~Chair and to regulate its procedure.

4.4 Termination of Committee Membership

Any ~~director~~Director who ceases for any reason to be a ~~director~~Director will, upon ceasing to be a ~~director~~Director, thereupon also cease to be a member of each and every committee of ~~directors~~Directors.

5. OFFICERS

5.1 Appointment

The ~~directors~~Directors may from time to time appoint a ~~Chairman~~Chair of the Board, Vice-~~Chairman~~Chair of the Board, Chief Executive Officer, President, one or more Vice-Presidents (to which title may be added words indicating a seniority or function), a

Corporate Secretary and such other officers as the ~~directors~~Directors may determine, ~~including one or more assistants to any of the officers so appointed.~~ The ~~directors~~Directors may specify the duties of and, in accordance with ~~this~~the By-law-laws and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to ~~paragraphs~~Sections 5.2 and 5.3, an officer may ~~but need not~~ be a ~~director~~Director and one ~~person~~individual may hold more than one office.

5.2 ChairmanChair of the Board

The ~~Chairman~~Chair of the Board ~~shall~~will be a ~~director~~Director and ~~shall~~will have such other duties and powers as the ~~directors~~Directors may specify and delegate. During the absence or disability of the ~~Chairman~~Chair of the Board, his duties ~~shall~~will be performed and his powers exercised by the Vice-~~Chairman~~Chair of the Board ~~or, by the Chief Executive Officer,~~ by the President or by any other ~~director designated by the directors~~Director designated by the Directors. After each annual meeting of the Shareholders, the Chair will be the director who occupied that office before that annual meeting, unless the Directors resolve otherwise.

5.3 Vice-ChairmanChair of the Board

The Vice-~~Chairman~~Chair of the Board ~~shall~~will be a ~~director~~Director and ~~shall~~will have such duties and powers as the ~~directors~~Directors may specify and delegate.

5.4 PresidentChief Executive Officer

The ~~President may, but need not~~Chief Executive Officer may be a ~~director~~Director. The ~~President shall~~Chief Executive Officer will (subject to the authority of the ~~directors~~Directors) have general supervision of the business of the Corporation (including the authority to employ or discharge agents and employees of the Corporation) and ~~shall~~will have such other duties and powers as the ~~directors~~Directors may specify and delegate from time to time. The ~~President shall~~Chief Executive Officer will at all reasonable times give to the ~~directors~~Directors, or any of them, all information they may require regarding the affairs of the Corporation.

5.5 President and Vice-Presidents

~~Each~~The President and each Vice-President ~~shall~~will have such duties and powers as the ~~directors~~Directors may specify and delegate.

5.6 Corporate Secretary

The Corporate Secretary, as and when requested to do so, ~~shall~~will attend and be the Corporate Secretary of all meetings of the ~~directors, shareholders~~Directors, Shareholders and committees of ~~directors~~Directors and ~~shall~~will enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat, ~~shall~~will give or cause to be given, as and when instructed, all notices to ~~shareholders, directors~~Shareholders, Directors, officers, auditors and members of committees of ~~directors, shall~~Directors, will be the custodian of the corporate seal, and ~~shall~~will have such other powers and duties as the

~~directors~~Directors may specify and delegate. The Corporate Secretary ~~shall~~will at all reasonable times ~~exhibit his~~provide access to the records of that office to any ~~director~~Director.

5.7 Powers and Duties of Other Officers

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

5.8 Variation of Powers and Duties

The ~~directors~~Directors may from time to time vary, add to or limit the duties and powers of any officer.

5.9 Term of Office

The ~~directors~~Directors may at any time, in their discretion, remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the ~~directors shall~~Directors will hold office until ~~his~~a successor is appointed.

5.10 Conflict of Interest

An officer of the Corporation who is a party to, or is a ~~director~~Director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation ~~shall~~will disclose in writing to the Corporation or request to have entered in the minutes of the ~~directors~~Directors the nature and extent of ~~his~~that interest at the time and in the manner provided by the Act.

5.11 Agents and Attorneys

The ~~directors shall~~Directors will have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such duties and powers (including the power to subdelegate) as may be thought fit.

6. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.1 Limitation of Liability

No ~~director~~Director or officer ~~shall~~of the Corporation will be liable for the acts, receipts, neglects or defaults of any other ~~director~~Director or officer or employee, or for joining in any receipt or ~~other~~ act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by 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~~will be placed or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious ~~acts~~act of any person, including any person with whom or with

~~which~~ any ~~of the~~ moneys, securities or effects ~~of the Corporation shall~~ will be lodged or deposited, or for any loss occasioned by any error of judgment or oversight on his part, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets of or belonging to the Corporation or for any other loss, damage or misfortune ~~whatever~~ whatsoever which ~~shall~~ may happen in the execution of the duties of ~~his~~ the respective office or trust or in relation thereto, unless the same ~~is occasioned by his own wilful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.~~ will happen by or through the failure to exercise the powers and to discharge the duties of the office honestly, in good faith and with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

6.2 Indemnity

(a) — ~~Except in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, the Corporation shall (and does hereby)~~ The Corporation will, to the maximum extent permitted under the Act, indemnify a ~~director~~ Director or officer, a former ~~director~~ Director or officer, ~~or a person and an individual~~ who acts or acted at the Corporation's request as a ~~director~~ Director or officer of ~~the Corporation or~~ a body corporate of which the Corporation is or was a shareholder or creditor ~~(or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his, and such person's~~ heirs and legal representatives, against all costs, charges and expenses, including ~~an~~ any amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a ~~director~~ Director or officer of the Corporation or such body corporate ~~(or undertaking or having undertaken any liability, including (without limitation) any such action by or~~ on behalf of the Corporation or ~~any such body corporate), if:~~

~~6.2.a.1 he acted honestly and in good faith with a view to the best interests of the Corporation; and~~

~~6.2.a.2 in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.~~

(b) — ~~The Corporation shall, subject to obtaining the approval of the Court of Queen's Bench of Alberta which approval the Corporation shall seek and use all reasonable efforts to obtain, (and does hereby)~~ indemnify a ~~director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of the Corporation or a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses reasonably incurred by him in respect of any action by or on behalf of the Corporation or body corporate to procure a judgment in its favour~~ where he is made a party to such action by reason

~~of being or having been a director or an officer of the Corporation or by reason of being or having been at the Corporation's request a director of a body corporate of which the Corporation is or was a shareholder or creditor, if he fulfils the conditions set out in subsections 6.2.1.1 and 6.2.1.2 above.~~

- ~~(e) Notwithstanding anything in this section 6.2, the Corporation shall (and does hereby) indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of the Corporation or a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, in respect of all costs, charges and expenses reasonably incurred by him in connection with the defense of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director of the Corporation or, at the request of the Corporation, a director of a body corporate of which the Corporation is or was a shareholder or creditor, if such person:~~

~~6.2.c.1 was substantially successful on the merits in his defense of the action or proceeding;~~

~~6.2.c.2 fulfils the conditions set out in subsections 6.2.1.1 and 6.2.1.2 above; and~~

~~6.2.c.3 is fairly and reasonable entitled to indemnity.~~

- ~~(d) Any two officers or directors of the Corporation are hereby authorized to execute for, on behalf of and in the name of the Corporation agreements evidencing the Corporations indemnity in favour of the foregoing persons to the full extent permitted by law.~~ such body corporate to procure a judgment in its favour, and the Corporation will use its commercially reasonable efforts to obtain any approval or approvals necessary for such indemnification.

7. SECURITIES AND TRANSFERS

7.1 Securities and Transfers

Security certificates (and the form of transfer power on the reverse side thereof) ~~shall~~will (subject to compliance with the Act) be in such form as the ~~directors~~Directors may from time to time by resolution approve and, subject to the Act, such certificates ~~shall~~will be signed manually by at least one ~~director~~Director or officer of the Corporation or by or on behalf of a registrar, transfer agent or branch transfer agent of the Corporation, or by trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificates may be printed or otherwise mechanically reproduced thereon. Notwithstanding any change in the ~~persons~~individuals holding an office between the time of actual signing and the issuance of any certificate and notwithstanding that ~~a person~~an individual signing may not have held office at the date of issuance of such certificate, any such certificate so signed ~~shall~~will be valid and binding upon the Corporation.

7.2 Registrar and Transfer Agent

The ~~directors~~Directors may from time to time by resolution appoint or remove an agent to maintain a central securities register and branch securities registers for the Corporation.

7.3 Surrender of Security Certificates

Subject to the Act, no transfer of a security issued by the Corporation ~~shall~~will be recorded or registered unless or until the security certificate representing the security to be transferred has been surrendered and cancelled or; if no security certificate has been issued by the Corporation in respect of such shares, unless or until a duly executed security transfer power in respect thereof has been presented for registration.

7.4 Replacement of Security Certificates

The ~~directors~~Directors or any officer or agent designated by the ~~directors~~Directors may in their ~~or his~~ discretion direct the issue of a new security certificate in lieu of and upon cancellation of a security certificate claimed to be lost, destroyed or wrongfully taken, on such terms of indemnity, reimbursement of expenses and evidence of loss and of title as the Corporate Secretary (or, in the absence of or failure to act by the Corporate Secretary, the ~~directors~~Directors) may from time to time prescribe, whether generally or in any particular case.

7.5 Joint Shareholders

The Corporation is not required to issue more than one share certificate in respect of shares held jointly by two or more persons and delivery of such certificate to one of such persons ~~shall~~will be sufficient delivery to all of them.

8. DIVIDENDS

8.1 Dividend Cheques

A dividend payable in cash ~~shall~~will be paid by cheque or electronic funds transfer drawn on the Corporation's ~~bankers~~bank accounts to the order of each ~~registered holder of shares~~Shareholder of the class or series of which it has been declared and mailed by prepaid ordinary mail to such ~~registered holder~~Shareholder at such holder's recorded address or otherwise transferred to an account identified by the Shareholder, unless such holder otherwise directs in writing. In the case of joint holders the cheque ~~shall~~will, unless such joint holders otherwise direct in writing, be made payable to the order of all such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, ~~shall~~will 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.

8.2 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation ~~shall~~will 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 ~~Treasurer~~Corporate Secretary (or, in the absence of or failure to act by the ~~Treasurer~~Corporate Secretary, the ~~directors~~Directors) may from time to time prescribe, whether generally or in any particular case.

8.3 Unclaimed Dividends

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

9. MEETINGS OF SHAREHOLDERS

9.1 Annual Meetings

The annual meeting of ~~shareholders~~Shareholders will be held at such time in each year as the ~~directors~~Directors may from time to time determine for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing ~~directors~~Directors and appointing auditors, and for the transaction of such other business as may properly be brought before the meeting.

9.2 Special Meetings

The ~~directors~~Directors may call a special meeting of ~~shareholders~~Shareholders at any time.

9.3 Place and Form of Meetings

Meetings of ~~shareholders shall be held in such place in Alberta as the directors shall from time to time determine.~~Shareholders will be held in such place in Alberta as the Directors determine. At the election of the Directors, Shareholders may participate in a Shareholder meeting by electronic means, telephone or other communication facility that permits all persons participating in the meeting to hear or otherwise communicate with each other, in accordance with applicable law, and a Shareholder participating in such a meeting is deemed to be present at the meeting. At the election of the Directors, the Shareholder meeting may occur exclusively by such means.

9.4 Notice of Meetings

Notice of the time and place of each meeting of ~~shareholders~~Shareholders will be given, in the manner provided in ~~paragraph~~Section 10.1 and within the time period prescribed by the Act or other applicable law, to each ~~director~~Director, to the auditors and to each ~~shareholder~~Shareholder entitled to receive notice of the meeting. Notice of a meeting of ~~shareholders~~Shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of ~~directors~~Directors and re-appointment of the incumbent auditors ~~shall~~will state the nature of such business in reasonable detail and ~~shall~~will state the text of any special resolution to be submitted to the meeting.

9.5 Business at Annual or Special Meeting

- (a) No business may be transacted at an annual or special meeting of Shareholders other than business that is:
- (i) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board;
 - (i) otherwise properly brought before the meeting at the direction of the Board; or
 - (ii) otherwise properly brought before the meeting by any shareholder who complies with the proposal procedures in Section 9.5(b).
- (b) For business to be properly brought before a meeting by a shareholder, the shareholder must submit a proposal to the Corporation for inclusion in the Corporation's management proxy circular in accordance with the requirements of the Act, provided that any proposal that includes nominations for the election of Directors must comply with the requirements of Section 3.2.

9.6 ~~9.5 Chairman, Chair, Corporate~~ Secretary and Scrutineers

The ~~chairman~~chair of any meeting of ~~shareholders shall~~Shareholders will be the first mentioned of such of the following ~~persons~~individuals as has been appointed, is present at the meeting and is a ~~director: Chairman~~Director: Chair of the Board, Vice-~~Chairman~~Chair of the Board, Chief Executive Officer, President or a Vice-President. If no such ~~person~~individual is present within one hour from the time fixed for holding the meeting, the ~~persons~~Shareholders present and entitled to vote ~~shall~~will choose another ~~director~~Director to be ~~chairman~~Chair of the meeting and if no ~~director~~Director is present or if all of the ~~directors~~Directors present decline to take the chair then the ~~shareholders~~Shareholders present and entitled to vote ~~shall~~will choose an officer of the Corporation or one of their number to be the ~~chairman~~Chair of the meeting. If the Corporate Secretary of the Corporation is absent, the ~~Chairman shall~~Chair will appoint some ~~person~~individual, who need not be a ~~shareholder~~Shareholder, to act as secretary of the meeting. One or more scrutineers, who need not be ~~shareholders~~Shareholders, may be appointed by ~~ordinary resolution of the shareholders or by the Chairman with the consent of the meeting~~the Chair, in the Chair's sole discretion.

9.7 ~~9.6~~ Persons Entitled to be Present

The only persons entitled to be present at a meeting of ~~shareholders shall~~Shareholders will be those Shareholders who are entitled to vote ~~thereat~~at such meeting, the ~~directors~~Directors and auditors 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 or with the consent~~Chair of the meeting.

9.8 ~~9.7~~ Quorum

~~If the number of shareholders of the Corporation is two or more, then the~~The quorum for a meeting of the ~~shareholders shall~~Shareholders will be two ~~individuals personally present~~persons, each of whom is either a ~~shareholder~~Shareholder entitled to attend and vote at such meeting, ~~or~~or a proxyholder appointed by such a ~~shareholder or a duly appointed representative of such a shareholder that is a body corporate,~~Shareholder and holding or representing not less than 10% of the issued shares of the Corporation enjoying voting rights at such meeting. If a quorum is present at the opening of a meeting, the ~~shareholders~~Shareholders present in person or represented by proxy ~~and the duly authorized representatives of shareholders that are bodies corporate~~ may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present within one hour from the opening of a meeting of ~~shareholders~~Shareholders, the ~~shareholders~~Shareholders personally present or represented at the meeting may adjourn the meeting to a fixed time (which time ~~shall~~will be not less than seven days or more than one month from the time of the adjourned meeting) and the same place as the adjourned meeting but may not transact any other business.

9.9 ~~9.8~~ Proxies

Every ~~shareholder~~Shareholder entitled to vote at a meeting of ~~shareholders~~Shareholders may by means of a proxy appoint a proxy holder, or one or more alternate proxy holders, who need not be a ~~shareholder or shareholders~~Shareholder or Shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by such proxy. A proxy ~~shall~~will be in writing executed by the ~~shareholder~~Shareholder or ~~his~~an attorney authorized in writing and ~~shall~~will conform with the requirements of the Act. A proxy is valid only at the meeting in respect of which it is given or at any adjournment thereof and may be revoked in accordance with the provisions of the Act.

9.10 ~~9.9~~ Voting and Votes to Govern

At any meeting of ~~shareholders~~Shareholders, every question ~~shall~~will, unless otherwise required by the Articles or ~~the~~the By-laws, be determined by the majority of the votes cast on the question. In the case of an equality of votes either upon a show of hands or upon a ballot, the ~~Chairman~~Chair of the meeting ~~shall~~will not be entitled to a second or casting vote.

9.11 ~~9.10~~ Show of Hands

Subject to ~~the provisions of the Act~~applicable law, any question at a meeting of ~~shareholders shall~~Shareholders will be decided by a show of hands unless a ballot thereon is required or demanded as provided by ~~paragraph 9.11.~~Section 9.12. Upon a show of hands every person who is present and entitled to vote ~~shall~~will have one vote. Whenever a vote by show of hands ~~shall~~will have been taken upon a question, unless a ballot thereon is required or demanded, a declaration by the ~~Chairman~~Chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting ~~shall~~will 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. The result of the vote ~~so taken shall~~will be the decision of the ~~shareholders upon~~Shareholders on the ~~said~~ question, unless a ballot is demanded or required immediately after the show of hands.

9.12 ~~9.11~~ Ballots

On any question proposed for consideration at a meeting of ~~shareholders~~Shareholders, and whether or not a show of hands has been taken ~~thereon~~, any ~~shareholder~~Shareholder or proxy holder entitled to vote at the meeting may require or demand a ballot. A ballot so required ~~or demanded shall~~will be taken in such manner as the ~~Chairman shall~~Chair will 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~~will be entitled, in respect of the shares which ~~he~~that person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken as reported on by the scrutineers (if they have been appointed) ~~shall~~will be the decision of the ~~shareholders~~Shareholders upon the ~~said~~ question.

9.13 ~~9.12~~ Adjournment

If a meeting of ~~shareholders~~Shareholders is adjourned ~~with the consent of all shareholders of the Corporation~~ for less than one month, it ~~shall~~will not be necessary to give notice of the adjourned meeting, other than by announcement at the ~~earliest~~ meeting that ~~is~~has been adjourned.

10. NOTICES

10.1 Manner of Giving Notice

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the Articles, the By-laws or otherwise to a ~~shareholder, director~~Shareholder, Director, officer, auditor or member of a committee of ~~directors shall~~Directors will be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to ~~his~~that person's recorded address or if mailed to ~~his~~that person's recorded address by prepaid mail or if sent to ~~his~~that person's recorded address by means of ~~telex, telecopier, telegram~~email, fax or any means of transmitted or recorded communication. A notice ~~so delivered shall~~;

(a) so delivered will be deemed to have been given when it is delivered personally or to the recorded address ~~as aforesaid; a notice so mailed shall~~;

(b) so mailed will be deemed to have been received as provided in the Act; and ~~a notice~~

(c) so sent by any means of transmitted or recorded communication ~~shall~~will be deemed to have been given when actually transmitted by the person giving such notice, or if dispatched or delivered to ~~the~~a communication company or its agency or its representative when such communication company or agency actually transmits such notice.

The ~~Corporate~~ Secretary ~~shall~~will change or cause to be changed the recorded address of any ~~shareholder, director~~Shareholder, Director, officer, auditor or member of a committee of the ~~directors~~Directors in accordance with any information believed by him to be reliable.

10.2 Notice of Joint Shareholders

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

10.3 Omissions and Errors

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

10.4 Persons Entitled by Death or Operation of Law

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

10.5 Waiver of Notice

Any ~~shareholder~~Shareholder (or duly appointed proxy holder), ~~director~~Director, officer, auditor or member of a committee or ~~directors~~Directors may at any time waive any notice, or waive or abridge the time for any notice, required to be given under any provision of the Act, the regulations thereunder, the Articles, the By-laws or otherwise and such waiver or abridgement ~~shall~~will cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement ~~shall~~will be in writing except a waiver of notice of a meeting of ~~shareholders~~Shareholders or of the ~~directors~~Directors which may be given in any reasonable manner.

11. INFORMATION AVAILABLE TO SHAREHOLDERS

11.1 Provision of Information

Except as provided by the Act, no ~~shareholder shall~~Shareholder will be entitled to obtain information respecting any details or conduct of the Corporation's business which would not, in the opinion of the Board, be in the interests of the Corporation to so communicate.

11.2 Inspection of Records

The Board may from time to time, subject to the rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books, registers and accounting records of the Corporation or any of them ~~shall~~will be open to the inspection of ~~shareholders~~Shareholders and no ~~shareholder shall~~Shareholder will have any right to inspect any document, book, register or accounting record of the Corporation except as conferred by statute, the Articles, the By-laws or authorized by the Board or by a resolution of the ~~shareholders~~Shareholders.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 1st day of January, 1998 and confirmed by the Shareholders of the Corporation as of the 1st day of January, 1998, and as amended by the Directors of the Corporation on March 30, 2015 and confirmed by the Shareholders of the Corporation on May 14, 2015 as evidenced by the signatures of the ~~President and~~Chief Executive Officer and Corporate Secretary endorsed below.

~~President~~Chief Executive Officer

Corporate Secretary

SCHEDULE B
SHAREHOLDER RIGHTS PLAN AGREEMENT

Please see attached

MCCOY GLOBAL INC.

and

VALIANT TRUST COMPANY

as Rights Agent

SHAREHOLDER RIGHTS PLAN AGREEMENT

April 2, 2015

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ADDENDUM

SCHEDULE 2.2(3) MCCOY GLOBAL INC. - FORMS OF RIGHTS CERTIFICATE, ELECTION TO EXERCISE, AND ASSIGNMENT

SHAREHOLDER RIGHTS PLAN AGREEMENT

THIS SHAREHOLDERS RIGHTS PLAN AGREEMENT dated April 2, 2015 between **MCCOY GLOBAL INC.**, a corporation incorporated under the laws of Alberta (the “**Corporation**”), and Valiant Trust Company, a trust company continued under the laws of Canada, as Rights Agent (the “**Rights Agent**”, which term shall include any successor Rights Agent hereunder).

WITNESSES that:

WHEREAS The Board of Directors of the Corporation has determined that it is advisable and in the best interests of the Corporation to adopt and maintain a shareholder rights plan to:

- (i) ensure, to the extent possible, that the shareholders of the Corporation and the Board of Directors have adequate time to consider and evaluate any unsolicited bid for the Voting Shares;
- (ii) provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives, if considered appropriate, to any such unsolicited bid; and
- (iii) encourage the fair treatment of shareholders in connection with any Take-over Bid.

AND WHEREAS in order to implement the adoption of the shareholder rights plan the Board of Directors has authorized the issuance of one Right:

- (i) effective at the Record Time in respect of each Common Share outstanding at the Record Time; and
- (ii) in respect of each Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time;

AND WHEREAS each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth herein;

AND WHEREAS the Corporation has appointed the Rights Agent to act on behalf of the Corporation in connection with the issuance, transfer, exchange and replacement of Rights Certificates (as hereinafter defined), the exercise of Rights and other matters referred to herein.

NOW THEREFORE in consideration of the premises and respective agreements set forth herein, the parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Certain Definitions.

For purposes of this Agreement, the following terms have the meanings indicated:

- (a) “**ABCA**” means the *Business Corporations Act* (Alberta) and the regulations under it, and any comparable or successor laws or regulations.
- (b) “**Acquiring Person**” means, any Person who is at any time the Beneficial Owner of twenty percent (20%) or more of the outstanding Voting Shares of the Corporation; provided, however, that the term “**Acquiring Person**” shall not include:
 - (i) the Corporation or any Subsidiary of the Corporation;
 - (ii) any Person who becomes an Acquiring Person as a result of one or any combination of: (A) Corporate Acquisitions, (B) Permitted Bid Acquisitions, (C) Corporate Distributions, (D) Exempt Acquisitions, or (E) Convertible Security Acquisitions; provided, however, that if a Person becomes an Acquiring Person by reason of one or more or any combination of the operation of a Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition or Convertible Security Acquisition and, after such Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition or Convertible Security Acquisition, becomes the Beneficial Owner of an additional one percent (1%) or more of the outstanding Voting Shares of the Corporation other than pursuant to Corporate Acquisitions, Permitted Bid Acquisitions, Corporate Distributions, Exempt Acquisitions or Convertible Security Acquisitions, then as of the date of such acquisition, such Person shall become an Acquiring Person;
 - (iii) for a period of ten (10) days after the Disqualification Date, any Person who becomes the Beneficial Owner of twenty percent (20%) or more of the outstanding Voting Shares of the Corporation as a result of such Person becoming disqualified from relying on Section 1.1(f)(3) solely because such Person makes or proposes to make a Take-over Bid in respect of any securities of the Corporation either alone, through such Person’s Affiliates or Associates or by acting jointly or in concert with any other Person. For the purposes of this definition, “**Disqualification Date**” means the first date of public announcement of facts indicating that any Person is making or intends to make a Take-over Bid, either alone, through such Person's Affiliates or Associates or by acting jointly or in concert with any other Person (which, for the purposes of this definition, will include, without limitation, a report asserting such facts filed pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*);

- (iv) an underwriter or member of a banking or selling group that acquires Voting Shares from the Corporation in connection with a distribution of securities (including, for greater certainty, by way of private placement of such securities) to the public; and
- (v) a Person (a “**Grandfathered Person**”) who is the Beneficial Owner of twenty percent (20%) or more of the outstanding Voting Shares of the Corporation as at the Record Time, provided, however, that this exception will not be, and will cease to be, applicable to a Grandfathered Person if such Grandfathered Person, after the Record Time: (A) ceases to Beneficially Own twenty percent (20%) or more of the outstanding Voting Shares of the Corporation; or (B) becomes the Beneficial Owner (other than pursuant to any one or a combination of the operation of a Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition or Convertible Security Acquisition) of additional Voting Shares constituting one percent (1%) or more of the outstanding Voting Shares of the Corporation as at the Record Time.
- (c) “**Affiliate**” when used to indicate a relationship with a specified Person, means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person.
- (d) “**Agreement**” means this Shareholder Rights Plan Agreement, as it may be amended or amended and restated from time to time in accordance with its terms.
- (e) “**Associate**” shall have the meaning attributed to it in the Securities Act (including for purposes of Part XX of the Securities Act).
- (f) A Person will be deemed the “**Beneficial Owner**”, and to have “**Beneficial Ownership**” of, and to “**Beneficially Own**”:
 - (i) any securities of which such Person or any Affiliate or Associate of such Person is the owner in law or equity including, for greater certainty pursuant to Part XX of the Securities Act;
 - (ii) any securities as to which such Person or any of such Person's Affiliates or Associates has the right to acquire (A) upon the conversion, exchange or exercise of any Convertible Securities, or (B) pursuant to any agreement, arrangement or understanding (whether or not in writing), in each case if such right is exercisable immediately or within a period of 60 days thereafter whether or not on condition or the happening of any contingency (other than (i) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution of securities, (ii) pursuant to a pledge of securities in the ordinary course of business, or (iii) if a subscription agreement is conditional on the approval of holders of Voting Shares by a majority of votes cast or in writing by a majority of holders of Voting Shares, the 60

day period referred to above will not commence until after such shareholder approval has been obtained);

- (iii) any securities which are subject to a lock-up agreement (other than a Permitted Lock-Up Agreement as set forth below) to tender or deposit them into any Take-over Bid made by such Person or made by any Affiliate or Associate of such Person or made by any other person acting jointly or in concert with such Person; and
- (iv) any securities that are Beneficially Owned within the meaning of Section 1.1(f)(i), (ii) or (iii) by any other Person with whom such Person is acting jointly or in concert with respect to the Corporation or any of its securities;

provided, however, that a Person will not be deemed the “**Beneficial Owner**”, or to have “**Beneficial Ownership**” of, or to “**Beneficially Own**”, any security as a result of the existence of any one or more of the following circumstances:

- (1) such security has been deposited or tendered pursuant to a Take-over Bid made by such Person or made by any Affiliate or Associate of such Person or made by any other Person acting jointly or in concert with such Person, unless such deposited or tendered security has been taken up or paid for, whichever first occurs;
- (2) by reason of the holder of such security having agreed to deposit or tender such security to a Take-over Bid made by such Person or any of such Person's Affiliates or Associates or any other Person referred to in Clause (iv) of this definition pursuant to a Permitted Lock-Up Agreement, but only until such time as the deposited or tendered security has been taken up or paid for, whichever first occurs;
- (3) such Person or any Affiliate or Associate of such Person or any other Person acting jointly or in concert with such Person, holds such security; provided that (i) the ordinary business of any such Person (the “**Fund Manager**”) includes the management of mutual funds or investment funds for others (which others may include or be limited to one or more employee benefit plans or pension plans) and/or includes the acquisition or holding of securities for a non-discretionary account of a Client (as defined below) by a dealer or broker registered under applicable securities laws to the extent required, and such security is held by the Fund Manager in the ordinary course of such business in the performance of such Fund Manager's duties for the account of any other Person (a “**Client**”), (ii) such Person (the “**Trust Company**”) is licensed to carry on the business of a trust company under applicable law and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons or in relation to other accounts and holds such security in the ordinary course of such duties for the estate of any such deceased or incompetent Person (each an “**Estate Account**”) or

for such other accounts (each an “**Other Account**”), (iii) the Person (the “**Statutory Body**”) is an independent Person established by statute for purposes that include, and the ordinary business or activity of such person includes, the management of investment funds for employee benefit plans, pension plans, insurance plans of various public bodies and the Statutory Body holds such security for the purposes of its activities as such, (iv) the ordinary business of any such Person includes acting as an agent of the Crown in the management of public assets (the “**Crown Agent**”), or (v) the Person is the administrator or the trustee of one or more pension funds or plans (each a “**Pension Fund**”) registered under the laws of Canada or any province thereof or the United States or any state thereof (the “**Independent Person**”), or is a Pension Fund and holds such securities for the purposes of its activities as an Independent Person or as a Pension Fund.

provided, however, that in any of the foregoing cases the Fund Manager, the Trust Company, the Statutory Body, the Crown Agent, the Independent Person or the Pension Fund does not make or announce a current intention to make a Take-over Bid alone or by acting jointly or in concert with any other Person (other than pursuant to a distribution by the Corporation, or by means of ordinary market transactions (including prearranged trades entered in the ordinary course of business of such Person) executed through the facilities of a stock exchange or organized over the counter market);

- (4) such Person is a Client of or has an account with the same Fund Manager as another Person on whose account the Fund Manager holds such security, or such Person is an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security, or such Person is a Pension Fund with the same Independent Person as another Pension Fund;
- (5) such Person is a Client of or has an account with a Fund Manager and such security is owned at law or in equity by the Fund Manager, or such Person is an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company, or such Person is a Pension Fund and such security is owned at law or in equity by the Independent Person; or
- (6) such Person is a registered holder of securities as a result of carrying on the business of, or acting as a nominee of, a securities depository.

For purposes of this Agreement, the percentage of Voting Shares Beneficially Owned by any Person will be and be deemed to be the product of one hundred (100) and a fraction of which the numerator is the number of Voting Shares Beneficially Owned by such Person and the denominator is the number of outstanding Voting Shares. Where any Person is deemed to Beneficially Own unissued Voting Shares, such Voting Shares will be deemed to be issued and

outstanding for the purpose of calculating the percentage of Voting Shares Beneficially Owned by such Person.

- (g) **“Board of Directors”** means, at any time, the board of directors of the Corporation.
- (h) **“Business Day”** means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Calgary, Alberta.
- (i) **“Client”** has the meaning ascribed to it in Section 1.1(g)(3).
- (j) **“close of business”** on any given date means the time on such date (or, if such date is not a Business Day, the time on the next succeeding Business Day) at which the office of the transfer agent for the Common Shares in the City of Calgary (or, after the Separation Time, the office of the Rights Agent in the City of Calgary) becomes closed to the public.
- (k) **“Common Shares”**, when used with reference to the Corporation, means the common shares in the capital of the Corporation.
- (l) **“Competing Bid”** means a Take-over Bid that: (i) is made while another Permitted Bid is in existence, and (ii) satisfies all the components of the definition of a Permitted Bid, except that the requirements set out in Clause (ii) of the definition of a Permitted Bid will be satisfied if the Take-over Bid contains, and the take up and payment for securities tendered or deposited under the Take-over Bid are subject to, an irrevocable and unqualified condition that no Voting Shares will be taken up or paid for pursuant to the Competing Bid prior to the close of business on the date that is no earlier than the date which is the later of thirty-five (35) days after the date the Competing Bid is made or sixty (60) days after the earliest date on which any other Permitted Bid or Competing Bid that is then in existence was made and only if at that date, more than fifty percent (50%) of the then outstanding Voting Shares held by Independent Shareholders have been deposited or tendered to the Competing Bid and not withdrawn; provided always that a Competing Bid will cease to be a Competing Bid at any time when such bid ceases to meet any of the provisions of this definition and any acquisitions of securities made pursuant to such bid that has ceased to be a Competing Bid, including any acquisition of securities made before the bid ceased to be a Competing Bid, will cease to be a Permitted Bid Acquisition.
- (m) **“controlled”**: a corporation is **“controlled”** by another Person if:
 - (i) In the case of a body corporate:
 - (A) securities entitled to vote in the election of directors carrying more than fifty percent (50%) of the votes for the election of directors are held, other than by way of security only, directly or indirectly, by or for the benefit of the other Person; and

- (B) the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of such corporation;
- (ii) in the case of a Person that is not a body corporate, more than 50% of the voting or equity interests of such entity are held, other than by way of security only, directly or indirectly, by or for the benefit of the other Person or Persons;

and “controls”, “controlling” and “under common control with” will be interpreted accordingly.

- (n) “**Convertible Security**” means at any time:
 - (i) any right (other than the Rights) regardless of whether such right constitutes a security; and
 - (ii) any securities issued by the Corporation from time to time (other than the Rights) carrying any exercise, conversion or exchange right;

in each case pursuant to which the holder thereof may acquire Voting Shares or other securities which are convertible into or exercisable or exchangeable for Voting Shares (in each case, whether such right is exercisable immediately or exercisable after a specified period and whether or not on condition or the happening of any contingency).

- (o) “**Convertible Security Acquisition**” means the acquisition of Voting Shares upon the exercise, conversion or exchange of Convertible Securities received by a Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or a Corporate Distribution.
- (p) “**Corporate Acquisition**” means an acquisition by the Corporation or a Subsidiary of the Corporation or the redemption by the Corporation of Voting Shares which, by reducing the number of Voting Shares outstanding, increases the proportionate number of Voting Shares Beneficially Owned by any Person.
- (q) “**Corporate Distribution**” means an acquisition as a result of:
 - (i) a stock dividend or a stock split or other event pursuant to which a Person receives or acquires Voting Shares or Convertible Securities on substantially the same pro rata basis as all other holders of Voting Shares of the same class; or
 - (ii) any other event pursuant to which all holders of Voting Shares are entitled to receive Voting Shares or Convertible Securities on a pro rata basis, including, without limiting the generality of the foregoing, pursuant to the receipt or exercise of rights issued by the Corporation and distributed to all the holders of a class of Voting Shares to subscribe for or purchase Voting Shares or Convertible Securities of the Corporation,

provided that such rights are acquired directly from the Corporation and not from any other Person and provided further that the Person in question does not thereby acquire a greater percentage of Voting Shares, or Convertible Securities representing the right to acquire Voting Shares of such class, than the percentage of Voting Shares of the class Beneficially Owned immediately prior to such acquisition.

- (r) **“Corporation”** means McCoy Global Inc.
- (s) **“Crown Agent”** has the meaning ascribed to it in Section 1.1(f)(3).
- (t) **“Disposition Date”** has the meaning ascribed to it in Section 5.1(4).
- (u) **“Disqualification Date”** has the meaning ascribed to it in Section 1.1(b)(iii).
- (v) **“Effective Date”** has the meaning ascribed to it in Section 5.13.
- (w) **“Election to Exercise”** has the meaning ascribed to it in Section 2.2(4).
- (x) **“equivalent common shares”** has the meaning ascribed to it in Section 2.3(b).
- (y) **“Estate Account”** has the meaning ascribed to it in Section 1.1(f)(3).
- (z) **“Exempt Acquisition”** means an acquisition of Beneficial Ownership in Voting Shares by a Person at any time on or after the Effective Date:
 - (i) in respect of which the Board of Directors has waived the application of Section 3.1 pursuant to the provisions of Sections 5.1(2), (3), (4) or (5);
 - (ii) which was made on or prior to the Record Time;
 - (iii) which was made pursuant to a dividend reinvestment plan of the Corporation or other similar share purchase plan made available by the Corporation to the holders of Voting Shares generally;
 - (iv) pursuant to a distribution to the public by the Corporation of Voting Shares or Convertible Securities made pursuant to a prospectus provided that the Person in question does not thereby acquire a greater percentage of Voting Shares or Convertible Securities representing the right to acquire Voting Shares than the percentage of Voting Shares such Person Beneficially Owned immediately prior to such acquisition; or
 - (v) pursuant to or in connection with an issuance and sale by the Corporation of Voting Shares or Convertible Securities by way of a private placement by the Corporation, provided that (x) all necessary stock exchange approvals for such private placement have been obtained and such private placement complies with the terms and conditions of such approvals, and (y) the purchaser does not become the Beneficial Owner of a number of Voting Shares that is more than 25% of the Voting Shares

issued and outstanding immediately prior to the private placement (and in making this determination, the securities to be issued to such purchaser on the private placement will be deemed to be held by such purchaser but will not be included in the aggregate number of outstanding Voting Shares immediately prior to the private placement).

- (aa) **“Exercise Price”** means, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right. Until adjustment of the Exercise Price in accordance with the terms of this Agreement, the Exercise Price shall equal \$100.00.
- (bb) **“Expiration Time”** means the earlier of: (i) the Termination Time, and (ii) the close of business on the date immediately following the date of the Corporation’s annual meeting of shareholders to be held in 2016 (or, if any litigation or other administrative proceeding is ongoing at that time with respect to this Agreement or the Rights, then 30 days following the latest of: (a) the termination of all litigation or other administrative proceeding with respect to this Agreement or the Rights; (b) the date of a final order or judgment of a court of competent jurisdiction or administrative body which has not been appealed or stayed with respect to any litigation or other administrative proceeding concerning this Agreement or the Rights; and (c) the expiry of all appeal periods from any order or judgment of a court of competent jurisdiction or administrative body with respect to any litigation or other administrative proceeding concerning this Agreement or the Rights).
- (cc) **“Flip-in Event”** means a transaction in or pursuant to which any Person becomes an Acquiring Person.
- (dd) **“Fund Manager”** has the meaning ascribed to it in Section 1.1(g)(3).
- (ee) **“Grandfathered Person”** has the meaning ascribed to it in Section 1.1(b)(v).
- (ff) **“Independent Person”** has the meaning ascribed to it in Section 1.1(f)(3).
- (gg) **“Independent Shareholders”** means holders of Voting Shares, but does not include (i) any Acquiring Person or any Offeror (other than any Person who pursuant to Clause 1.1(f)(3) is deemed not to Beneficially Own the Voting Shares), or any Affiliate or Associate of such Acquiring Person or such Offeror, or any Person acting jointly or in concert with such Acquiring Person or such Offeror, or (ii) any Person holding Voting Shares under any employee benefit plan, stock purchase plan, deferred profit sharing plan or any similar plan or trust for the benefit of employees of the Corporation or a Subsidiary of the Corporation (unless the beneficiaries of any such plan or trust direct the manner in which the Voting Shares are to be voted or direct whether the Voting Shares are to be deposited or tendered to a Take-over Bid, in which case such plan or trust will be considered an Independent Shareholder);
- (hh) **“Lock-Up Bid”** has the meaning ascribed to it in Section 1.1(tt).

- (ii) **“Locked-Up Person”** has the meaning ascribed to it in Section 1.1(tt).
- (jj) **“Market Price”** per security of any securities on any date of determination means the average of the daily closing prices per security of such securities (determined as described below) on each of the twenty (20) consecutive Trading Days through and including the Trading Day immediately preceding such date; provided, however, that if an event of a type analogous to any of the events described in Section 2.3 hereof shall have caused the closing prices used to determine the Market Price on any Trading Day not to be fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day, each such closing price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 hereof in order to make it fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day. The closing price per security of any securities on any date shall be (i) the closing board lot sale price or, if such price is not available, the average of the closing bid and asked prices, for each security as reported by the Toronto Stock Exchange; provided, however, that if on any such date the securities are not traded on the Toronto Stock Exchange, the closing price per share of such securities on such date shall mean the fair value per security of such securities on such date as determined in good faith by the Board of Directors, after consultation with a nationally or internationally recognized investment dealer or investment banker. The Market Price shall be expressed in Canadian dollars. Notwithstanding the foregoing, where the Board of Directors is satisfied that the Market Price of securities as determined herein was affected by an anticipated or actual Take-over Bid or by improper manipulation, the Board of Directors may, acting in good faith, determine the Market Price of securities, such determination to be based on a finding as to the price of which a holder of securities of that class could reasonably have expected to dispose of his or her securities immediately prior to the relevant date excluding any change in price reasonably attributable to the anticipated or actual Take-over Bid or to the improper manipulation.
- (kk) **“Nominee”** has the meaning ascribed to it in Section 2.2(3).
- (ll) **“Notice”** has the meaning ascribed to it in Section 5.8.
- (mm) **“Offer to Acquire”** includes:
 - (i) an offer to purchase, a public announcement of an intention to make an offer to purchase, or a solicitation of an offer to sell; and
 - (ii) an acceptance of an offer to sell, whether or not such offer to sell has been solicited;or any combination thereof, and the Person accepting an offer to sell will be deemed to be making an Offer to Acquire to the Person that made the offer to sell.

- (nn) **“Offeror”** means a Person who has publicly announced and not withdrawn a current intention to make, or who makes and has outstanding, a Take-over Bid.
- (oo) **“Offeror’s Securities”** means Voting Shares Beneficially Owned by an Offeror.
- (pp) **“Other Account”** has the meaning ascribed to it in Section 1.1(f)(3).
- (qq) **“Pension Fund”** has the meaning ascribed to it in Section 1.1(f)(3).
- (rr) **“Permitted Bid”** means a Take-over Bid that is made by means of a take-over bid circular and which also complies with the following additional provisions:
 - (i) the Take-over Bid must be made to all registered holders of Voting Shares (other than the Voting Shares held by the Offeror);
 - (ii) the Take-over Bid must contain, and the take up and payment for securities tendered or deposited under the Take-over Bid must be subject to, an irrevocable and unqualified condition that no Voting Shares will be taken up or paid for pursuant to the Take-over Bid prior to the close of business on the date which is not less than sixty (60) days following the date of the Take-over Bid and that no Voting Shares will be taken up or paid for pursuant to the Take-over Bid unless, at such date, more than fifty percent (50%) of the then outstanding Voting Shares held by Independent Shareholders have been deposited to the Take-over Bid and not withdrawn;
 - (iii) the Take-over Bid must contain an irrevocable and unqualified provision that, unless the Take-over Bid is withdrawn, Voting Shares may be deposited pursuant to such Take-over Bid at any time during the period of time described in Clause (ii) of this Section 1.1(rr) and that any Voting Shares deposited pursuant to the Take-over Bid may be withdrawn at any time until taken up and paid for; and
 - (iv) the Take-over Bid must contain an irrevocable and unqualified provision that should the condition referred to in Clause (ii) of this Section 1.1(rr) be met: (A) the Offeror will make a public announcement of that fact on the date the Take-over Bid would otherwise expire; and (B) the Take-over Bid will be extended for a period of not less than ten (10) Business Days from the date it would otherwise expire.
- (ss) **“Permitted Bid Acquisitions”** means an acquisition of Voting Shares made pursuant to a Permitted Bid or a Competing Bid.
- (tt) **“Permitted Lock-Up Agreement”** means an agreement between a Person and one or more holders (each a **“Locked-up Person”**) of Voting Shares or Convertible Securities (the terms of which are publicly disclosed and a copy of which is made available to the public (including the Corporation) not later than the date the Lock-up Bid (as defined below) is publicly announced or, if the

agreement was entered into after the date of the Lock-up Bid, as soon as possible after it is entered into and in any event not later than the date following the date of such agreement), pursuant to which such Locked-up Persons agree to deposit or tender Voting Shares or Convertible Securities to a Take-over Bid (the "**Lock-up Bid**") made by the Person or any of such Person's Affiliates or Associates or any other Person referred to in Clause (iv) of the definition of Beneficial Owner and where the agreement:

- (i) (A) permits the Locked-up Person to withdraw Voting Shares or Convertible Securities in order to tender or deposit Voting Shares or Convertible Securities to another Take-over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Voting Share or Convertible Security that exceeds, or provides a value for each Voting Share or Convertible Security that is greater than, the offering price or value represented by or proposed to be represented by the Lock-up Bid; or

(B) permits the Locked-up Person to withdraw Voting Shares or Convertible Securities in order to tender or deposit the Voting Shares or Convertible Securities to another Take-over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Voting Share or Convertible Security that exceeds, or provides a value for each Voting Share or Convertible Security that is greater than, the offering price or value represented by or proposed to be represented by, the Lock-up Bid by as much or more than a specified amount (the "**Specified Amount**") and the Specified Amount is not greater than 7% of the offering price or value that is represented by the Lock-up Bid;
- (ii) permits the Locked-up Person to withdraw Voting Shares or Convertible Securities in order to tender or deposit the Voting Shares or Convertible Securities to another Take-over Bid (or terminate the agreement in order to support another transaction) if the number of Voting Shares to be purchased under the other Take-over Bid or transaction exceeds the number of Voting Shares offered to be purchased under the Lock-Up Bid by as much or more than a specified number of Voting Shares (the "**Specified Number of Shares**") and the Specified Number of Shares is not greater than 7% of the number of Voting Shares offered to be purchased under the Lock-Up Bid, at an offering price for each Voting Share or Convertible Security that is not less, or provides a value for each Voting Share or Convertible Security that is not less than, the offering price or value represented by or proposed to be represented by the Lock-up Bid; and
- (iii) provides for no "break-up" fees, "top-up" fees, penalties, payments, expenses or other amounts that exceed in the aggregate the greater of:
(A) the cash equivalent of 2.5% of the price or value payable under the

Lock-up Bid to the Locked-up Person, and (B) 50% of the amount by which the price or value payable under another Take-over Bid or another transaction to a Locked-up Person exceeds the price or value of the consideration that such Locked-up Person would have received under the Lock-up Bid, to be payable, directly or indirectly, by such Locked-up Person pursuant to the agreement if any Locked-up Person fails to tender Voting Shares or Convertible Securities pursuant to such agreement or withdraws Voting Shares or Convertible Securities previously tendered pursuant to such agreement in order to tender such Voting Shares or Convertible Securities to another Take-over Bid or support another transaction;

and, for greater certainty, the agreement may contain a right of first refusal or require a period of delay to give the Offeror an opportunity to at least match a higher consideration in another Take-over Bid or transaction or contain any other similar limitation on a Locked-up Person's right to withdraw Voting Shares or Convertible Securities from the agreement, so long as any such limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Voting Shares or Convertible Securities in sufficient time to tender to the other Take-over Bid or to support the other transaction.

- (uu) **"Person"** means any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, joint stock company, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning.
- (vv) **"Privacy Laws"** has the meaning ascribed to it in Section 4.6.
- (ww) **"Record Time"** means the close of business (Calgary time) on April 2, 2015.
- (xx) **"Redemption Price"** has the meaning ascribed to it in Section 5.1(1).
- (yy) **"regular periodic cash dividends"** means cash dividends paid at regular intervals in any fiscal year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greatest of:
 - (i) two hundred percent (200%) of the aggregate amount of cash dividends declared payable by the Corporation on its Common Shares in its immediately preceding fiscal year; and
 - (ii) one hundred percent (100%) of the aggregate consolidated net income of the Corporation, before extraordinary items, for its immediately preceding fiscal year.

- (zz) **“Right”** means a right to purchase Common Shares issued upon the terms and conditions described in this Agreement, including Section 2.2(1).
- (aaa) **“Rights Agent”** means Valiant Trust Company.
- (bbb) **“Rights Agreement”** has the meaning ascribed to it in Section 2.1(1).
- (ccc) **“Rights Certificate”** has the meaning ascribed to it in Section 2.2(3).
- (ddd) **“Rights Register”** has the meaning ascribed to it in Section 2.6(1).
- (eee) **“Securities Act”** means the *Securities Act* (Alberta), and the regulations and rules, made under it, and any comparable or successor laws, regulations and rules.
- (fff) **“Separation Time”** means the close of business on the tenth (10th) Trading Day after the earliest of:
 - (i) the Share Acquisition Date;
 - (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a Take-over Bid (other than a Permitted Bid or Competing Bid); and
 - (iii) the date on which a Permitted Bid or Competing Bid ceases to qualify as such;or, in each case, such later date as may be determined by the Board of Directors provided that, if any Take-over Bid referred to in Clause (ii) of this Section 1.1(fff) or any Permitted Bid or Competing Bid referred to in Clause (iii) of this Section 1.1(fff) expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such Take-over Bid, Permitted Bid or Competing Bid, as the case may be, will be deemed, for the purposes of this Section 1.1(fff), never to have been made and provided further that if the Board of Directors determines pursuant to Sections 5.1(2), (3), (4) or (5) to waive the application of Section 3.1 to a Flip-in Event, the Separation Time in respect of such Flip-in Event will be deemed never to have occurred.
- (ggg) **“Share Acquisition Date”** means the first date of public announcement (which, for purposes of this definition, includes, without limitation, a report filed pursuant to National Instrument 62-103—*The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*) by the Corporation or an Offeror or Acquiring Person of facts indicating that a Person has become an Acquiring Person.
- (hhh) **“Share Registration”** means registered ownership of Common Shares as indicated in the register of registered holders of Common Shares maintained by

the transfer agent of the Corporation, whether or not such registered ownership is evidenced by a share certificate.

- (iii) “**Specified Amount**” has the meaning ascribed to it in Section 1.1(tt).
- (jjj) “**Specified Number of Shares**” has the meaning ascribed to it in Section 1.1(tt).
- (kkk) “**Statutory Body**” has the meaning ascribed to it in Section 1.1(f)(3).
- (lll) “**Subsidiary**”: a Person will be deemed to be a Subsidiary of another Person if:
 - (i) it is controlled by:
 - (A) that other;
 - (B) that other and one or more Persons each of which is controlled by that other; or
 - (C) two or more corporations each of which is controlled by that other; or
 - (ii) it is a Subsidiary of a corporation that is that other's Subsidiary.
- (mmm) “**Take-over Bid**” means an Offer to Acquire outstanding Voting Shares or securities convertible into or exchangeable for or carrying a right to purchase Voting Shares where the Voting Shares subject to the Offer to Acquire, together with the Voting Shares into which the securities subject to the Offer to Acquire are convertible, exchangeable or exercisable, and the Offeror's Securities, constitute in the aggregate twenty percent (20%) or more of the outstanding Voting Shares at the date of the Offer to Acquire.
- (nnn) “**Termination Time**” means the time at which the right to exercise Rights terminates pursuant to Section 5.1(7).
- (ooo) “**Trading Day**”, when used with respect to any securities, shall mean a day on which the principal Canadian securities exchange on which such securities are listed or admitted to trading is open for the transaction of business or, if the securities are not listed or admitted to trading on any Canadian securities exchange, a Business Day.
- (ppp) “**Trust Company**” has the meaning ascribed to it in Section 1.1(e)(3).
- (qqq) “**Voting Shares**”, when used with respect to the Corporation, means the Common Shares.

Section 1.2 Currency.

All references in this Agreement to dollars or to “\$” are expressed in Canadian currency unless otherwise specifically indicated.

Section 1.3 Headings.

The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.

Section 1.4 Gender and Number.

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.

Section 1.5 Acting Jointly or in Concert.

For the purposes of this Agreement, a Person is acting jointly or in concert with every Person who is a party to an agreement, commitment or understanding, whether formal or informal and whether or not in writing, with the first Person or any Associate or Affiliate of the first Person to acquire or make an Offer to Acquire Voting Shares (other than customary agreements with and between underwriters or banking group members or selling group members with respect to a distribution of securities or to a pledge of securities in the ordinary course of business).

Section 1.6 Statutory References.

Unless the context otherwise requires or except as expressly provided in this Agreement, any reference in this Agreement to a specific part, section, clause or rule of any statute or regulation refers to the same as it may be amended, re-enacted or replaced or, if repealed without replacement, to the same as it is in effect on the date of this Agreement.

Section 1.7 Certain Phrases, etc.

Unless otherwise specified, the words "Article", "Section", "Clause" and other subdivision followed by a number mean and refer to the specified Article, Section, Clause or other subdivision of this Agreement.

**ARTICLE 2
THE RIGHTS**

Section 2.1 Legend on Common Share Certificates.

- (1) Share Registrations representing Common Shares issued after the Record Time but prior to the close of business on the earlier of the Separation Time and the Expiration Time will evidence one Right for each Common Share represented by such Share Registration and, commencing as soon as reasonably practicable after the effective date of this Agreement, if such Share Registrations are evidenced by a share certificate, such certificate will have impressed on, printed on, written on or otherwise affixed to it, a legend in substantially the following form:

Until the Separation Time (defined in the Rights Agreement referred to below), this certificate also evidences rights of the holder described in a Shareholder Rights Plan Agreement, dated April 2, 2015, as amended and restated from time to time (the “**Rights Agreement**”) between McCoy Global Inc. and Valiant Trust Company, a copy of which is on file at the principal executive offices of the Corporation. Under certain circumstances set out in the Rights Agreement, such rights may be redeemed, may expire, may become null and void or may be evidenced by separate certificates and no longer evidenced by this certificate.

- (2) Until the earlier of the Separation Time and the Expiration Time, Share Registrations with respect to Common Shares that are issued and outstanding at the Record Time will evidence one Right for each Common Share represented by such Share Registrations notwithstanding the absence of the foregoing legend on the share certificates, if any, evidencing such Share Registrations. Following the Separation Time, Rights will be evidenced by Rights Certificates issued pursuant to Section 2.2.

Section 2.2 Initial Exercise Price; Exercise of Rights; Detachment of Rights.

- (1) **Right to entitle holder to purchase one Common Share prior to adjustment.** Subject to adjustment as set forth in this Agreement and subject to Section 3.1(1), each Right will entitle the holder of the Right, from and after the Separation Time and prior to the Expiration Time, to purchase, for the Exercise Price as at the Business Day immediately preceding the date of exercise of the Right, one Common Share (which price and number of Common Shares are subject to adjustment as set forth below and are subject to Section 3.1(1)). Notwithstanding any other provision of this Agreement, any Rights held by the Corporation or any of its Subsidiaries will be void.
- (2) **Rights not exercisable until Separation Time.** Until the Separation Time, (i) the Rights will not be exercisable and no Right may be exercised, and (ii) for administrative purposes each Right will be evidenced by the Share Registrations for the associated Common Shares registered in the names of the holders of such Common Shares (and if such Share Registrations are evidenced by a share certificate, such share certificate will also be deemed to be Rights Certificates) and will be transferable only together with, and will be transferred by a transfer of, such associated Common Shares.
- (3) **Delivery of Rights Certificate and disclosure statement.** From and after the Separation Time and prior to the Expiration Time, (i) the Rights will be exercisable, and (ii) the registration and transfer of the Rights will be separate from, and independent of, the Common Shares. Promptly following the Separation Time, the Corporation shall prepare and the Rights Agent shall mail to each holder of record of Rights as of the Separation Time (other than an Acquiring Person and, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such Rights (a “**Nominee**”)) at such holder's address as shown by the records of the Corporation (the Corporation hereby agreeing to furnish copies of such records to the Rights Agent for this purpose), (A) a certificate (a “**Rights Certificate**”) in substantially the form of Schedule 2.2(3) appropriately completed, representing the number of Rights held by such holder at the Separation

Time, and having such marks of identification or designation and such legends, summaries or endorsements printed on it as the Corporation may deem appropriate and as are consistent with the provisions of this Agreement, or as may be required to comply with any law, rule, regulation or judicial or administrative order or with any rule or regulation made pursuant thereto or with any rule or regulation of any self-regulatory organization, stock exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage, and (B) a disclosure statement describing the Rights, provided that the Rights Agent shall send a Nominee the materials provided for in (A) and (B) in respect of all Common Shares held of record by it which are not Beneficially Owned by an Acquiring Person. In order for the Corporation to determine whether any Person is holding Common Shares which are Beneficially Owned by another Person, the Corporation may require such first mentioned Person to furnish it with such information and documentation as the Corporation considers advisable.

- (4) **Exercise of Rights.** Rights may be exercised in whole or in part on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent (at the office of the Rights Agent in the City of Calgary or any other office of the Rights Agent in the cities designated from time to time for that purpose by the Corporation) the Rights Certificate evidencing such Rights together with an election to exercise such Rights (an “**Election to Exercise**”) substantially in the form attached to the Rights Certificate duly completed and executed, accompanied by payment by certified cheque, banker's draft, wire transfer or money order payable to the order of the Rights Agent (on behalf of the Corporation), of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares in a name other than that of the holder of the Rights being exercised, all of the above to be received before the Expiration Time by the Rights Agent (at the office of the Rights Agent in the City of Calgary or any other office of the Rights Agent in the cities designated from time to time for that purpose by the Corporation).
- (5) **Duties of Rights Agent upon receipt of Election to Exercise.** Upon receipt of a Rights Certificate, which is accompanied by (i) a completed and duly executed Election to Exercise, and (ii) payment as set forth in Section 2.2(4) above, the Rights Agent (unless otherwise instructed by the Corporation if the Corporation is of the opinion that the Rights cannot be exercised in accordance with this Agreement) shall promptly:
 - (A) requisition from the transfer agent for the Common Shares certificates representing the number of Common Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agent to comply with all such requisitions);
 - (B) when appropriate, requisition from the Corporation the amount of cash to be paid in lieu of issuing fractional Common Shares;
 - (C) after receipt of such certificates representing the number of Common Shares to be purchased, deliver the same to or upon the order of the registered holder of

such Rights Certificate, registered in such name or names as may be designated by such registered holder;

- (D) when appropriate, after receipt, deliver such cash (less any amounts required to be withheld) to or to the order of the registered holder of the Rights Certificate; and
 - (E) tender to the Corporation all payments received on exercise of the Rights.
- (6) **Partial Exercise of Rights.** If the holder of any Rights exercises less than all of the Rights evidenced by such holder's Rights Certificate, the Rights Agent shall issue a new Rights Certificate evidencing the Rights remaining unexercised to such holder or to such holder's duly authorized assigns.
- (7) **Duties of the Corporation.** The Corporation:
- (a) shall take all such action as may be reasonably necessary and within its power to ensure that all Common Shares or other securities delivered upon the due exercise of Rights are, at the time of delivery of the certificates for such shares (for greater certainty, subject to payment of the Exercise Price), duly and validly authorized, executed, issued and delivered, and fully paid and non-assessable;
 - (b) shall take all such action as may be necessary and within its power to ensure compliance with the provisions of Section 3.1 including, without limitation but subject to Section 5.17, all such action to comply with any applicable requirements of the ABCA, the Securities Act and any applicable comparable securities legislation of each of the provinces or territories of Canada and the rules and regulations thereunder, or any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights Certificates and the issuance of any Common Shares or other securities upon exercise of Rights;
 - (c) shall use reasonable efforts to cause, from and after such time as the Rights become exercisable, all Common Shares issued upon exercise of Rights to be listed upon issuance on each stock exchange on which the Common Shares were traded prior to the Separation Time;
 - (d) shall cause to be reserved and kept available out of its authorized and unissued Common Shares, the number of Common Shares that, as provided in this Agreement, will from time to time be sufficient to permit the exercise in full of all outstanding Rights;
 - (e) shall pay when due and payable any and all Canadian federal and provincial transfer taxes and charges (not including any income or capital taxes of the holder or exercising holder or any liability of the Corporation to withhold tax) which may be payable in respect of the original issuance or delivery of the Rights Certificates, provided that the Corporation shall not be required to pay any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of

certificates for shares or other securities in a name other than that of the registered holder of the Rights being transferred or exercised;

- (f) shall, after the Separation Time, except as permitted by Section 5.1 or 5.4, not take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights; and
- (g) may, in its discretion, in the case of holders of Rights resident outside Canada who exercise their Rights, pay them cash (or other property) in lieu of Common Shares, based on the approximate fair market value of the Common Shares as determined by the Board of Directors in good faith, and may differentiate among such Persons.

Section 2.3 Adjustments to Exercise Price; Number of Rights.

The Exercise Price, the number and kind of Common Shares or other securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 2.3:

- (a) **Adjustment to Exercise Price upon changes to share capital.** If the Corporation at any time after the Record Time:
 - (i) declares or pays a dividend on the Common Shares payable in Common Shares (or other securities exchangeable for or convertible into or giving a right to acquire Common Shares or other securities) other than the issue of Common Shares or such exchangeable or convertible securities to holders of Common Shares in lieu of but not in an amount which exceeds the value of regular periodic cash dividends;
 - (ii) subdivides or changes the then outstanding Common Shares into a greater number of Common Shares;
 - (iii) combines or changes the then outstanding Common Shares into a smaller number of Common Shares; or
 - (iv) issues any Common Shares (or other securities exchangeable for or convertible into or giving a right to acquire Common Shares or other securities) in respect of, in lieu of or in exchange for existing Common Shares, except as otherwise provided in this Section 2.3;

the Exercise Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and the number and kind of Common Shares, or other securities, as the case may be, issuable on such date, will be proportionately adjusted so that the holder of any Right exercised after such time will be entitled to receive, upon payment of the Exercise Price then in effect, the aggregate number and kind of Common Shares or other securities, as the case may be, which, if such Right had been exercised

immediately prior to such date and at a time when the Common Share transfer books of the Corporation were open, such holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification. If an event occurs which would require an adjustment under both this Section 2.3 and Section 3.1, the adjustment provided for in this Section 2.3 will be in addition to and, will be made prior to, any adjustment required pursuant to Section 3.1.

- (b) **Adjustment to Exercise Price upon issue of rights, options and warrants.** If the Corporation at any time after the Record Time fixes a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within forty-five (45) calendar days after such record date) to subscribe for or purchase Common Shares (or shares having the same rights, privileges and preferences as Common Shares (“**equivalent common shares**”)) or securities convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent common shares at a price per Common Share or per equivalent common share (or having a conversion price or exchange price or exercise price per share, if a security convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent common shares) less than ninety percent (90%) of the Market Price per Common Share on such record date, the Exercise Price to be in effect after such record date will be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction, the numerator of which will be the number of Common Shares outstanding on such record date, plus the number of Common Shares that the aggregate offering price of the total number of Common Shares and/or equivalent common shares so to be offered (and/or the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered, including the price required to be paid to purchase such convertible or exchangeable securities or rights so to be offered) would purchase at such Market Price per Common Share, and the denominator of which will be the number of Common Shares outstanding on such record date, plus the number of additional Common Shares and/or equivalent common shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities are initially convertible, exchangeable or exercisable). If such subscription price may be paid by delivery of consideration, part or all of which may be in a form other than cash, the value of such consideration will be as determined in good faith by the Board of Directors, whose determination will be described in a certificate filed with the Rights Agent and will be binding on the Rights Agent and the holders of the Rights. Such adjustment will be made successively whenever such a record date is fixed and, if such rights or warrants are not so issued, the Exercise Price will be adjusted to be the Exercise Price which would then be in effect if such record date had not been fixed.

For purposes of this Agreement, the granting of the right to purchase Common Shares (or equivalent common shares) (whether from treasury shares or otherwise) pursuant to any dividend or interest reinvestment plan and/or any Common Share purchase plan providing for the reinvestment of dividends or

interest payable on securities of the Corporation and/or the investment of periodic optional payments and/or employee benefit, stock option or similar plans (so long as such right to purchase is in no case evidenced by the delivery of rights or warrants) will not be deemed to constitute an issue of rights, options or warrants by the Corporation; provided, however, that, in the case of any dividend or interest reinvestment plan, the right to purchase Common Shares (or equivalent common shares) is at a price per share of not less than ninety percent (90%) of the current market price per share (determined as provided in such plans) of the Common Shares.

- (c) **Adjustment to Exercise Price upon Corporate Distributions.** If the Corporation at any time after the Record Time fixes a record date for a distribution to all holders of Common Shares (including any such distribution made in connection with a merger, amalgamation, arrangement, plan, compromise or reorganization in which the Corporation is the continuing or successor corporation) of evidences of indebtedness, cash (other than a regular periodic cash dividend or a regular periodic cash dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), assets or subscription rights, options or warrants (excluding those referred to in Section 2.3(b) above), the Exercise Price to be in effect after such record date will be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction, the numerator of which will be the Market Price per Common Share on such record date, less the fair market value (as determined in good faith by the Board of Directors, whose determination will be described in a statement filed with the Rights Agent) of the portion of the cash, assets or evidences of indebtedness so to be distributed or of such subscription rights, options or warrants applicable to a Common Share and the denominator of which will be such Market Price per Common Share. Such adjustments will be made successively whenever such a record date is fixed, and if such distribution is not so made, the Exercise Price will be adjusted to be the Exercise Price which would have been in effect if such record date had not been fixed.
- (d) **De minimis threshold for adjustment to Exercise Price.** Notwithstanding anything in this Agreement to the contrary, no adjustment in the Exercise Price will be required unless such adjustment would require an increase or decrease of at least one percent (1%) in the Exercise Price; provided, however, that any adjustments which by reason of this Section 2.3(d) are not required to be made will be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 2.3 will be made to the nearest cent or to the nearest one-hundredth of a Common Share or other share, as the case may be. Notwithstanding the first sentence of this Section 2.3(d), any adjustment required by this Section 2.3 will be made no later than the earlier of (i) three (3) years from the date of the transaction which mandates such adjustment or (ii) the Expiration Time.
- (e) **Corporation may provide for alternate means of adjustment.** Subject to the prior consent of the holders of Voting Shares or Rights obtained as set forth in

Section 5.4(2) or (3) of this Agreement, as applicable, if the Corporation at any time after the Record Time issues any shares (other than Common Shares), or rights or warrants to subscribe for or purchase any shares, or securities convertible into or exchangeable for any such shares, in a transaction referred to in Section 2.3(a)(i) or (iv) or Section 2.3(b) or (c) above, if the Board of Directors acting in good faith determines that the adjustments contemplated by Sections 2.3(a), (b) and (c) above in connection with such transaction will not appropriately protect the interests of the holders of Rights, the Corporation will be entitled to determine what other adjustments to the Exercise Price, number of Rights and/or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding Sections 2.3(a), (b) and (c) above, such adjustments, rather than the adjustments contemplated by Sections 2.3(a), (b) and (c) above, will be made. The Corporation and the Rights Agent shall amend this Agreement as appropriate to provide for such adjustments.

- (f) **Adjustment to Rights exercisable into shares other than Common Shares.** If as a result of an adjustment made pursuant to Section 3.1 of this Agreement, the holder of any Right exercised after such adjustment becomes entitled to receive any shares other than Common Shares, then after such adjustment the number of such other shares so receivable upon exercise of any Right and the Exercise Price of the Right will be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Shares contained in Sections 2.3(a), (b), (c), (d), (e), (g), (h), (i), (j), (k) and (l), above and below, as the case may be, and the provisions of this Agreement with respect to the Common Shares will apply on like terms to any such other shares.
- (g) **Rights to evidence right to purchase Common Shares at adjusted Exercise Price.** Each Right originally issued by the Corporation subsequent to any adjustment made to the Exercise Price under this Agreement will evidence the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time under this Agreement upon exercise of such Right, all subject to further adjustment as provided in this Agreement.
- (h) **Adjustment to number of Common Shares purchasable upon adjustment to Exercise Price.** Unless the Corporation exercises its election as provided in Section 2.3(i) below, upon each adjustment of the Exercise Price as a result of the calculations made in Section 2.3(b) or (c) above, each Right outstanding immediately prior to the making of such adjustment will, after such adjustment, evidence the right to purchase, at the adjusted Exercise Price, that number of Common Shares (calculated to the nearest one ten-thousandth) obtained by (A) multiplying (x) the number of shares purchasable upon exercise of a Right immediately prior to this adjustment by (y) the Exercise Price in effect immediately prior to such adjustment of the Exercise Price, and (B) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment of the Exercise Price.

- (i) **Election to adjust number of Rights upon adjustment to Exercise Price.** The Corporation is entitled to elect on or after the date of any adjustment of the Exercise Price to adjust the number of Rights, in lieu of any adjustment in the number of Common Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after the adjustment in the number of Rights will be exercisable for the number of Common Shares for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights will become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the Exercise Price in effect immediately prior to adjustment of the Exercise Price by the Exercise Price in effect immediately after adjustment of the Exercise Price. The Corporation shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Exercise Price is adjusted or any day after such date but, if Rights Certificates have been issued, must be at least ten (10) days later than the date of the public announcement. If Rights Certificates have been issued, upon each adjustment of the number of Rights pursuant to this Section 2.3(i), the Corporation shall, as promptly as practicable, cause to be distributed to holders of record of Rights Certificates on such record date Rights Certificates evidencing, subject to Section 5.5, the additional Rights to which such holders are entitled as a result of such adjustment, or, at the option of the Corporation, shall cause to be distributed to such holders of record in substitution and replacement for the Rights Certificates held by such holders prior to the date of adjustment, and upon surrender of such Rights Certificates, new Rights Certificates evidencing all the Rights to which such holders are entitled after such adjustment. Rights Certificates so to be distributed will be issued, executed and countersigned in the manner provided for in this Agreement and may bear, at the option of the Corporation, the adjusted Exercise Price and will be registered in the names of the holders of record of Rights Certificates on the record date for the adjustment specified in the public announcement.
- (j) **Rights Certificates may contain Exercise Price before adjustment.** Irrespective of any adjustment or change in the Exercise Price or the number of Common Shares issuable upon the exercise of the Rights, the Rights Certificates issued before or after such adjustment or change may continue to express the Exercise Price per share and the number of shares which were expressed in the initial Rights Certificates issued under this Agreement.
- (k) **Corporation may in certain cases defer issues of securities.** In any case in which this Section 2.3 requires that an adjustment in the Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the Exercise Price in effect prior to

such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional shares (fractional or otherwise) or securities upon the occurrence of the event requiring such adjustment.

- (l) **Corporation has discretion to reduce Exercise Price for tax reasons.** Notwithstanding anything in Section 2.3 to the contrary, the Corporation is entitled to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this Section 2.3, as and to the extent that in their good faith judgment, the Board of Directors determines to be advisable in order that any (A) consolidation or subdivision of the Common Shares, (B) issuance of any Common Shares at less than the Market Price, (C) issuance of securities convertible into or exchangeable for Common Shares, (D) stock dividends or (E) issuance of rights, options or warrants, referred to in this Section 2.3 made by the Corporation to holders of its Common Shares, is not taxable to such shareholders.
- (m) **Certificate of Adjustment.** Whenever an adjustment to the Exercise Price is made pursuant to this Section 2.3, the Corporation shall:
 - (i) promptly prepare a certificate setting forth such adjustment and a brief statement of the facts accounting for such adjustment; and
 - (ii) promptly file with the Rights Agent and with the transfer agent for the Common Shares a copy of such certificate and mail a brief summary of the certificate to each holder of the Rights who requests a copy.

Section 2.4 Date on Which Exercise is Effective.

Each person in whose name any certificate for Common Shares is issued upon the exercise of Rights, will for all purposes be deemed to have become the holder of record of the Common Shares represented by such certificate on, and such certificate will be dated, the date on which the Rights Certificate evidencing such Rights was duly surrendered (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder under this Agreement) was made; provided, however, that if the date of such surrender and payment is a date on which the Common Share transfer books of the Corporation are closed, such person will be deemed to have become the record holder of such shares on, and such certificate will be dated, the next succeeding Business Day on which the Common Share transfer books of the Corporation are open.

Section 2.5 Execution, Authentication, Delivery and Dating of Rights Certificates

- (1) Any two officers of the Corporation shall execute the Rights Certificates on behalf of the Corporation. The signature of any of these officers on the Rights Certificates may be manual or facsimile. Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation will bind the

Corporation, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the countersignature and delivery of such Rights Certificates.

- (2) Promptly after the Corporation learns of the Separation Time, the Corporation shall notify the Rights Agent of such Separation Time and shall deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature and a disclosure statement as described in Section 2.2(3). The Rights Agent shall manually or by facsimile signature countersign and send such Rights Certificates and disclosure statement to the holders of the Rights pursuant to Section 2.2(3). No Rights Certificate is valid for any purpose until countersigned by the Rights Agent as described above.
- (3) Each Rights Certificate will be dated the date of countersignature of such certificate.

Section 2.6 Registration, Registration of Transfer and Exchange.

- (1) The Corporation shall cause to be kept a register (the “**Rights Register**”) in which, subject to such reasonable regulations as it may prescribe, the Corporation shall provide for the registration and transfer of Rights. The Corporation hereby appoints the Rights Agent “**Rights Registrar**” for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as provided in this Agreement. If the Rights Agent ceases to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times.

After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate and subject to the provisions of Section 2.6(3) below and the other provisions of this Agreement, the Corporation shall execute and the Rights Agent shall countersign, register and deliver, in the name of the holder or the designated transferee or transferees as required pursuant to the holder's instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered.

- (2) All Rights issued upon any registration of transfer or exchange of Rights Certificates will be the valid obligations of the Corporation, and such Rights will be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.
- (3) Every Rights Certificate surrendered for registration of transfer or exchange must be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the Rights Agent, as the case may be, duly executed by the registered holder of the Rights Certificate or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this Section 2.6, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation to such issuance and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection with such issuance.

Section 2.7 Mutilated, Destroyed, Lost and Stolen Rights Certificates.

- (1) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, the Corporation shall execute and the Rights Agent shall countersign and deliver in exchange for such mutilated Rights Certificate a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.
- (2) If the Corporation and the Rights Agent receive, prior to the Expiration Time, (i) evidence to their reasonable satisfaction of the destruction, loss or theft of any Rights Certificate, and (ii) such indemnity or other security as may be required by them to save each of them and any of their agents harmless then, in the absence of notice to the Corporation or the Rights Agent that such Rights Certificate has been acquired by a bona fide purchaser, the Corporation shall execute and upon its request the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.
- (3) As a condition to the issuance of any new Rights Certificate under this Section 2.7, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation to such issuance and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection with such issuance.
- (4) Every new Rights Certificate issued pursuant to this Section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate will evidence an original additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate is at any time enforceable by anyone, and the holder of such new Rights Certificate will be entitled to all the benefits of this Agreement equally and proportionately with any and all other holders of Rights duly issued by the Corporation.

Section 2.8 Persons Deemed Owners.

Prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Share Registration, satisfactory evidence of the associated Share Registration) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent are entitled to deem and treat the person in whose name a Rights Certificate is registered (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Share Registration, the person in whose name the Share Registration is made) as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever. As used in this Agreement, unless the context otherwise requires, the term “**holder**” of any Rights means the registered holder of such Rights (or, prior to the Separation Time, the associated Common Shares).

Section 2.9 Delivery and Cancellation of Rights Certificates.

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange must, if surrendered to any person other than the Rights Agent, be delivered to the Rights Agent and, in any case, the Rights Agent shall promptly cancel such Rights Certificates. The Corporation may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered under this Agreement which the Corporation may have acquired in any manner whatsoever, and the Rights Agent shall promptly cancel all Rights Certificates so delivered. No Rights Certificate will be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.9 except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable laws, destroy all cancelled Rights Certificates and deliver a certificate of destruction to the Corporation.

Section 2.10 Agreement of Rights Holders.

Every holder of Rights, by accepting the Rights, consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights:

- (a) to be bound by and subject to the provisions of this Agreement, as amended, amended and restated, or supplemented from time to time in accordance with the terms of this Agreement, in respect of all Rights held;
- (b) that prior to the Separation Time each Right will be transferable only together with, and will be transferred by a transfer of, the Share Registration (including the related Common Share certificate, if any) representing such Right;
- (c) that after the Separation Time, the Rights Certificates will be transferable only on the Rights Register as provided in this Agreement;
- (d) that prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Share Registration, satisfactory evidence of the associated Share Registration) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent is entitled to deem and treat the person in whose name the Rights Certificate is registered (or prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Share Registration, the person in whose name the Share Registration is made) as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or any associated Common Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes whatsoever, and neither the Corporation nor the Rights Agent will be affected by any notice to the contrary;
- (e) that such holder of Rights has waived his right to receive any fractional Rights or any fractional shares upon exercise of Rights;

- (f) that, in accordance with Section 5.4, without the approval of any holder of Rights and upon the sole authority of the Board of Directors acting in good faith this Agreement may be supplemented, amended or amended and restated from time to time pursuant to and as provided in this Agreement; and
- (g) that notwithstanding anything in this Agreement to the contrary, neither the Corporation nor the Rights Agent will have any liability to any holder of a Right or any other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation, or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation.

Section 2.11 Rights Certificate Holder not Deemed a Shareholder.

No holder, as such, of any Rights or Rights Certificate is entitled to vote, receive dividends or be deemed for any purpose whatsoever the holder of any Common Share or any other share or security of the Corporation which may at any time be issuable on the exercise of the Rights represented by the Rights Certificate, nor shall anything contained in this Agreement or in any Rights Certificate be construed or deemed to confer upon the holder of any Right or Rights Certificate, as such, any of the rights, titles, benefits or privileges of a holder of Common Shares or any other shares or securities of the Corporation or any right to vote at any meeting of shareholders of the Corporation whether for the election of directors or otherwise or upon any matter submitted to shareholders of the Corporation at any shareholder meeting, or to give or withhold consent to any action of the Corporation, or to receive notice of any meeting or other action affecting any holder of Common Shares or any other shares or securities of the Corporation except as expressly provided in this Agreement, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by Rights Certificates are duly exercised in accordance with this Agreement.

ARTICLE 3

ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS

Section 3.1 Flip-in Event.

- (1) Subject to Section 3.1(2) below, and Sections 5.1(2), (3), (4) or (5), if prior to the Expiration Time a Flip-in Event occurs, the Corporation shall take such action as may be necessary to ensure and provide within ten (10) Trading Days of the Share Acquisition Date, or such longer period as may be required to satisfy all applicable requirements of the Securities Act, and the securities legislation of each other province or territory of Canada that, except as provided below, each Right will thereafter constitute the right to purchase from the Corporation upon exercise of such Right in accordance with the terms of this Agreement that number of Common Shares of the Corporation, having an aggregate Market Price on the date of the occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such Right to be

appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 if after such date of occurrence an event of a type analogous to any of the events described in Section 2.3 occurs with respect to such Common Shares).

- (2) Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any Flip-in Event, any Rights that are Beneficially Owned by (i) an Acquiring Person, or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert, or (ii) a transferee or other successor in title of Rights, directly or indirectly, of an Acquiring Person (or of any Affiliate or Associate of an Acquiring Person) or of any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of an Acquiring Person (or of any Affiliate or Associate of such Person so acting jointly or in concert) who becomes a transferee or successor in title concurrently with or subsequent to the Acquiring Person becoming such, will become null and void without any further action, and any holder of such Rights (including transferees or successors in title) will not have any rights whatsoever to exercise such Rights under any provision of this Agreement and will not have thereafter any other rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise. The holder of any Rights represented by a Rights Certificate which is submitted to the Rights Agent upon exercise or for registration of transfer or exchange which does not contain the necessary certifications set forth in the Rights Certificate establishing that such Rights are not void under this Section 3.1(2) will be deemed to be an Acquiring Person for the purposes of this Section 3.1(2) and such Rights will become null and void.
- (3) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either paragraphs (i) or (ii) of Section 3.1(2) or transferred to any nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, must contain the following legend:

“The Rights represented by this Rights Certificate were Beneficially Owned by a Person who was an Acquiring Person or who was an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Shareholder Rights Plan Agreement) or a Person acting jointly or in concert with any of them. This Rights Certificate and the Rights represented hereby will become void in the circumstances specified in Section 3.1 of the Shareholder Rights Plan Agreement.”

provided that the Rights Agent is not required to ascertain the existence of facts that would require the imposition of such legend but is required to impose such legend only if instructed to do so, in writing, by the Corporation or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not a Person described in such legend. The issuance of a Rights Certificate without the legend referred to in Section 3.1(3) will have no effect on the provisions of Section 3.1.

- (4) From and after the Separation Time, the Corporation shall do all such acts and things as are necessary and within its power to ensure compliance with the provisions of this

Section 3.1 including, without limitation, all such acts and things as may be required to satisfy the requirements of the ABCA, the Securities Act, the securities laws or comparable legislation of each of the provinces and territories of Canada, and any other applicable laws in respect of the issue of Common Shares upon the exercise of Rights in accordance with this Agreement.

Section 3.2 Exchange Option.

- (1) The Board of Directors may, at its sole option and without seeking the approval of holders of Voting Shares or Rights but with the prior written consent of the Toronto Stock Exchange where required if the Common Shares are then listed on such exchange, at any time after a Flip-in Event has occurred, authorize the Corporation to issue or deliver in respect of each Right which is not void pursuant to Section 3.1(2), either (i) in return for the applicable Exercise Price and the Right, debt, equity or other securities or other assets (or a combination thereof) having a value equal to twice the applicable Exercise Price, or (ii) in return for the Right, debt, equity or other securities or assets (or a combination thereof) having a value equal to the value of the Right, in full and final settlement of all rights attaching to the Rights, where in either case the value of such debt, equity or other securities or other assets (or a combination thereof) and, in the case of Clause (ii), the value of the Right, will be determined by the Board of Directors, which may rely upon the advice of an investment dealer selected by the Board of Directors.
- (2) If the Board of Directors authorized the exchange of debt, equity or other securities or other assets (or a combination thereof) for Rights pursuant to Section 3.2(1), without any further action or notice, the right to exercise the Rights will terminate and the only right, after such termination, of a holder of Rights will be to receive the debt, equity or other securities or other assets (or a combination thereof) in accordance with the exchange formula authorized by the Board of Directors. Within ten (10) Business Days after the Board of Directors has authorized the exchange of debt, equity or other securities or other assets (or a combination thereof) for Rights pursuant to Section 3.2(1), the Corporation shall give Notice of exchange to the holders of such Rights in accordance with Section 5.8. The Corporation shall state in the Notice of exchange the method by which the exchange of debt, equity or other securities or other assets (or a combination thereof) for Rights will be effected.

ARTICLE 4 THE RIGHTS AGENT

Section 4.1 General.

- (1) The Corporation hereby appoints the Rights Agent to act as agent for the Corporation in accordance with the terms and conditions of this Agreement, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-Rights Agents as it may deem necessary or desirable, subject to the prior approval of the Rights Agent, which the Rights Agent shall not unreasonably withhold. If the Corporation appoints one or more co-Rights Agents, the respective duties of the Rights Agents and co-Rights Agents will be as the Corporation may determine, with the

approval of the Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it under this Agreement or otherwise agreed to with the Corporation in writing and, from time to time, on demand of the Rights Agent, its reasonable expenses (including counsel fees and disbursements of legal counsel, to the extent they are reasonable) incurred in the administration and execution of this Agreement and the exercise and performance of its duties under this Agreement, including the reasonable fees and disbursements of any expert retained by the Rights Agent. The Corporation also agrees to indemnify the Rights Agent, its officers, directors and employees for, and to hold such persons harmless against, any loss, liability, cost, claim, action, suit, damage, or expense incurred (that is not the result of gross negligence, bad faith or wilful misconduct on the part of any one or all of the Rights Agent, its officers, directors or employees) for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement or the resignation or removal of the Rights Agent. In no event will the Rights Agent be liable for special, indirect, consequential or punitive loss or damages of any kind whatsoever (including but not limited to lost profits), even if the Rights Agent has been advised of the possibility of such damages. Any liability of the Rights Agent will be limited in the aggregate to an amount equal to the annual fee paid by the Corporation pursuant to this Agreement. None of the provisions contained in this Agreement shall require the Rights Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

- (2) The Rights Agent will be protected from and will incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any Share Registration confirmed in writing by the transfer agent of the Corporation, any certificate for Common Shares or any Rights Certificate or certificate for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document reasonably believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.
- (3) The Corporation shall inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this Agreement by the Rights Agent and at any time, upon request, shall provide to the Rights Agent an incumbency certificate certifying the then current officers of the Corporation.

Section 4.2 Merger or Amalgamation or Change of Name of Rights Agent.

- (1) Any corporation into which the Rights Agent or any successor Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation, statutory arrangement or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent or

any successor Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties to this Agreement, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4. If at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and if at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

- (2) If at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and if at that time any of the Rights Certificates have not been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

Section 4.3 Duties of Rights Agent.

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, to all of which the Corporation and the holders of Rights Certificates, by their acceptance of such terms and conditions, will be bound:

- (a) The Rights Agent may retain and consult with legal counsel (who may be legal counsel for the Corporation and, in any event, must be a reputable legal firm) and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted to be taken by it in good faith and in accordance with such opinion. Subject to the prior written consent of the Corporation, which consent will not be unreasonably withheld, the Rights Agent may also consult with such other experts as the Rights Agent considers necessary or appropriate to properly carry out the duties and obligations imposed under this Agreement (at the expense of the Corporation) and the Rights Agent is entitled to act and rely in good faith on the advice of any such expert to the extent that such expert is not an employee, officer or director of the Rights Agent.
- (b) Whenever in the performance of its duties under this Agreement the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by the Corporation prior to taking or suffering any action under this Agreement, such fact or matter (unless other evidence in respect of such matter is specifically prescribed in this Agreement) may be deemed to be conclusively proven and established by a certificate signed by a person the Rights Agent reasonably believes to be an officer of the Corporation and delivered to the

Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

- (c) The Rights Agent is liable under this Agreement only for events which are the result of its own negligence, bad faith or wilful misconduct and that of its officers, directors and employees.
- (d) The Rights Agent is not liable for or by reason of any of the statements of fact or recitals contained in this Agreement, or in the certificates for Common Shares, if any, or the Rights Certificates (except its countersignature of such certificates) or required to verify the same, but all such statements and recitals are and will be deemed to have been made by the Corporation only.
- (e) The Rights Agent, in its capacity as Rights Agent under this Agreement, is not under any responsibility in respect of the validity of this Agreement or the execution and delivery of this Agreement (except the due authorization, execution and delivery of this Agreement by the Rights Agent) or in respect of the validity or execution of any Common Share certificate or Rights Certificate (except its countersignature of such certificate); nor is it responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; nor is it responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to Section 3.1(2)) or any adjustment required under the provisions of Section 2.3 or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by Section 2.3 describing any such adjustment); nor is it by any act under this Agreement deemed to make any representation or warranty as to the authorization of any Common Shares to be issued pursuant to this Agreement or any Rights or as to whether any Common Shares will, when issued, be duly and validly authorized, executed, issued and delivered or fully paid and non-assessable.
- (f) Each of the Corporation and the Rights Agent shall perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments and assurances as may reasonably be required to carry out or perform this Agreement.
- (g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties under this Agreement from any person the Rights Agent reasonably believes to be an officer of the Corporation, and to apply to such persons for advice or instructions in connection with its duties, and it is not liable for any action taken or suffered by it in good faith in accordance with instructions of any such person. Instructions to the Rights Agent must, except where circumstances make it impracticable or the Rights Agent otherwise agrees, be given in writing (including by e-mail) and, where not in writing, such

instructions must be confirmed in writing (including by e-mail) as soon as reasonably possible after the giving of such instructions.

- (h) The Rights Agent and any shareholder, director, officer or employee of the Rights Agent may buy, sell or deal in Common Shares, Rights or other securities of the Corporation or become financially interested in any transaction in which the Corporation may be interested or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing in this Agreement precludes the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity.
- (i) The Rights Agent may execute and exercise any of the rights or powers vested in it by this Agreement or perform any duty under this Agreement either itself or, with the prior written consent of the Corporation, by or through its attorneys or agents. The Rights Agent is not answerable or accountable for any act, omission, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, omission, default, neglect or misconduct, provided the Rights Agent obtained the prior written consent of the Corporation and exercised reasonable care in the selection and continued employment of such attorneys or agents.

Section 4.4 Change of Rights Agent.

- (1) The Rights Agent may resign and be discharged from its duties under this Agreement upon at least sixty (60) days' Notice (or such lesser Notice as is acceptable to the Corporation) in writing mailed to the Corporation and to each transfer agent of Voting Shares by registered or certified mail, and to the holders of the Rights in accordance with Section 5.8 (all of which will be at the expense of the Corporation). The Corporation may remove the Rights Agent upon thirty (30) days' Notice in writing, mailed to the Rights Agent and to each transfer agent of the Voting Shares by registered or certified mail and to the holders of the Rights in accordance with Section 5.8.
- (2) If the Rights Agent resigns or is removed or otherwise becomes incapable of acting, the Corporation shall appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of sixty (60) days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder shall, with such Notice, submit such holder's Rights Certificate for inspection by the Corporation), then the Rights Agent or the holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent at the Corporation's expense. Any successor Rights Agent, whether appointed by the Corporation or by such a court, must be a corporation incorporated under the laws of Canada or a province of Canada authorized to carry on the business of a trust company in Canada. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed. The predecessor Rights Agent, upon receiving from the Corporation payment in full of all amounts outstanding under this Agreement, shall deliver and transfer to the

successor Rights Agent any property at the time held by it under this Agreement, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation shall file Notice of such appointment in writing with the predecessor Rights Agent and each transfer agent of the Voting Shares, and mail a Notice of such appointment in writing to the holders of the Rights. The Corporation alone shall bear the cost of giving any Notice required under this Section 4.4. Failure to give any Notice provided for in this Section 4.4 however, or any defect in such Notice, will not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 4.5 Compliance with Money Laundering Legislation

The Rights Agent retains the right not to act and will not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Rights Agent reasonably determines that such an act might cause it to breach any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, if the Rights Agent reasonably determines at any time that its acting under this Agreement has resulted in it breaching any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it may resign on 10 days' written Notice to the Corporation, provided: (i) that the Rights Agent's written Notice must describe the circumstances of such breach; and (ii) that if such circumstances are rectified to the Rights Agent's satisfaction within such 10 day period, then such resignation will not be effective. If the Rights Agent resigns, the Corporation shall use its reasonable efforts to appoint a successor to the Rights Agent and the provisions of Section 4.4(2) will apply *mutatis mutandis*. Following the resignation of the Rights Agent and until the appointment of a successor Rights Agent, the Corporation may act in the capacity of Rights Agent under this Agreement.

Section 4.6 Privacy Provision

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individual's personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Agreement. Despite any other provision of this Agreement, neither party will take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation shall, prior to transferring or causing to be transferred personal information to the Rights Agent, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or will have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Rights Agent shall use commercially reasonable efforts to ensure that its services under this Agreement comply with Privacy Laws.

ARTICLE 5 MISCELLANEOUS

Section 5.1 Redemption and Waiver.

- (1) Subject to the prior consent of the holders of Voting Shares or Rights obtained as set forth in Section 5.4(2) or Section 5.4(3), as applicable, the Board of Directors acting in good faith may, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right (rounded down to the nearest cent for each registered holder of Rights) appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 if an event of the type described in Section 2.3 occurs (such redemption price being referred to in this Agreement as the “**Redemption Price**”).
- (2) Subject to the prior consent of the holders of Voting Shares obtained as set forth in Section 5.4(2), the Board of Directors may, at any time prior to the occurrence of a Flip-in Event as to which the application of Section 3.1 has not been waived pursuant to this Section 5.1, if such Flip-in Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to all registered holders of Voting Shares and otherwise than in the circumstances set forth in Section 5.1(4), waive the application of Section 3.1 to such Flip-in Event. In such event, the Board of Directors shall extend the Separation Time to a date at least ten (10) Business Days subsequent to the meeting of shareholders called to approve such waiver.
- (3) The Board of Directors acting in good faith, may, prior to the occurrence of a Flip-in Event, and upon prior written Notice delivered to the Rights Agent, determine to waive the application of Section 3.1 to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all registered holders of Voting Shares; provided that if the Board of Directors waives the application of Section 3.1 to a particular Flip-in Event pursuant to this Section 5.1(3), the Board of Directors will be deemed to have waived the application of Section 3.1 to any other Flip-in Event occurring by reason of any Take-over Bid made by means of a Take-over Bid circular to all registered holders of Voting Shares prior to the expiry of any Take-over Bid in respect of which a waiver is, or is deemed to have been, granted pursuant to this Section 5.1(3).
- (4) The Board of Directors may, upon prior written Notice delivered to the Rights Agent, waive the application of Section 3.1 in respect of the occurrence of any Flip-in Event if the Board of Directors has determined, following a Share Acquisition Date and prior to the Separation Time, that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and, if the Board of Directors grants such a waiver, such Share Acquisition Date will be deemed not to have occurred. Any such waiver pursuant to this Section 5.1(4) must be on the condition that such Person, within thirty (30) days after the foregoing determination by the Board of Directors or such earlier or later date as the Board of Directors may determine (the “**Disposition Date**”), has reduced its Beneficial Ownership of Voting Shares such that the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the close of business on the

Disposition Date, the Disposition Date will be deemed to be the date of occurrence of a further Share Acquisition Date and Section 3.1 will apply to such Share Acquisition Date.

- (5) The Board of Directors may, prior to the close of business on the tenth (10th) Trading Day following a Share Acquisition Date or such later Trading Day as they may from time to time determine, upon prior written Notice delivered to the Rights Agent, waive the application of Section 3.1 to the related Flip-in Event, provided that the Acquiring Person has reduced its Beneficial Ownership of Voting Shares (or has entered into a contractual arrangement with the Corporation or other undertaking, in a form acceptable to the Board of Directors, to do so within fifteen (15) days of the date on which such contractual arrangement or other undertaking is entered into or such earlier or later date as the Board of Directors may determine) such that at the time the waiver becomes effective pursuant to this Section 5.1(5) such Person is no longer an Acquiring Person. If such a waiver becomes effective prior to the Separation Time, for the purposes of this Agreement, such Flip-in Event will be deemed not to have occurred.
- (6) Where a Person acquires pursuant to a Permitted Bid, a Competing Bid or an Exempt Acquisition under Section 5.1(3) above, outstanding Voting Shares, then the Corporation shall immediately upon the consummation of such acquisition redeem the Rights at the Redemption Price.
- (7) If the Corporation is obligated under Section 5.1(6) above to redeem the Rights, or if the Board of Directors elects under Section 5.1(1) above or Section 5.1(9) below to redeem the Rights, the right to exercise the Rights will, upon such redemption, without further action and without Notice, terminate and each Right will after redemption be null and void and the only right after redemption of the holders of Rights will be to receive the Redemption Price.
- (8) Within ten (10) days after the Corporation is obligated under Section 5.1(6) above to redeem the Rights, or the Board of Directors elects under Section 5.1(1) above or Section 5.1(9) below to redeem the Rights, the Corporation shall give Notice of redemption to the holders of the then outstanding Rights by mailing such Notice to all such holders at their last address as they appear upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any Notice which is mailed in the manner provided in this Agreement will be deemed given, whether or not the holder receives the Notice. Each such Notice of redemption must state the method by which the payment of the Redemption Price will be made. The Corporation shall not redeem, acquire or purchase for value any Rights at any time in any manner other than that specifically set forth in this Section 5.1 and other than in connection with the purchase of Common Shares prior to the Separation Time.
- (9) Where a Take-over Bid that is not a Permitted Bid Acquisition is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

- (10) Notwithstanding the Rights being redeemed pursuant to Section 5.1(9) above, all the provisions of this Agreement will continue to apply as if the Separation Time had not occurred and Rights Certificates representing the number of Rights held by each holder of record of Common Shares as of the Separation Time had not been mailed to each such holder and for all purposes of this Agreement the Separation Time will be deemed not to have occurred and the Rights will remain attached to outstanding Common Shares, subject to and in accordance with the provisions of this Agreement.

Section 5.2 Expiration.

No person will have any rights whatsoever pursuant to or arising out of this Agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in Section 4.1(1).

Section 5.3 Issuance of New Rights Certificates.

Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Corporation may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved by its Board of Directors to reflect any adjustment or change in the number or kind or class of shares purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

Section 5.4 Supplements and Amendments.

- (1) The Corporation may, prior to any shareholders' meeting called to approve this Agreement, supplement, amend or amend and restate this Agreement without the approval of any holder of Rights or Voting Shares. Thereafter, the Corporation may from time to time supplement, amend or amend and restate this Agreement without the approval of any holders of Rights or Voting Shares to correct any clerical or typographical error or to maintain the validity of the Agreement as a result of a change in, or in the interpretation of, any applicable legislation, regulations or rules, including the rules of any applicable stock exchange.

Notwithstanding anything in this Section 5.4 to the contrary, the Corporation shall not supplement, amend, or amend and restate any provision of Article 4 except with the written concurrence of the Rights Agent to such supplement, amendment, or amendment and restatement.

- (2) Subject to Section 5.4(1) above, the Corporation may, with the prior consent of the holders of the Voting Shares obtained as set forth below, at any time prior to the Separation Time amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent will be deemed to have been given if provided by the holders of Voting Shares at a meeting of the holders of Voting Shares. The Corporation shall call and hold such meeting in compliance with applicable laws and regulatory requirements and the requirements in the articles and by-laws of the Corporation. Subject to compliance with any requirements imposed by the foregoing, consent will be deemed to have been given if the proposed amendment, variation or

rescission is approved by the affirmative vote of a majority of the votes cast by all holders of Voting Shares, voting together as a single class (other than any holder of Voting Shares who is an Offeror pursuant to a Take-over Bid that is not a Permitted Bid or Competing Bid with respect to all Voting Shares Beneficially Owned by such Person), represented in person or by proxy at the meeting.

- (3) The Corporation may, with the prior consent of the holders of Rights, at any time after the Separation Time and before the Expiration Time, amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally).
- (4) Any consent or approval of the holders of Rights will be deemed to have been given if the action requiring such approval is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect of such action. For the purposes of this Agreement, each outstanding Right (other than Rights which are void pursuant to the provisions of this Agreement) will be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting will be those, as nearly as may be, which are provided in the Corporation's by-laws and the ABCA with respect to a meeting of shareholders of the Corporation.
- (5) The Corporation shall provide the Rights Agent with Notice in writing of any such amendment, variation or deletion to this Agreement as referred to in this Section 5.4 within five (5) days of effecting such amendment, variation or deletion.
- (6) If the Corporation makes any supplements, amendments, or amendments and restatements to this Agreement pursuant to Section 5.4(1) above which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation or regulations or rules, the Corporation shall:
 - (a) if made before the Separation Time, submit such supplement, amendment, or amendment and restatement to the shareholders of the Corporation at the next meeting of shareholders and the shareholders may, by the majority referred to in Section 5.4(2) above, confirm or reject such supplement, amendment, or amendment and restatement; and
 - (b) if made after the Separation Time, submit such supplement, amendment, or amendment and restatement to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights may, by resolution passed by the majority referred to in Section 5.4(4) above, confirm or reject such supplement, amendment, or amendment and restatement.

A supplement, amendment, or amendment and restatement of the nature referred to in this Section 5.4(6) will be effective from the date of the resolution of the Board of Directors adopting such supplement, amendment, or amendment and restatement until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such supplement, amendment, or amendment and restatement is

confirmed, it continues in effect in the form so confirmed. If such supplement, amendment, or amendment and restatement is rejected by the shareholders or the holders of Rights or is not submitted to the shareholders or holders of Rights as required, then such supplement, amendment, or amendment and restatement will cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board of Directors to amend, vary or delete any provision of this Agreement to substantially the same effect will be effective until confirmed by the shareholders or holders of Rights, as the case may be.

Section 5.5 Fractional Rights and Fractional Common Shares.

- (1) The Corporation is not required to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights. Any such fractional Right will be null and void and the Corporation has no obligation or liability in respect of such fractional Rights.
- (2) The Corporation is not required to issue fractions of Common Shares or other securities upon exercise of the Rights or to distribute certificates which evidence fractional Common Shares or other securities. In lieu of issuing fractional Common Shares or other securities, the Corporation shall pay to the registered holders of Rights Certificates at the time such Rights are exercised as provided in this Agreement, an amount in cash equal to the same fraction of the Market Price of one Common Share. The Rights Agent has no obligation to make any payments in lieu of fractional Common Shares unless the Corporation has provided the Rights Agent with the necessary funds to pay in full all amounts payable in accordance with Section 2.2(5).

Section 5.6 Rights of Action.

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective registered holders of the Rights. Any registered holder of any Rights, without the consent of the Rights Agent or of the registered holder of any other Rights, may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights, enforce, institute and maintain any suit, action or proceeding against the Corporation to enforce such holder's right to exercise such holder's Rights in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person (including, for greater certainty, an Acquiring Person) subject to, this Agreement.

Section 5.7 Notice of Proposed Actions.

If the Corporation proposes after the Separation Time and prior to the Expiration Time to effect the liquidation, dissolution or winding-up of the Corporation or the sale of all or

substantially all of the Corporation's assets, then, in each such case, the Corporation shall give to each holder of a Right, in accordance with Section 5.8, a Notice of such proposed action specifying the date on which such liquidation, dissolution, winding up, or sale is to take place. The Corporation shall give such Notice at least twenty (20) Business Days prior to the date of taking of such proposed action.

Section 5.8 Notices.

- (1) Any notice, direction, demand or other communication (a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by email) and addressed:

- (a) to the Corporation at:

McCoy Global Inc.
#301, 9618 – 42nd Avenue
Edmonton, AB T6E 5Y4

Attention: Chief Executive Officer
Facsimile: (780) 453-8756

- (b) to the Rights Agent at:

Valiant Trust Company
#310, 606 4th Street S.W.
Calgary, AB T2P 1T1

Attention: General Manager
Facsimile: (403) 233-2857

A Notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (ii) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a Notice will be assumed not to be changed.

- (2) Any Notice given or made by the Corporation or the Rights Agent to or on the holder of any Rights will be sufficiently given or made if delivered or sent by personal delivery, courier or facsimile (but not by email), addressed to such holder at the address of such holder as it appears upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any Notice which is mailed

in the manner herein provided will be deemed given, whether or not the holder receives the Notice.

Section 5.9 Successors.

All the covenants and provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent bind and enure to the benefit of their respective successors, legal representatives and permitted assigns.

Section 5.10 Benefits of this Agreement.

Nothing in this Agreement will be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement. This Agreement is for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights.

Section 5.11 Governing Law.

This Agreement and each Right issued under it will be deemed to be a contract made under the laws of the province of Alberta and for all purposes will be governed by, interpreted and construed in accordance with the laws of the province of Alberta and the federal laws of Canada applicable therein.

Section 5.12 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 5.13 Effective Date.

This Agreement is effective and in full force and effect in accordance with its terms and conditions as of and from the date hereof (the “**Effective Date**”). This Agreement and all outstanding Rights terminate and are void and of no further force and effect on and from the Expiration Time.

If this Agreement is not confirmed by a majority of the votes cast by holders of Voting Shares (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed) who vote in respect of confirmation of this agreement at the Corporation’s annual and special meeting of shareholders currently scheduled for May 14, 2015, or any adjournment of such meeting, then this Agreement and all outstanding Rights will terminate and will be void and of no further force and effect from the close of business (Calgary time) on the date of such shareholder meeting or adjournment of such meeting (if adjourned).

Section 5.14 Determinations and Actions by the Board of Directors.

All actions, calculations and determinations (including all omissions with respect to the foregoing) which are done or made by the Board of Directors, in good faith, in relation to or in connection with this Agreement, will not subject the Board of Directors or any director of the Corporation to any liability to the holders of the Rights.

Section 5.15 Rights of Board, Corporation and Offeror.

Without limiting the generality of the foregoing, nothing in this Agreement will be construed to suggest or imply that the Board of Directors is not entitled to recommend that holders of Voting Shares reject or accept any Take-over Bid or take any other action (including, without limitation, the commencement, prosecution, defence or settlement of any litigation and the submission of additional or alternative Take-over Bids or other proposals to the holders of Voting Shares) with respect to any Take-over Bid or otherwise that the Board of Directors believes is necessary or appropriate in the exercise of its fiduciary duties.

Section 5.16 Regulatory Approvals.

This Agreement is subject in any jurisdiction to the receipt of any required prior or subsequent approval or consent from any governmental or regulatory authority in such jurisdiction including any securities regulatory authority or stock exchange.

Section 5.17 Declaration as to Non-Canadian and Non-U.S. Holders.

If in the opinion of the Board of Directors (who may rely upon the advice of counsel) any action or event contemplated by this Agreement would require compliance with the securities laws or comparable legislation of a jurisdiction outside Canada and the United States, the Board of Directors acting in good faith may take such actions as it may deem appropriate to ensure such compliance. In no event will the Corporation or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction, other than Canada or the United States, in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes, or (until such notice is given as required by law) without advance notice to any regulatory or self-regulatory body.

Section 5.18 Time of the Essence.

Time is of the essence in this Agreement.

Section 5.19 Counterparts.

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

MCCOY GLOBAL INC.

By: (signed) "Jim Rakievich"
Authorized Signing Officer

By: (signed) "Jacob Coonan"
Authorized Signing Officer

VALIANT TRUST COMPANY

By: (signed) "Jacqueline Fisher"
Authorized Signing Officer

By: (signed) "Gail Hibbs"
Authorized Signing Officer

SCHEDULE 2.2(3)

FORM OF RIGHTS CERTIFICATE

Certificate No. _____

_____ Rights

THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE CORPORATION, ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SECTION 3.1(2) OF THE RIGHTS AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON, ANY PERSON ACTING JOINTLY OR IN CONCERT WITH AN ACQUIRING PERSON OR THEIR RESPECTIVE ASSOCIATES AND AFFILIATES (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT) AND THEIR RESPECTIVE TRANSFEREES WILL BECOME VOID WITHOUT ANY FURTHER ACTION.

RIGHTS CERTIFICATE

This certifies that _____ or registered assigns, is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Shareholder Rights Plan Agreement dated April 2, 2015, as amended and restated from time to time (the "**Rights Agreement**"), between McCoy Global Inc., a corporation incorporated under the laws of Alberta (the "**Corporation**"), and Valiant Trust Company, a trust company continued under the laws of Canada, as rights agent (the "**Rights Agent**", which term shall include any successor Rights Agent under the Rights Agreement) to purchase from the Corporation at any time after the Separation Time (as such term is defined in the Rights Agreement) and prior to the Expiration Time (as such term is defined in the Rights Agreement) (or such earlier expiration time as is provided in the Rights Agreement), one fully paid and non-assessable Common Share of the Corporation (a "**Common Share**") at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate together with the Form of Election to Exercise duly executed and submitted to the Rights Agent at its principal offices in the City of Calgary. The Exercise Price will initially be \$100.00 (Canadian) per Right and will be subject to adjustment in certain events as provided in the Rights Agreement.

In certain circumstances described in the Rights Agreement, each Right evidenced by this Rights Certificate may entitle the registered holder thereof to purchase or receive assets, debt securities or other equity securities of the Corporation (or a combination thereof) all as provided in the Rights Agreement.

This Rights Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are incorporated by reference in and made a part of this Rights Certificate. Reference is made to the Rights Agreement for a full description of the rights, limitations of rights, obligations, duties and immunities of the Rights Agent, the Corporation and the holders of the Rights. Copies of the Rights Agreement are on file at the registered head office of the Corporation and are available upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights entitling the holder to purchase a like aggregate number of Common Shares as the Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate is exercised in part, the registered holder will be entitled to receive, upon surrender of this Rights Certificate, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Rights Certificate may be, and under certain circumstances are required to be, redeemed by the Corporation at a redemption price of \$0.00001 per Right.

No fractional Common Shares will be issued upon the exercise of any Right or Rights evidenced by this Rights Certificate.

No holder of this Rights Certificate, as such, is entitled to vote, receive dividends or be deemed for any purpose the holder of Common Shares or of any other securities of the Corporation which may at any time be issuable upon the exercise of this Rights Certificate. Nothing contained in the Rights Agreement or in this Rights Certificate will be construed to confer upon the holder of this Rights Certificate any of the rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders of the Corporation at any shareholder meeting, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders of the Corporation (except as expressly provided in the Rights Agreement), or to receive dividends, distributions or subscription rights, or otherwise until the Rights evidenced by this Rights Certificate are exercised as provided in the Rights Agreement.

This Rights Certificate is not valid or obligatory for any purpose until it has been manually countersigned by the Rights Agent.

[Signature page follows]

WITNESS the facsimile signature of the proper officers of the Corporation.

Dated ●

MCCOY GLOBAL INC.

By: _____
Authorized Signing Officer

VALIANT TRUST COMPANY

By: _____
Authorized Signing Officer

(To be attached to each Rights Certificate)

FORM OF ELECTION TO EXERCISE

TO: MCCOY GLOBAL INC.

The undersigned hereby irrevocably elects to exercise _____ whole Rights represented by the attached Rights Certificate to purchase the Common Shares issuable upon the exercise of such Rights and requests that certificates for such Common Shares be issued to:

(NAME)

(ADDRESS)

(CITY AND STATE OR PROVINCE)

If such number of Rights is not all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights will be registered in the name of and delivered to:

(NAME)

(ADDRESS)

(CITY AND STATE OR PROVINCE)

SOCIAL INSURANCE, SOCIAL SECURITY OR OTHER TAXPAYER NUMBER

Dated _____

Signature Guaranteed

Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by an – “Eligible Institution” i.e. a Canadian Schedule 1 chartered bank, a major trust company in Canada, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada and the United States, members of the Investment Industry Regulatory Organization of Canada (IIROC), members of the National Association of Securities Dealers, or of banks and trust companies in the United States.

To be completed if true

The undersigned hereby represents, for the benefit of all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, any Affiliate or Associate of such Acquiring Person or any Person acting jointly or in concert with the Acquiring Person, or with any Affiliate or Associate of the Acquiring Person, or any Affiliate or Associate of such Persons so acting jointly or in concert (each as defined in the Rights Agreement).

Signature

NOTICE

If the certification set forth in the Form of Election to Exercise is not completed, the Corporation will deem the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate of an Acquiring Person (each as defined in the Rights Agreement) and accordingly such Rights will be null and void.

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Rights Certificate)

FOR VALUE RECEIVED _____ hereby sells,

assigns and transfers to _____

(Please print name and address of transferee)

the Rights represented by this Rights Certificate, together with all right, title and interest in such Rights and hereby irrevocably constitutes and appoints _____ as attorney to transfer the within Rights on the books of the Corporation, with full power of substitution.

Dated _____

Signature Guaranteed

Signature

(Signature must correspond to name as written on the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by an – “Eligible Institution” i.e., a Canadian Schedule 1 chartered bank, a major trust company in Canada, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada and the United States, Investment Industry Regulatory Organization of Canada (IIROC), members of the National Association of Securities Dealers, or banks and trust companies in the United States.

To be completed if true

The undersigned hereby represents, for the benefit of all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, any Affiliate or Associate of such Acquiring Person or any Person acting jointly or in concert with the Acquiring Person, or with any Affiliate or Associate of the Acquiring Person, or any Affiliate or Associate of such Persons so acting jointly or in concert (each as defined in the Rights Agreement).

Signature

NOTICE

If the certification set forth in the Form of Assignment is not completed, the Corporation will deem the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate of an Acquiring Person (each as defined in the Rights Agreement) and accordingly such Rights will be null and void.

SCHEDULE C
STOCK OPTION PLAN

Please See Attached.

STOCK OPTION PLAN (2011)

Dated March 19, 2011; As Amended February 9, ~~2012 and 2012~~, May 22, 2014 and March 11, 2015

1. INTRODUCTION

1.1 Purpose

The purpose of the Stock Option Plan (2011) (the "Plan") is to, among other things, secure for the Corporation and its shareholders the benefits of incentives inherent in share ownership by the directors, management and employees of the Corporation and other eligible persons who, in the judgment of the Board, will be largely responsible for its future growth and success. It is generally recognized that a stock option plan of the nature provided for herein aids in retaining and encouraging directors, management, employees and others of exceptional ability because of the opportunity offered them to acquire a proprietary interest in the Corporation.

1.2 2008 Stock Option Plan

Upon receipt of all approvals that may be required pursuant to Section 3.6 hereof, the Plan will replace the Stock Option Plan (2008) of the Corporation and on the date of receipt of all such approvals, the Stock Option Plan (2008) will be of no further force and effect. All options and stock option agreements issued under the Stock Option Plan (2008) shall thereafter be deemed to be issued under the Plan and thereafter shall be governed under the Plan.

1.3 Definitions

Whenever used herein, the following words and expressions shall have the following meanings, namely:

- (a) ~~(a)~~ "Black Out Period" means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any policy of the Corporation respecting restrictions on trading that is in effect at that time;
- (b) ~~(b)~~ "Board" means, subject to Section 2.1, the board of directors of the Corporation as it may be constituted from time to time;
- (c) "Change of Control Event" means:
 - (i) a transaction or series of transactions resulting in the sale, transfer, conveyance, lease or exchange by the Corporation of all or substantially all of its assets;
 - (ii) the acceptance by the Corporation's shareholders of any offer, whether by way of a takeover bid or otherwise, representing in the aggregate fifty percent (50%) or more of all of the issued and outstanding Shares;
 - (iii) a transaction or series of transactions resulting in the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Shares acquired), directly or indirectly, of beneficial ownership of such number of Shares or rights to Shares, which together with such person's then-owned Shares and rights to Shares, if any, represent (assuming the full exercise of such rights) fifty percent (50%) or more of the combined voting rights attached to the then-outstanding Shares;
 - (iv) the entering into of any agreement by the Corporation to merge, consolidate, restructure, amalgamate, initiate an arrangement or be absorbed by, into or with another corporation which is not an affiliate (as defined under applicable securities laws) of the Corporation;
 - (v) the circumstance in which individuals who were members of the Board immediately prior to a meeting of the shareholders involving a contest for the

election of directors no longer constitute a majority of the Board following such election; or

(vi) such other transaction or series of transactions which the Board, acting reasonably, by resolution deems to be a Change of Control Event;

- (d) ~~(e)~~ —“Compensation Committee” means the compensation committee selected by the Board and having no less than three members;
- (e) ~~(d)~~ —“Corporation” means McCoy ~~Corporation~~ Global Inc., a corporation incorporated under the laws of Alberta;
- (f) ~~(e)~~ —“Eligible Directors” means the directors of the Corporation or any of its ~~subsidiaries~~ Subsidiaries;
- (g) ~~(f)~~ —“Eligible Employees” means key employees of the Corporation or any of its ~~subsidiaries including officers, whether or not directors, and~~ Subsidiaries including both full-time and part-time employees, whether or not they have a written employment contract with the Corporation;
- (h) ~~(g)~~ —“Eligible Members of Management” means the ~~officers, whether or not directors, of the Corporation or any of its Subsidiaries including the~~ president, chief executive officer, chief operating officer, chief financial officer, any vice-president, the secretary, the treasurer or the general manager of the Corporation or any of its ~~subsidiaries~~ Subsidiaries;
- (i) ~~(h)~~ —“Eligible Service Providers” means persons or companies engaged to provide ongoing management, consulting or other services for the Corporation or any of its ~~subsidiaries~~ Subsidiaries for an initial, renewable or extended period of twelve months or more;
- (j) ~~(i)~~ —“Exchange” means The Toronto Stock Exchange;
- (k) ~~(j)~~ —“Insider” of the Corporation means an “insider” as defined in the TSX Company Manual, and more specifically, an “insider” for the purposes of Section 613 of the TSX Company Manual;
- (l) ~~(k)~~ —“~~Major~~ Subsidiary” means a ~~major~~ subsidiary as defined in National Instrument ~~55-104~~ 45-106 – Prospectus and Registration Exemptions;
- (m) ~~(l)~~ —“Option” means an option granted under the terms of the Stock Option Plan;
- (n) ~~(m)~~ —“Option Period” means the period during which an Option may be exercised;
- (o) ~~(n)~~ —“Optionee” means an Eligible Employee, Eligible Director, Eligible Member of Management or Eligible Service Provider to whom an Option has been granted under the terms of the Stock Option Plan;
- (p) ~~(o)~~ —“Participant” means, in respect of the Plan, an Eligible Employee, Eligible Director, Eligible Member of Management or Eligible Service Provider who elects to participate in the Plan;
- (q) ~~(p)~~ —“Security Based Compensation Arrangements” means, collectively, stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanism involving, in each case, the issuance from treasury or potential issuance from treasury of Shares or other securities of the Corporation to one or more eligible persons, including a purchase of Shares from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (r) ~~(q)~~ —“Stock Option Agreement” means an agreement entered into pursuant to Section 2.5 hereof;
- (s) ~~(r)~~ —“Stock Option Plan” or “Plan” means the plan established and operated pursuant to Part 2 hereof; and
- (t) ~~(s)~~ —“~~Shares~~” means the ~~Common Shares of the Corporation from time to time authorized by the constating documents of the Corporation~~ “Shares” means the common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified.

2. STOCK OPTION PLAN

2.1 Administration

The Plan shall be administered by the Board and all costs in respect thereof shall be paid by the Corporation. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to the Compensation Committee or such other committee of the directors appointed by the Board. Whenever used herein, the term "Board" shall be deemed to include the Compensation Committee or such other committee to which the Board has, fully or partially, delegated the administration and operation of this Plan pursuant to this Section 2.1.

2.2 Participation

Options shall be granted only to Eligible Employees, Eligible Directors, Eligible Members of Management and Eligible Service Providers.

2.3 Determination of Option Recipients

The Board shall make all necessary or desirable determinations regarding the granting of Options to Eligible Employees, Eligible Directors, Eligible Members of Management and Eligible Service Providers and may take into consideration the present and potential contributions of a particular Eligible Employee, Eligible Director, Eligible Member of Management or Eligible Service Provider to the success of the Corporation and any other factors which it may deem proper and relevant.

2.4 Price

The exercise price per Share shall be determined from time to time by the Board but, in any event, shall not be lower than the closing market price of the Shares on the Exchange on the last trading day preceding the date of grant. In the event that no trades of the Shares have taken place on the Exchange on any trading day within a five day period immediately preceding the date of grant, the Board may, in their sole discretion, select as the exercise price per Share the weighted average trading price of the Shares on the Exchange over the last ten trading days on which the Shares traded on the Exchange immediately preceding the date of the grant.

Except as may be permitted by the Exchange, an exercise price may not be set when material information relating to the Corporation of which management of the Corporation and/or the Board is aware has not been disclosed to the public.

Once the exercise price has been determined by the Board and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that the exercise price of an option which benefits an Insider of the Corporation may only be reduced if disinterested shareholder approval is obtained.

2.5 Grant of Options

The Board may at any time authorize the granting of Options to such Eligible Employees, Eligible Directors, Eligible Members of Management and Eligible Service Providers as it may select for the number of Shares that it shall designate, subject to the provisions of the Plan.

Each Option granted to an Optionee shall be evidenced by a Stock Option Agreement with terms and conditions consistent with the Plan and as approved by the Board (which terms and conditions need not be the same in each case and may be changed from time to time). Until such time as the Board shall otherwise determine, and subject to the provisions of Section 3.9 hereof, the form of Stock Option Agreement adopted for use hereunder shall be that which is attached hereto as Schedule "A".

2.6 Terms of Options

The Option Period for Options granted to Eligible Directors, Eligible Employees ~~and~~ Eligible Members of Management and Eligible Service Providers shall be of such length as is determined by the Board but in any event shall not exceed a period of ~~five(i) ten (5)10~~ years commencing on the date such Option is granted, ~~and may also be reduced with respect to any such Option as provided in Section 2.8 hereof. The Option Period for Options granted to Eligible Service Providers shall be of such length as is determined by the Board but in any event shall not exceed a period of~~ for all Options granted on or after March 11, 2015, or (ii)

five (5) years commencing on the date ~~the~~such Option is granted ~~and for all Options granted on or before March 10, 2015, and, in each case,~~ may also be reduced with respect to any such Option as provided in Section 2.8 hereof.

The expiry date set out in the Stock Option Agreement which benefits an Insider of the Corporation may only be extended if disinterested shareholder approval is obtained.

Subject to the other terms and conditions of this Plan, Options may be exercised in whole or in part at any time during the Option Period.

Should the expiry date of an Option fall within a Black Out Period or within nine Business Days following the expiration of a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black Out Period, such tenth Business Day to be considered the expiry date for such Option for all purposes under the Plan. Notwithstanding Article 3.9 below, the ten Business Day period referred to in this paragraph may not be extended by the Board.

Except as set forth in Section 2.8, no Option may be exercised by an Optionee unless the Optionee is, at the time of such exercise:

- (a) in the case of an ~~employee~~Eligible Employee, in the employ of the Corporation or one of its ~~subsidiaries~~Subsidiaries and shall have been continuously so employed since the date of his Option, but absence on leave, having the approval of the Corporation, shall not be considered an interruption of employment for any purpose of the Plan;
- (b) in the case of ~~a director~~an Eligible Director, a director of the Corporation or one of its ~~subsidiaries~~Subsidiaries and shall have been such a director continuously since the grant of his Option; or
- (c) in the case of an ~~officer~~Eligible Member of Management, an officer of the Corporation or one of its ~~subsidiaries~~Subsidiaries and shall have been such an officer continuously since the grant of his Option;

provided, however, that Optionees who were granted Options by virtue of being Eligible Service Providers (and not in their capacity as Eligible Directors, Eligible Employees or Eligible Members of Management) at the time of such grant shall not be subject to the restrictions set out in (a), (b) or (c) of this Section 2.6.

The exercise of any Option will be contingent upon receipt by the Corporation of cash payment of the full purchase price for the Shares being purchased. No Optionee or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares subject to an Option, unless and until certificates for such Shares are issued to him or them under the terms of the Plan. Notwithstanding the foregoing, the purchase price may be paid by the Optionee's (i) irrevocable instructions to the Corporation to deliver the Shares issuable upon exercise of the Option promptly to a broker (acceptable to the Corporation) for the Optionee's account, and (ii) irrevocable instructions to the broker to sell Shares sufficient to pay the full purchase price (plus any amount required to be withheld by applicable law) and upon such sale to deliver the full purchase price (plus any amount required to be withheld by applicable law) to the Corporation.

2.7 Lapsed Option

If Options are surrendered, terminated or expire without being exercised in whole or in part, new Options may be granted covering the Shares not purchased under such lapsed Options to the extent permitted by the Exchange.

2.8 Effect of Termination of Service or Death

- (a) If an Optionee shall die while he is an Eligible Employee, Eligible Director or Eligible Member of Management or during the 90 day period of time prescribed set forth in (c) of this Section 2.8, any vested Option held by the Optionee at the date of death shall be exercisable, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution. All such Options shall be exercisable only for six months after the date of death or prior to the expiration of the Option Period in respect thereof, whichever is sooner.

- (b) If an Optionee is terminated for cause by the Corporation from his position as an Eligible Service Provider, Eligible Director, Eligible Employee or Eligible Member of Management, no Option held by such Optionee may be exercised following the date of termination.
- (c) If an Optionee ceases to be an Eligible Service Provider, Eligible Director, Eligible Employee or Eligible Member of Management for any reason other than termination for cause or death, then the vested Options held by such Optionee at the effective date thereof (the "Cessation Date") shall be exercisable for a period of 90 days thereafter except that, in the discretion of the Corporation:
 - (i) the exercise period may be extended for a maximum term expiring the earlier of the expiry of the Option Period and one year from the Cessation Date, in the case of Eligible Directors, Eligible Service Providers and Eligible Members of Management that are not employed by the Corporation and any of its ~~subsidiaries~~Subsidiaries; and
 - (ii) the exercise period may be extended for a maximum term expiring the earlier of the expiry of the Option Period and three years from the Cessation Date, in the case of Eligible Employees and Eligible Members of Management that are employed by the Corporation and any of its ~~subsidiaries~~Subsidiaries.

The Plan does not confer upon a Participant any right with respect to continuation of employment by the Corporation or any Subsidiary, nor does it interfere or affect in any way the right of the Participant, the Corporation or the Subsidiary to terminate the Participant's employment or other relationships with the Corporation or any Subsidiary at any time.

Options shall not be affected by any change of status of the Participant where the Participant continues to be a director, officer, employee or consultant of the Corporation or any of its Subsidiaries.

2.9 ~~Effect of Takeover Bid~~Change of Control Event

~~_____ If a bona fide offer (the "Offer") for Shares is made to the Optionee or to shareholders of the Corporation generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or part, would result in the offeror exercising control over the Corporation within the meaning of the Securities Act (Ontario), then the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee currently holding an Option of the Offer, with full particulars thereof; whereupon, notwithstanding the applicability, if any, of Section 2.6 hereof, such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "Optioned Shares") pursuant to the Offer. If:~~

- ~~(a) _____ the Offer is withdrawn by the offeror; or~~
- ~~(b) _____ the Optionee does not tender the Optioned Shares pursuant to the Offer; or~~
- ~~(c) _____ all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror in respect thereof;~~

~~then the Optioned Shares or, in the case of subsection (c) above, the Optioned Shares that are not taken up and paid for, shall be returned by the Optionee to the Corporation and reinstated as authorized but unissued Shares and the terms of the Option as set forth in Section 2.6, if applicable shall again apply to the Option. If any Optioned Shares are returned to the Corporation under this Section, the Corporation shall refund the exercise price to the Optionee for such Optioned Shares. In no event shall the Optionee be entitled to sell the Optioned Shares otherwise than pursuant to the Offer.~~

~~2.10~~ Effect of Amalgamation, Consolidation or Merger

~~If the Corporation amalgamates, consolidates with or merges with or into another corporation, any Shares receivable on the exercise of an Option shall be converted into the consolidation or merger if the Participant had exercised his Option immediately prior to the record date applicable to such amalgamation, consolidation or merger, and the Option price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of the Plan.~~

Notwithstanding any other provision of this Plan, in the event of a Change of Control Event, the vesting of Options and the time for the fulfillment of any conditions or restrictions on such vesting shall be automatically accelerated to a date or time prior to the effective time of the Change of Control Event without any further action on the part of the Board, and any Options not exercised or surrendered by the effective time of the Change of Control Event shall be deemed to have expired. Notwithstanding anything else to the contrary contained in this Plan, the Board shall have the power, in its sole discretion, in any Change of Control Event which may or has occurred, to make such arrangements as it shall deem appropriate for the exercise of outstanding Options including, without limitation, to modify the terms of this Plan and/or the Options. If the Board exercises such power, the Options shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to or in conjunction with completion of the Change of Control Event.

2.10 ~~2.11~~ Adjustment in Shares Subject to the Plan

If there is any change in the Shares through a consolidation, subdivision or reclassification of Shares, or otherwise, the number of Shares available under the Plan, the Shares subject to any Option, and the ~~purchase~~exercise price thereof shall be adjusted appropriately by the Board and such adjustment shall be effective and binding for all purposes of the Plan.

2.11 ~~2.12~~ Loans to Optionees

Subject to the *Business Corporations Act* (Alberta) or any other laws applicable to the Corporation, the Board may at any time authorize the Corporation to loan money to any Optionee on such terms and conditions (including without limiting the generality of the foregoing, terms and conditions respecting whether such loan shall be made with or without recourse and whether and at what rate interest shall be payable thereon) as the Board in its sole discretion may determine, to assist such Optionee to exercise an Option held by him.

2.12 ~~2.13~~ Approval

The terms of the Options granted from time to time hereunder, and the Optionees to whom Options are granted, are subject to the Exchange accepting notice of such terms and proposed Optionees (if such acceptance is required by the Exchange).

3. GENERAL

3.1 Number of Shares

The aggregate number of Shares issuable under the Plan together with all other Security Based Compensation Arrangements shall not exceed 10% of the issued and outstanding ~~common shares in the capital of the Corporation~~Shares from time to time on a non-diluted basis.

3.2 Restrictions on the Granting of Options and the Issuance of Shares

The following restrictions apply to the grant of Options under the Plan:

- (a) the aggregate number of Shares reserved for issuance to any one person under the Plan, together with all other Security Based Compensation Arrangements ~~of the Corporation~~, must not exceed 5% of the then outstanding Shares (on a non-diluted basis);
- (b) in the aggregate, no more than 10% of the issued and outstanding Shares (on a non-diluted basis) may be reserved at any time for Insiders under ~~the Plan, together with~~ all Security Based Compensation Arrangements ~~of, including~~ the Corporation Plan; and
- (c) the number of securities of the Corporation issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, including the Plan, cannot exceed 10% of the issued and outstanding ~~Common Shares~~ (on a non-diluted basis).

Subject to the receipt of all necessary ~~regulatory~~Exchange and shareholder approvals, the restrictions set forth in paragraphs (a), (b) and (c) above may be exceeded at the discretion of the Board.

For the purposes of determining compliance with the restrictions set forth in ~~sub-Sections~~paragraphs (a), (b) and ~~(b)~~ above, Shares reserved or issued pursuant to Options shall be considered together with

Shares reserved or issued pursuant to all of the Corporation's previously established or proposed Security Based Compensation Arrangements.

3.3 Transferability

Subject to the consent of the Board, all benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable unless specifically provided herein. During the lifetime of a Participant all benefits and rights set out in a Stock Option Agreement and the associated Options may only be exercised by the Participant, or by the approved transferee of the Participant.

3.4 Employment

Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continuance of employment with the Corporation or interfere in any way with the right of the Corporation to terminate the Participant's employment at any time. Participation in the Plan by a Participant is voluntary.

3.5 Record Keeping

The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Options granted to a Participant and the number of Options outstanding.

3.6 Necessary Approvals

The Plan shall be effective only upon the approval of the Exchange and, if required by the Exchange, of the shareholders of the Corporation in the manner prescribed by the Exchange from time to time.

The obligation of the Corporation to sell and deliver Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction and/or the Exchange which may be required in connection with the authorization, issuance or sale of such Shares by the Corporation. If any Shares cannot be issued to any Participant for any reason including, without limitation, the failure to obtain such approval, then the obligation of the Corporation to issue such Shares shall terminate and any Option price paid to the Corporation shall be returned to the Participant.

3.7 Interpretation of the Plan

The Board is authorized to interpret the Plan from time to time and to adopt, amend and rescind rules and regulations for carrying out the Plan. The interpretation and construction of any provision of the Plan by the Board shall be final and conclusive.

3.8 Withholding Taxes

The Corporation shall have the authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by the Optionee to the Corporation, of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with this Plan, or any issuance of Shares. Without limiting the generality of the foregoing, the Corporation may, in its sole discretion:

- (a) deduct and withhold additional amounts from other amounts payable to an Optionee;
- (b) require, as a condition of the issuance of Shares to an Optionee that the Optionee make a cash payment to the Corporation equal to the amount, in the Corporation's opinion, required to be withheld and remitted by the Corporation for the account of the Optionee to the appropriate governmental authority and the Corporation, in its discretion, may withhold the issuance or delivery of Shares until the Optionee makes such payment; or
- (c) sell, on behalf of the Optionee, all or any portion of Shares otherwise deliverable to the Optionee until the net proceeds of sale equal or exceed the amount which, in the Corporation's opinion, would satisfy any and all withholding taxes and other source deductions for the account of the Optionee.

3.9 Amendment or Discontinuance of the Plan

The Board may terminate or discontinue the Plan at any time without the consent of the Participants provided that such termination or discontinuance shall not alter or impair any Option previously granted under the Plan.

The Board may by resolution amend this Plan and any Options granted under it without shareholder approval, however, the Board will not be entitled, in the absence of shareholder and Exchange approval, to:

- (a) reduce the exercise price of an Option held by an Insider of the Corporation;
- (b) extend the expiry date of an Option held by an Insider of the Corporation (subject to such date being extended by virtue of paragraph 2.6 above);
- (c) amend the limitations on the maximum number of Common Shares reserved or issued to Insiders under paragraphs 3.2(a) and 3.2(b) hereof;
- (d) increase the maximum number of Common Shares issuable pursuant to this Plan; or
- (e) amend the amendment provisions of this Plan under this Article 3.9.

Where shareholder approval is sought for amendments under subsections (a), (b) and (c) above, the votes attached to Common Shares held directly or indirectly by Insiders benefiting from the amendments will be excluded.

3.10 No Representation or Warranty

The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

3.11 Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

3.12 Governing Law

Except as otherwise set forth herein, the Plan shall be governed by the laws of the Province of Alberta excluding any conflicts of law, rule or principle which might refer such construction to the laws of another jurisdiction.

3.13 Interpretation

Words used herein importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

3.14 Compliance with Applicable Law, etc.

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any law or any order, policy, by-law or regulation of the Exchange or any regulatory body having authority over the Corporation or the Plan then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

SCHEDULE "A"

STOCK OPTION AGREEMENT

THIS AGREEMENT made as of the _____ day of _____, 20__.

BETWEEN:

_____ of the _____ of _____,
in the Province of _____
(herein referred to as the "Optionee")

- and -

McCOY CORPORATION GLOBAL INC., a body corporate
incorporated under the laws of Alberta
(herein referred to as the "Corporation")

WHEREAS the Corporation has established a Stock Option Plan (hereinafter referred to as the "Plan") for the granting of stock options, a copy of which has been provided to the Optionee;

AND WHEREAS the Optionee is an Eligible Director, Eligible Employee, ~~eligible~~ Eligible Member of Management or Eligible Service Provider (as defined in the Plan);

AND WHEREAS the Board of Directors of the Corporation has authorized the granting to the Optionee pursuant to the Plan of an option to purchase common shares in the ~~authorized unissued share~~ capital of the Corporation in the number, at the time, at and for the price and upon the other terms and conditions hereinafter contained;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and premises herein set forth, and for other good and valuable consideration (the receipt whereof is hereby acknowledged by the Corporation), the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.01 In this Agreement, the following words and expressions shall have the following meanings:

- (a) "Cessation Date" means the date on which the Optionee ceases to be Eligible Director, Eligible Employee, ~~eligible~~ Eligible Member of Management or Eligible Service Provider (as defined in the Plan) for any reason other than termination for cause or death;
- (b) "Expiration Date" shall mean 12:00 p.m. noon on the _____ day of _____, 20__;
- (c) "Option" means the option to purchase Shares granted to the Optionee pursuant to this Agreement, and includes any portion of that option;
- (d) "Option Period" means the period commencing on the date the Option is granted and concluding on the Expiration Date.
- (e) "Option Shares" means the Shares the Optionee is entitled to purchase under this Agreement; and
- (f) "Share" means a ~~Common Share~~ common share in the capital of the Corporation ~~as constituted on the date hereof; and.~~

~~(g) "Share Option" means the option to purchase Option Shares granted to the Optionee pursuant to this Agreement, and includes any portion of that option.~~

ARTICLE II

GRANT OF OPTION

2.01 (a) The Corporation hereby grants to the Optionee, subject to the terms and conditions hereinafter set out, an irrevocable option to purchase on or before the Expiration Date, _____ Option Shares at a price of \$ _____ per Option Share.

(b) The ~~Share~~ Option granted in section 2.01(a) shall vest according to the following schedule:

(i) ~~_____ (Twenty percent) (20%)~~ of the ~~Share~~ Option (_____ Option Shares) shall vest on _____, ~~20020~~;

(ii) [Twenty percent] (20%) of the Option (_____ Option Shares) shall vest on _____, 20_____;

(iii) [Twenty percent] (20%) of the Option (_____ Option Shares) shall vest on _____, 20_____;

(ii) ~~_____ (Twenty percent) (20%)~~ of the ~~Share~~ Option (_____ Option Shares) shall vest on _____, ~~20020~~; and

(iii) ~~_____ (Twenty percent) (20%)~~ of the ~~Share~~ Option (_____ Option Shares) shall vest on _____, ~~20020~~.

(c) If prior to the Expiration Date, the Optionee's position as an Eligible Director, Eligible Employee, ~~eligible~~ Eligible Member of Management or Eligible Service Provider of the Corporation, as the case may be, ceases for any reason other than termination for cause or death no further Option Shares will vest after the Cessation Date and any vested but unexercised Option Shares may be exercised during the period expiring on the earlier of the Expiration Date and ninety days from the Cessation Date. For greater clarity, upon the expiry of such ninety day period or the Expiration Date, whichever is earlier, the ~~Share~~ Option will expire and be of no further force or effect whatsoever. If an Optionee is terminated for cause by the Corporation from his position as an Eligible Service Provider, Eligible Director, Eligible Employee or Eligible Member of Management, no Option held by such Optionee may be exercised following the date of termination.

(d) The ~~Share~~ Option may be exercised pursuant to the terms of this Article II only insofar as the ~~Share~~ Option has vested at the time of the Optionee's death or termination of the Optionee's position with the Corporation or one of its subsidiaries, as the case may be.

2.02 The Option is granted in accordance with and subject to the terms and conditions of the Plan.

2.03 The Option to purchase the Option Shares granted hereby may be exercised from time to time and at any time and in such quantities as are allowed pursuant to Section 2.01, in accordance with the terms hereof and the Plan.

2.04 Subject to sooner termination in accordance with the terms of the Plan, the Option shall expire and terminate upon the Expiration Date as to such of the Option Shares in respect of which the Option has not then been exercised.

ARTICLE III

RESERVATION OF SHARES

3.01 The Corporation shall, at all times during the term of this Agreement, keep available a sufficient number of unissued Shares in its authorized capital equal to those of the Option Shares which have not been issued.

ARTICLE IV

ASSIGNMENT AND ENUREMENT

- 4.01 The Option is personal to the Optionee and non-assignable and neither this Agreement nor any rights hereunder shall be transferable or assignable by the Optionee except as expressly permitted under the terms of the Plan.
- 4.02 This Agreement shall enure to the benefit and be binding upon the parties hereto and their permitted successors and assigns.

ARTICLE V

EXERCISE OF THE OPTION

- 5.01 The Option may be exercised by the Optionee by delivery of written notice of such exercise and by tendering therewith payment for the purchase price of the Option Shares to be purchased in cash or by certified cheque to the Corporation at its principal office in the City of Edmonton, in the Province of Alberta, or at such other place as may be directed by notice in writing from the Corporation to the Optionee from time to time. Such notice shall state the number of Option Shares with respect to which the Option is then being exercised. The Option shall be deemed for all purposes to have been exercised to the extent stated in such notice upon delivery of the notice and a tender of payment in full for the Option Shares being purchased notwithstanding any delay in the issuance and delivery of the certificate(s) for the Shares so purchased. The Corporation shall, within a reasonable period of time, issue the Shares so purchased in the name of the Optionee and deliver the certificate(s) therefore to the Optionee. The form of notice to exercise is attached hereto as "Schedule A".
- 5.02 Notwithstanding Section 5.01, the purchase price may be paid by the Optionee's (i) irrevocable instructions to the Corporation to deliver the Option Shares issuable upon exercise of the Option promptly to a broker (acceptable to the Corporation) for the Optionee's account, and (ii) irrevocable instructions to the broker to sell Option Shares sufficient to pay the full purchase price (plus any amount required to be withheld by applicable law) and upon such sale to deliver the full purchase price (plus any amount required to be withheld by applicable law) to the Corporation (the "Broker-Assisted Cashless Exercise").

ARTICLE VI

RIGHT OF THE OPTIONEE PRIOR TO THE EXERCISE DATE

- 6.01 The Option herein granted shall not entitle the Optionee to any right whatsoever as a shareholder of the Corporation with respect to any Shares subject to the Option until it has been exercised and the Option Shares thereby purchased have been issued as fully paid and non-assessable.
- 6.02 Nothing contained in this Agreement or done pursuant hereto shall obligate the Optionee to purchase and/or pay for any Option Shares except those Option Shares in respect of which the Optionee shall have validly exercised this Option.

ARTICLE VII

REGULATORY APPROVAL

- 7.01 Notwithstanding anything to the contrary in this Agreement, the Optionee hereby agrees that he will not exercise the Option, and that the Corporation will not be obliged to issue any Shares hereunder, if the exercise of the Option or the issuance of the Shares shall constitute a violation by the Optionee or the Corporation of any provision of any law or regulation or of any order, regulation, policy or rule of any governmental authority, regulatory body or stock exchange. Any determination in this connection made by the Board of Directors of the Corporation shall be final, binding and conclusive.
- 7.02 The Corporation shall in no event be obliged, by any act of the Optionee or otherwise, to issue, register or qualify for resale any securities issuable upon exercise of the Option pursuant to a prospectus or similar document or to take any other affirmative action in order to cause the exercise of

the Option or the issue or resale of the Shares issuable pursuant thereto to comply with any law or regulation or any order, regulation, policy or rule of any governmental authority, regulatory body or stock exchange; provided that the Corporation shall notify The Toronto Stock Exchange and other appropriate regulatory bodies in Canada of the existence of the Option and any exercise thereof.

ARTICLE VIII

COVENANTS OF THE OPTIONEE PRIOR TO THE EXERCISE DATE

- 8.01 The Optionee hereby covenants and agrees that it will enable the Corporation to take any and all steps for the deduction and withholding of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with the exercise of Option Shares under this Agreement in a manner to be agreed upon by the Optionee and the Corporation.

ARTICLE IX

FURTHER ASSURANCES

- 9.01 The parties hereto covenant that they shall and will from time to time and at all times hereafter do and perform all such acts and things and execute all such deeds, documents, and writings as may be required to give effect to the true intent of this Agreement.

ARTICLE X

INTERPRETATION AND GENERAL

- 10.01 It is understood and agreed by the parties hereto that questions may arise as to the interpretation, construction or enforcement of this Agreement or the Plan and the parties are desirous of having the Board of Directors of the Corporation determine any such question or interpretation, construction or enforcement. It is, therefore, understood and agreed by and between the parties hereto that any question arising under the terms of this Agreement or the Plan as to interpretation, construction or enforcement shall be referred to the Board of Directors of the Corporation and their majority decision shall be final and binding on both of the parties hereto.
- 10.02 Neither the Corporation nor its directors or officers, or any of them, shall be liable to the Optionee or to the Optionee's personal representative by reason of any loss or anticipated loss of economic benefit by reason of any action or event, whether or not concurred in by them, which has the effect of curtailing or abrogating the benefits which have accrued or might have accrued to the Optionee hereunder, including, without limitation, the voluntary or involuntary winding up of the Corporation, the sale of all or substantially all of its assets the delisting of the Shares from public trading, or any decline in the value of the Shares for any reason whatsoever.
- 10.03 The payment of all income taxes or other taxes or assessments in the nature of taxes levied upon the Optionee as a result of the granting or exercise of the Option shall be solely the responsibility of the Optionee.
- 10.04 In this Agreement, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.
- 10.05 This Agreement, including any schedules annexed hereto, constitute the entire agreement between the parties hereto and there are no oral statements, representations, warranties, undertakings or agreements between the parties modifying the provisions of this Agreement. No supplement, amendment, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties hereto.
- 10.06 Time shall be of the essence of this Agreement.

ARTICLE XI

GOVERNING LAW

- 11.01 Except as otherwise set forth in the Plan, this Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of

Alberta excluding any conflicts of law, rule or principle which might refer such construction to the laws of another jurisdiction.

- 11.02 Each of the parties hereto hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Alberta and the Supreme Court of Canada.

ARTICLE XII

NOTICES

- 12.01 Any notice to be given pursuant to the provisions hereof shall be conclusively deemed to have been given and received by a party hereto and to be effective on the day on which it is delivered to such party at the addresses set forth below (or at such other address that such party shall supply to the other parties in writing) or if sent by mail, on the fifth business day after the day on which mailed, addressed to such party at said address:

(a) If to the Optionee, at

(b) If to the Corporation, at

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED

in the presence of:

_____)

_____)

_____)

[signed]

McCOY CORPORATION~~GLOBAL INC.~~

Per: _____

**SCHEDULE "A" to STOCK OPTION AGREEMENT
OPTION EXERCISE FORM**

TO: **McCOY ~~CORPORATION~~GLOBAL INC.**
#301, 9618 – 42 Avenue
Edmonton, Alberta T6E 5Y4
Attention: Corporate Secretary

The undersigned hereby irrevocably exercises the right to purchase and subscribe for Common Shares of McCoy ~~Corporation~~Global Inc. pursuant to the terms of a stock option agreement between McCoy Corporation and the undersigned. Full particulars of this exercise are as set forth below:

DATE OF STOCK OPTION AGREEMENT: _____

EXERCISE PRICE PER OPTION SHARE: \$ _____ per Common Share

TOTAL EXERCISE PRICE: \$ _____

NUMBER OF OPTIONS AVAILABLE FOR EXERCISE: _____

NUMBER OF OPTIONS EXERCISED: _____

NUMBER OF OPTIONS AVAILABLE FOR EXERCISE FOLLOWING THIS EXERCISE: _____

A. ☐ The undersigned confirms that a cheque or bank draft in payment of the Total Exercise Price is submitted with this Option Exercise Form.

-OR-

B. ☐ The undersigned confirms that payment of the Total Exercise Price will be facilitated through the Broker-Assisted Cashless Exercise.

The undersigned hereby directs that the Common Shares of McCoy ~~Corporation~~Global Inc. hereby acquired by this Option Exercise Form be registered, issued and delivered as follows:

REGISTRATION INSTRUCTIONS:	
DELIVERY INSTRUCTIONS:	

The undersigned acknowledges that the exercise of this option may represent a taxable benefit or have other tax implications, and that McCoy ~~Corporation~~Global Inc. has the authority and the obligation to deal with this option exercise according to the terms of the stock option plan and applicable taxation laws.

DATED the _____ day of _____, 20____.

Signature of Witness

Signature of Optionee