SIGNATURE RESOURCES LTD.
44 Victoria Street, Unit 1103
Toronto, ON M5C 1Y2
Telephone: (705) 445-0184

NOTICE OF MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") in the capital of Signature Resources Ltd. (the "**Company**") will be held at the offices of WeirFoulds LLP, TD Bank Tower, 66 Wellington Street West, Suite 4100, Mason Room, Toronto, Ontario M5K 1B7 on Wednesday, December 9, 2015 at 9:30 a.m. (Toronto time), for the following purposes:

1. to receive and consider the audited financial statements of the Company for the financial year ended October 31, 2014 and the report of the auditors thereon;

2. to set the number of directors at four (4) for the ensuing year;

3. to elect the directors of the Company for the ensuing year;

4. to appoint the auditors of the Company for the ensuing year and to authorize the board of directors of the Company to fix their remuneration;

5. to consider, and if thought fit, approve an ordinary resolution relating to the approval of the stock option plan of the Company; and

6. to consider, and if thought fit, to approve, with or without variation, a special resolution authorizing the board of directors of the Company to make an application to continue the Company under the laws of Ontario.

Shareholders of the Company are referred to the accompanying management information circular for more detailed information with respect to the matters to be considered at the Meeting.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to Equity Financial Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1. In order to be valid and acted upon at the Meeting, proxies must be received by Equity Financial Trust Company by 9:30 a.m. (Toronto time) on Monday, December 7, 2015 or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of any adjourned Meeting. You may also send your proxies via fax: 416-595-9593 or by email at tmxeproxysupport@tmx.com or vote your shares online at: www.voteproxyonline.com.

If you are an unregistered Shareholder of the Company and received these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.

The directors of the Company have fixed November 2, 2015 as the record date. Only Shareholders whose names are entered on the register of the Company at the close of business on November 2, 2015 will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any Common Shares after the record date and the transferee of those Common Shares establishes ownership of such Common Shares and demands, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

DATED this 5th day of November, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ "Walter Hanych"
Walter Hanych
President and Chief Executive Officer

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INFORMATION CIRCULAR

in respect of an Annual General and Special Meeting to be held on December 9, 2015
(Containing Information as at November 5, 2015)

PURPOSE OF SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of Signature Resources Ltd. ("**SGU**" or the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares in the capital of the Company ("**Common Shares**"). The Meeting will be held at the offices of WeirFoulds LLP, TD Bank Tower, 66 Wellington Street West, Suite 4100, Mason Room, Toronto, Ontario M5K 1B7 on Wednesday, December 9, 2015 at 9:30 a.m. (Toronto time), and at any adjournment(s) thereof for the purposes set forth in the notice of meeting (the "**Notice of Meeting**") of Shareholders accompanying this Information Circular. Information contained herein is given as of November 5, 2015, unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or in person by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Enclosed herewith is a form of proxy (the "**Form of Proxy**") for use at the Meeting. **The persons named in the Form of Proxy are officers of the Company. A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent him at the Meeting other than the persons designated in the enclosed Form of Proxy by inserting the name of his chosen nominee in the space provided.**

A Form of Proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it is executed by a duly authorized officer or attorney thereof. The proxy, to be acted upon, must be received by Equity Financial Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1. In order to be valid and acted upon at the Meeting, proxies must be received by Equity Financial Trust Company by 9:30 a.m. (Toronto time) on Monday, December 7, 2015 or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of any adjourned Meeting. You may also send your proxies via fax: 416-595-9593 or by email at tmxeproxysupport@tmx.com or vote your shares online at: www.voteproxyonline.com.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the office of Equity Financial Trust Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjourned Meeting(s).

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many Shareholders of SGU, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of SGU as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such 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). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. 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 receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting. A Broadridge proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. A Beneficial Shareholder who wishes to attend the Meeting and indirectly vote his/her Common Shares as proxyholder for the registered Shareholder should enter his/her own name in the blank space on the instrument of proxy provided and return the same to his/her broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

VOTING OF PROXIES

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying Form of Proxy, the Common Shares represented by the proxy will be voted in accordance with such instructions. In the absence of any such instruction, the persons whose names appear on the printed Form of Proxy will vote in favour of all the matters set out thereon. The enclosed Form of Proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the

Meeting, discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.

At the time of printing of this Information Circular, management of SGU knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the "**Board**") has fixed November 2, 2015 as the record date. Holders of Common Shares at the close of business on November 2, 2015, are entitled to receive notice of the Meeting and to vote at the Meeting or at any adjournments thereof on the basis of one vote for each Common Share held, except to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to November 2, 2015; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case, the transferee shall be entitled to vote his or her Common Shares at the Meeting.

As at the date of this Information Circular, 28,737,501 Common Shares were issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and senior officers of the Company, as of the date of this Information Circular, other than June North who holds 4,000,000 Common Shares representing 13.91% of the issued and outstanding Common Shares, there are no other persons, firms or corporations that beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

As at the date of this Information Circular, the directors and executive officers of SGU as a group beneficially owned, directly or indirectly, or exercised control or direction over, approximately 2,587,500 Common Shares, representing approximately 9.0% of the presently issued and outstanding Common Shares.

STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's philosophy, objectives and processes regarding compensation paid to those who acted as the Chief Executive Officer ("**CEO**") or the Chief Financial Officer ("**CFO**") of the Company (or in similar capacities) and each of the next three most highly compensated executive officers of the Company whose total compensation was, individually, more than $150,000 for the year ended October 31, 2014 (each a "Named Executive Officer" and collectively, the "Named Executive Officers").

Compensation Philosophy and Objectives of the Compensation Program

SGU has a streamlined approach to compensation, seeking to maintain low overhead costs and expenses so as to attain the lowest possible burn rate while it plans its exploration activities.

What the Compensation Program is Designed to Reward

The compensation program is intended to keep the Company's costs to a minimum while it continues to focus on its gold property in Ontario. In addition, the compensation program has been kept relatively simple while the Company is in the preliminary exploration stage. It is intended that the current Named Executive Officers will eventually be more fully rewarded for their time and efforts as the Company's exploration program is advanced.

Each executive officer is entitled to receive a base salary. Base salary is recognition for discharging job responsibilities and reflects the officer's performance over time, as well as that individual's particular experience and qualifications. An officer's base salary is reviewed by the Board on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

In addition, officers are eligible under the Company's stock option plan (the "**Option Plan**") to receive grants of stock options (the "**Options**"). The Option Plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be key to its long-term success.

There are no employment contracts in place for the officers of the Company.

Each Element of Compensation and Why the Company Chooses to Pay Each Element

The compensation program for the Named Executive Officers is comprised of base salaries and Options. The following table provides a broad overview of the elements of the Company's current executive compensation program:

Element	Award Type Per Form 51-102F6	Objective	Key Features
Base Salaries	Salary	To provide a basic level of reward while the Company is in a preliminary exploration period.	Non-discretionary fixed regular cash payments based upon the performance of day-to-day executive level responsibilities.
Options	Option-based award	To reward long-term performance by allowing Named Executive Officers to participate in the long-term market appreciation of the Common Shares.	Annual and special awards granted at market price and having a term of five years.

How the Company Determines the Amount for Each Element

Base Salaries

As of the date hereof, the current Named Executive Officers have agreed to receive monthly salaries which are below the salary norms in the industry and of the general marketplace in order to reduce costs.

Cash Bonuses

No bonus system has been put in place for the current Named Executive Officers.

Options

Options are granted to Named Executive Officers by the Board upon the commencement of an individual's employment with the Company, based on their level of responsibility within the Company. Additional Option grants are normally considered annually and the number of Options granted to any particular individual is commensurate with the individual's prior year's performance and level of ongoing responsibility within the Company. In considering additional grants, the Board generally evaluates the number of Options an individual has been granted, the exercise price and value of the Options and the term remaining on those Options.

Risk Assessment and Oversight

During fiscal 2014, the Board did not consider the implications of the risks associated with the Company's compensation policies and practices.

Hedging Activities

Although the Company does not have a policy which prohibits any Named Executive Officer or director from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the Named Executive Officer or director, no Named Executive Officer or director has entered into any such agreement.

Compensation Governance

The Company's executive compensation program is administered by the Board as a whole. All members of the Board possess the necessary experience and education, and are familiar with compensation practices in the natural resource exploration sector, understand the compensation matters relevant to the Company. In considering its executive compensation program, the Board performs the following analysis:

- reviews the compensation packages for the CEO and the other Named Executive Officers, including short-term and long-term incentive plan awards and grants;
- reviews the corporate goals, objectives and business performance measures which will be used in evaluating the CEO and the other Named Executive Officers;
- ensures that the provision for effective succession for the Company's senior management team is in place and reviews such plan with the Board;
- reviews the grant of Options pursuant to the terms of the Option Plan;
- annually reviews and ensures that compensation plans, in their design, structures and application have a clear link between pay and performance and do not encourage excessive risk taking; and
- annually reviews and assesses compensation principles of, and compensation amounts payable by, appropriate comparator groups and recommends for approval to the Board any appropriate changes.

The Board as a whole has evaluated the performance of the Named Executive Officers, reviewed compensation arrangements for the Named Executive Officers and directors, made awards under the incentive compensation plans.

SUMMARY COMPENSATION TABLE

The following table provides information concerning compensation of the Named Executive Officers for the years ended October 31, 2014, 2013 and 2012:

Name and Principal Position	Financial period ended October 31	Salary ($)[1]	Share-Based Awards ($)	Option-Based Awards ($)[2]	Non-Equity Incentive Plan Compensation		Pension Value ($)	All Other Comp-ensation ($)	Total Compensation ($)
					Annual Incentive Plans ($)	Long-Term Incentive Plans ($)			
Walter Hanych[3] President, CEO and Director	2014	60,000	Nil	Nil	Nil	Nil	Nil	Nil	60,000
	2013	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2012	5,000	Nil	Nil	Nil	Nil	Nil	Nil	5,000
Jonathan Held[4] CFO and Director	2014	41,000	Nil	Nil	Nil	Nil	Nil	Nil	41,000
	2013	24,000	Nil	Nil	Nil	Nil	Nil	Nil	24,000
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Salary represents the cash component of the compensation to NEO's. As at October 31, 2014, the Company had accrued unpaid amounts of $57,000 to Mr. Hanych and $31,540 to Mr. Held which have not been included.

(2) The Company follows the fair value method of accounting for all stock-based compensation arrangements. The values reported represent an estimate of the grant date fair value of the Options calculated in accordance with the Black-Scholes option pricing model. Please see the audited annual financial statements of the Company for the year ended October 31, 2014 for details regarding the assumptions underlying these Black-Scholes estimates. The Black-Scholes model is a pricing model that may or may not reflect the actual value of the Options. The Black-Scholes methodology was selected in order to maintain consistency with the Company's prior practice and because it is widely used by Canadian public companies for estimated option-based compensation.

(3) Mr. Hanych was appointed as a director and the Company's President & CEO effective February 14, 2013. The amount categorized as "salary" was paid to Mr. Hanych in his capacity as a consultant to the Company prior to Mr. Hanych joining the Board.

(4) Mr. Held was appointed as a director and the Company's CFO effective December 5, 2012. Mr. Held provides his services as CFO through ALOE Finance Inc.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth all Option-based awards held by the Named Executive Officers which were outstanding as at October 31, 2014:

	Option-Based Awards				Share-Based Awards		
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised In-the-Money Options ($)[1]**	**Number of Shares or Units of Share that Have Not Vested (#)**	**Market or Payout Value of Share-Based Awards That Have Not Vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Walter Hanych President, CEO and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jonathan Held CFO and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

(1) Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares at October 31, 2014 and the exercise price of the Options. The closing price of the Company's Common Shares on the TSX Venture Exchange ("TSXV") on October 31, 2014 was $0.02.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information in respect of the value of awards granted to the Named Executive Officers of the Company pursuant to the Option Plan vested during the year ending October 31, 2014:

Name	**Option-Based Awards - Value Vested During Year ($)[1]**	**Share-Based Awards - Value Vested During Year ($)**	**Non-Equity Incentive Plan Compensation Value Earned During Year ($)**
Walter Hanych President, CEO and Director	Nil	Nil	Nil
Jonathan Held CFO and Director	Nil	Nil	Nil

Note:

(1) For this purpose, the Options are valued on the date of vesting. The "value vested" represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date. This is calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options.

Pension Plan Benefits

The Company has not established a pension plan, defined benefit plan or any retirement savings program for the Named Executive Officers or other employees of the Company.

Deferred Compensation Plans

The Company has not established a deferred compensation plan for the Named Executive Officers or other employees of the Company.

Termination of Employment or Change of Control

None of the current Named Executive Officers has an employment agreement or consulting agreement pursuant to which SGU would be obligated to make payments in the event of termination without "cause" or in the event of a "change of control".

COMPENSATION OF DIRECTORS

Overview

The only arrangement under which directors are compensated by the Company and its subsidiaries for their services in their capacity as directors is that each director is eligible under the Option Plan to receive grants of Options, at the discretion of the entire Board.

Summary Compensation Table

The following table sets out all amounts of compensation provided to the directors of the Company (excluding directors who were also a Named Executive Officer) for the financial year ended October 31, 2014:

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)[2]	Non-equity incentive plan compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Keith McDowell[1]	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Mr. McDowell was appointed as a director on June 28, 2013.

(2) The Company follows the fair value method of accounting for all stock-based compensation arrangements. The values reported represent an estimate of the grant date fair value of the Options calculated in accordance with the Black-Scholes option pricing model. Please see the audited annual financial statements of the Company for the year ended October 31, 2014 for details regarding the assumptions underlying these Black-Scholes estimates. The Black-Scholes model is a pricing model that may or may not reflect the actual value of the Options. The Black-Scholes methodology was selected in order to maintain consistency with the Company's prior practice and because it is widely used by Canadian public companies for estimated option-based compensation.

Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth all Option-based awards held by the directors (who are not also Named Executive Officers) which were outstanding as at October 31, 2014:

	Option-Based Awards				Share-Based Awards		
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised In-the-Money Options ($)[1]**	**Number of Shares or Units of Shares that Have Not Vested (#)**	**Market or Payout Value of Share-Based Awards That Have Not Vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Keith McDowell	200,000	0.05	November 6, 2018	Nil	Nil	Nil	Nil

Note:

(1) Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares at October 31, 2014 and the exercise price of the Options. The closing price of the Company's Common Shares on the TSXV on October 31, 2014 was $0.02.

Director Compensation - Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information in respect of the value of awards granted to the directors of the Company, who are not also Named Executive Officers of the Company, which vested during the year ending October 31, 2014:

Name	**Option-Based Awards - Value Vested During Year[1] ($)**	**Share-Based Awards - Value Vested During Year ($)**	**Non-Equity Incentive Plan Compensation Value Earned During Year ($)**
Keith McDowell	Nil	Nil	Nil

Note:

(1) For this purpose, the Options are valued on the date of vesting. The "value vested" represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date. This is calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

OPTION PLAN

The Company's Option Plan was initially adopted by the Board on January 25, 2012, and was subsequently amended, following approval by the Company's Shareholders, effective June 16, 2014. The Option Plan is attached to this Information Circular as Schedule "A".

The purpose of the Option Plan is to advance the interests of the Company and its Shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Option Plan provides that, subject to the requirements of the TSXV, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Option Plan may not exceed 10% of the

issued and outstanding shares of the Company at the time of granting of Options (including all Options granted by the Company to date, if applicable). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all Options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company unless the Company has obtained disinterested shareholder approval. The number of Common Shares which may be reserved in any 12 month period for issuance to any one consultant, or to any one employee or consultant engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Option Plan provides that Options issued to consultants performing investor relations activities will vest in stages over 12 months with no more than ¼ of the Options vesting in any three month period.

The Option Plan is administered by the Board, which will have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. Options may also be granted to employees of management companies providing management services to the Company. The exercise price of any Options granted under the Option Plan shall be determined by the Board, but may not be less than the market price of the Company's shares on the TSXV on the date of the grant (less any discount permissible under TSXV rules) subject to a minimum price of $0.05. The term of any Options granted under the Option Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, the term of any Options granted under the Option Plan may not exceed ten years.If desired by the Board, Options granted under the Option Plan may be subject to vesting. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold office, Options granted to such director or officer under the Option Plan will expire 90 days after such director or officer ceases to hold office or such longer period as determined by the Board. Subject to certain exceptions, in the event that an employee, consultant or management company employee ceases to act in that capacity in relation to the Company, Options granted to such employee, consultant or management company employee under the Option Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company or such longer period as determined by the Board. In the event of death of an option holder, Options granted under the Option Plan expire six months from the date of the death of the option holder, subject to the Board having the authority to extend the expiry date to a maximum of twelve months from the date of death of the option holder.

As of the date hereof, there were 1,900,000 Options (1,450,000 as at October 31, 2014) outstanding pursuant to the Option Plan, representing approximately 6.6% of the issued and outstanding Common Shares. See "*Particular Matters To Be Acted On – Approval of Option Plan*".

EQUITY COMPENSATION PLAN INFORMATION AS AT OCTOBER 31, 2014

Plan Category	Number of securities to be issued upon exercise of outstanding options warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	1,450,000 Options	$0.05	413,000
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	1,450,000 Options	$0. 05	413,000

CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to include in its information circular the disclosure required under Form 58-101F2 with respect to its corporate governance practices. In establishing its corporate governance practices, the Board has been guided by Canadian securities legislation and the TSXV guidelines for effective corporate governance, including National Policy 58-201 *Corporate Governance Guidelines* and other regulatory requirements such as National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

Board

The Board is currently comprised of four individuals, two of whom is independent as that term is defined in NI 52-110. Walter Hanych and Jonathan Held, both executive officers of SGU, are not considered independent within the meaning of that term set out in NI 52-110.

Orientation and Continuing Education

The Company does not currently have an orientation or continuing education program for new directors.

Directorships

None of the directors currently serve on the board of directors of any other reporting issuers (or equivalent).

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a

party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

Nomination of Directors

The Board as a whole is responsible for identifying and evaluating qualified candidates for nomination to the Board. In identifying candidates, the Board considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, the competencies and skills each new nominee will bring to the Board and the ability of each new nominee to devote sufficient time and resources to his or her duties as a director. The Board also considers candidate independence and financial acumen in making recommendations for nomination.

Compensation

At this time, the Board as a whole reviews the compensation of the Named Executive Officers and the directors. See "*Information Concerning the Company - Statement of Executive Compensation*" above.

Board Committees

Audit Committee

The Audit Committee is comprised of Walter Hanych, Jonathan Held and Keith McDowell. All of the members of the Audit Committee are financially literate. Mr. McDowell is considered independent as determined by NI 52-110. For further information relating to the Audit Committee, see "*Information Concerning the Company - Audit Committee Disclosure*" below.

AUDIT COMMITTEE DISCLOSURE

Under NI 52-110, the Company is required to include in its Information Circular the disclosure required under Form 52-110F2 with respect to its Audit Committee. As a venture issuer, it is exempt from certain requirements of NI 52-110 regarding the composition of the Audit Committee and the obligation to provide disclosure in an annual information form.

AUDIT COMMITTEE TERMS OF REFERENCE

The overall purpose of the Audit Committee (the "**Committee**") of SGU is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors. The charter of the Company's audit committee is attached to this Information Circular as Schedule "B".

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee is comprised of Walter Hanych, Stephen Timms and Keith McDowell. All of the members of the Audit Committee are financially literate. Mr. McDowell and Mr. Timms are considered independent as determined by NI 52-110.

In considering criteria for the determination of financial literacy, the Board looks at the ability to read and understand financial statements. The following sets out the education and experience of each director relevant to the performance of his duties as a member of the Audit Committee.

Walter Hanych has 33-years of experience in varied geological environments throughout Canada and internationally. He has held positions as chief geologist and project manager on projects ranging from grass-roots to advanced mine exploration and resource development/feasibility and has been involved with various public and private resource companies with finance and corporate structure. Mr. Hanych is a registered P.Geo. in Ontario and Saskatchewan, and is a member of the Prospectors and Developers Association of Canada and Society of Economic Geologists.

Keith McDowell is presently retired from a 31-year career as real estate agent and broker. Mr. McDowell established his own real estate development firm that concentrated on residential developments in Calgary but also included the acquisition of the Calgary Olympic Village site. Since his retirement in 2001, Mr. McDowell has financed numerous junior exploration companies and holds interests in many exploration properties.

Stephen Timms has enjoyed a successful career of over 25-years at IBM Canada. During his career at IBM, Mr. Timms gained significant broad based functional expertise in operations, business transformation, change management and finance. In his career with IBM, Mr. Timms has participated in numerous executive, management and leadership development courses developing his analytical skill as an innovative problem solver. He is an experienced investor in the junior mining sector. Mr. Timms holds a 4-year Bachelor of Commerce degree from the University of Toronto.

AUDIT COMMITTEE OVERSIGHT

The Audit Committee reviews the interim and annual financial statements and related financial reporting of SGU. The members of the Audit Committee have direct access to the external auditors of the Company. The Audit Committee and the full Board reviews the unaudited quarterly financial statements and related management's discussion and analysis of financial results. At no time since the commencement of the Company's most recently completed financial year was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 therein. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

FEES CHARGED BY EXTERNAL AUDITORS

Fees billed from the Company's external auditor, Manning Elliott, Chartered Accountants, for the years ended October 31, 2014 and 2013 are detailed below.

Category	Year Ended October 31, 2014 ($)	Year Ended October 31, 2013 ($)
Audit Fees[1]	12,000	17,000
Audit-Related Fees[2]	Nil	Nil
Tax Fees[3]	3,000	Nil
All Other Fees[4]	Nil	Nil
Totals	15,000	17,000

Notes:

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

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

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

(4) "All Other Fees" include all other non-audit services.

All permissible categories of non-audit services require pre-approval by the Audit Committee, subject to certain statutory exemptions.

EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of the Company, nominees for election as a director of the Company, or associates of such persons have been indebted to the Company or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries in respect of the purchase of securities or otherwise.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

No director or officer of SGU, proposed nominee for election as a director of the Company, Shareholder who beneficially owns more than 10% of the Common Shares of the Company, or any associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial

ownership of securities or otherwise, in any material transaction since the commencement of the Company's last financial year, except as otherwise disclosed in this Information Circular. None of the foregoing persons has any interest in any proposed transaction which has materially affected or would materially affect the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

None of the directors or senior officers of SGU is aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than as disclosed in this Information Circular.

PARTICULAR MATTERS TO BE ACTED ON

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The audited financial statements of the Company for the period ended October 31, 2014 (the "**Financial Statements**"), together with the auditor's report (the "**Auditor's Report**") thereon, will be presented to Shareholders at the Meeting. The Financial Statements, together with the Auditor's Report thereon and the management discussion and analysis (the "**MD&A**"), are being mailed to Shareholders of record with this Information Circular. Copies of the Financial Statements, together with the MD&A, Notice of Meeting, Information Circular and the Form of Proxy will be available from the Company's registrar and transfer agent, Equity Financial Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1.

ELECTION OF DIRECTORS

Fixing Number of Directors

The articles of the Company provide that the Board shall consist of a minimum of three (3) and a maximum of twelve (12) directors, to be elected annually. The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his or her successor is duly elected or appointed.

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles of the Company, be set at four (4). There are presently four (4) directors on the Board and each of their current terms in office will expire at the Meeting. It is the intention of persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote proxies FOR setting the number of directors to be elected at the Meeting at four (4).

Election of Directors

It is proposed that the four (4) current directors be re-elected at the Meeting.

It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the election of each of the nominees specified below as directors of the Company. If, prior to the Meeting, any vacancies occur in respect to any proposed nominees herein submitted, the persons named in the enclosed Form of Proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Company and FOR the remaining proposed nominees. Management of SGU has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, their principal occupation or employment, the date on which they became directors of SGU and the number of Common Shares of SGU beneficially owned directly or indirectly or over which they exercise control or direction.

Name and Province/State of Residence	Office Held	Current Principal Occupation	Director Since	Number of Shares Held or controlled
Walter Hanych[(1)] *Ontario, Canada*	Director, CEO & President	Consultant and registered P.Geo. in Ontario	February 2013	1,090,000
Jonathan Held[(2)] *Ontario, Canada*	Director & CFO	Consultant, chartered professional account and chartered accountant	December 2012	100,000
Keith McDowell[(3)] *Ontario, Canada*	Director	Businessman	June 2013	897,500
Stephen Timms[(4)] *Ontario, Canada*	Director	Businessman	July 2015	500,000

Notes:

(1) Mr. Hanych holds Options to acquire 600,000 Common Shares at a price of $0.05 per share until November 8, 2018.

(2) Mr. Held holds Options to acquire 400,000 Common Shares at a price of $0.05 per share until November 8, 2018.

(3) Mr. McDowell holds Options to acquire 200,000 Common Shares at a price of $0.05 per share until November 8, 2018.

(4) Mr. Timms holds Options to acquire 250,000 Common Shares at a price of $0.05 per share until July 15, 2020.

Walter Hanych, CEO and Director

Mr. Hanych is a graduate geologist (B.Sc. Hon. Geology from Laurentian University, Sudbury, Ontario) and has 33-years of experience in varied geological environments throughout Canada and internationally. He has held positions as chief geologist and project manager on projects ranging from grass-roots to advanced mine exploration and resource development/feasibility and has been involved with various public and private resource companies with finance and corporate structure. Mr. Hanych is a registered P.Geo. in Ontario and Saskatchewan, and is a member of the Prospectors and Developers Association of Canada and Society of Economic Geologists. Since 1993 Mr. Hanych has provided his services as a geological consultant.

Jonathan Held, CFO and Director

Mr. Held is a chartered professional accountant and chartered accountant with CFO-level experience with both private and public companies. Mr. Held has worked with a number of domestic and international-resource-based businesses, including those in South America, Eastern Europe and Africa. Mr. Held has been involved in numerous successful public market transactions, including initial public offerings, reverse takeovers and financings. Mr. Held holds a bachelor of mathematics and master of accounting from the University of Waterloo.

Keith McDowell, Director

Mr. McDowell has a 31-year career as real estate agent and then broker. Mr. McDowell established his own real estate development firm that concentrated on residential developments in Calgary but also

included the acquisition of the Calgary Olympic Village site. Since 2001, Mr. McDowell has financed numerous junior exploration companies and holds interests in many exploration properties. Mr. McDowell brings to the board a strong business acumen and over 35 years of negotiating experience.

Stephen Timms, Director

Mr. Timms has enjoyed a successful career of over 25-years at IBM Canada. During his career at IBM, Mr. Timms has gained significant broad based functional expertise in operations, business transformation, change management and finance. In his career with IBM, Mr. Timms has participated in numerous executive, management and leadership development courses developing his analytical skill as an innovative problem solver. He is an experienced investor in the junior mining sector. Mr. Timms holds a 4-year Bachelor of Commerce degree from the University of Toronto.

Penalties Or Sanctions

No proposed director of SGU has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority. Nor has any proposed director ever entered into a settlement agreement with a securities regulatory authority.

Corporate Cease Trade Orders

No proposed director of SGU has, within the ten years prior to the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days.

Bankruptcies

No proposed director of SGU has, within the ten years prior to the date of this Information Circular, been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or comprise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No proposed director of SGU has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

APPOINTMENT OF AUDITORS

Management of SGU recommends that McGovern, Hurley and Cunningham LLP, Chartered Accountants be re-appointed as auditors of the Company, to hold office until the next annual meeting of the Company at such remuneration as may be fixed by the Board. McGovern, Hurley and Cunningham LLP, Chartered Accountants have been the Company's auditors since January 2, 2014.

It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the re-appointment of McGovern, Hurley and Cunningham LLP, Chartered Accountants, as auditors of the Company.

APPROVAL OF OPTION PLAN

On June 16, 2014, Shareholders approved the Company's Option Plan. Annual Shareholder approval of the Option Plan is required by the TSXV. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve a resolution approving the Company's Option Plan for the ensuing year.The terms of the Option Plan are described in this Information Circular under the heading "*Information Concerning the Company - Securities Authorized for Issuance under Equity Compensation Plans – Option Plan*".

The following is the text of the ordinary resolution to be considered by Shareholders at the Meeting:

"BE IT RESOLVED THAT:

1. The Company's Stock Option Plan dated June 16, 2014, be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the TSXV, as the directors of the Company may deem necessary or advisable."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the approval of the Amended Option Plan.

APPROVAL OF CONTINUATION INTO ONTARIO

The Company was incorporated under the Business Corporations Act (British Columbia) (the "**BCBCA**"). In light of the fact that none of Company's professional advisors are located in British Columbia, while many of the professional advisors to the Company are located in Ontario, management wishes to effect the continuance (the "**Continuance**") of the Company from the Province of British Columbia to the Province of Ontario. As a result of the Continuance the Company will cease to be governed by the BCBCA and instead the Company will be governed by the *Business Corporations Act* (Ontario) (the "**OBCA**").

If the special resolution approving the Continuance (the "**Continuance Resolution**") is approved at the Meeting, it would give the Board authority to implement the Continuance. Notwithstanding approval of the proposed Continuance by Shareholders, the Board, in its sole discretion, may revoke the special resolution and abandon the Continuance without further approval or action by or prior notice to Shareholders.

If the Continuance is approved by Shareholders and implemented by the Board, the Company shall apply to and file all necessary documentation with the Registrar of Companies under the BCBCA for an authorization to continue into the Province of Ontario. Immediately following the receipt of the Registrar's authorization, the Company shall apply for a certificate of continuance and file articles of continuance under the OBCA to continue the Company into Ontario. The articles of continuance will constitute the governing instrument of the continued Company under the OBCA and the certificate of continuance issued by the Director under the OBCA will be deemed to be the certificate of incorporation of the continued Company.

In connection with the Continuance, the existing articles and notice of articles of the Company will be repealed and the Company will adopt articles and by-laws which are suitable for an Ontario corporation, but which in all material respects are similar to the current constating documents of the Company.

The Continuance will not result in any change in the business of the Company or its assets, liabilities or net worth, nor in the persons who constitute the Company's Board and management. The Continuance is not a reorganization, an amalgamation or a merger.

Comparison of Rights Under the OBCA and the BCBCA

The provisions of the OBCA dealing with shareholder rights and protections are generally comparable to those contained in the BCBCA. Shareholders of the Company will not lose any significant rights or protection as a result of the Continuance.

The following is a summary comparison of the provisions of the OBCA and the BCBCA which pertain to the rights of Shareholders. This summary is not intended to be exhaustive and does not cover all of the differences between the OBCA and the BCBCA affecting corporations and their shareholders and is qualified in its entirety by the complete text of the relevant provisions of the BCBCA and the OBCA.

Upon completion of the Continuance, the rights of the Shareholders of the Company will also be subject to the articles and by-laws of the Company, as set forth in further detail below. Shareholders should consult their legal advisors regarding all of the implications of the Continuance. Notwithstanding the alteration of shareholders' rights and obligations under the OBCA and the articles of incorporation and by-laws for the Company, the Company will still be bound by the rules and policies of the TSXV as well as the applicable securities legislation.

Charter Documents

Under the BCBCA, the charter documents consist of a "notice of articles", which sets forth the name of a company and the amount and type of authorized capital, and "articles" which govern the management of the company. The notice of articles is filed with the Registrar of Companies and the articles are filed only with the company's records office.

Under the OBCA, a corporation has "articles", which set forth the name of the corporation and the amount and type of authorized capital, and "by-laws" which govern the management of the Company. The articles are filed with the Director under the OBCA and the by-laws are filed with the Company's registered and records office.

Therefore, the current articles of the Company, which are suitable for a company governed by the BCBCA but not for a corporation governed by the OBCA, will have to be changed to new by-laws that are suitable for an Ontario corporation. Upon the Continuance becoming effective, the former articles of the Company will be repealed and replaced with the articles of continuance of the Company.

Sale of a Company's Undertaking

The OBCA requires approval of the holders of two-thirds of the shares of a corporation represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the property of the corporation. Each share of the Company carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of the Company whether or not it otherwise carries the right to vote. Holders of shares of a class or series can vote separately only if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

Under the BCBCA, the directors of a company may dispose of all or substantially all of the business or undertaking of the company only if it is in the ordinary course of the company's business or with shareholder approval authorized by special resolution. Under the BCBCA, a special resolution requires the approval of a "special majority", which means the majority specified in a company's articles of at least two-thirds and not more than by three-quarters of the votes cast by those shareholders voting in person or by proxy at a general meeting of the company.

Amendments to the Charter Documents of a Company

Under the OBCA, substantive changes to the charter documents of a corporation require a resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration and, where certain specified rights of the holders of a class of shares are affected differently by the alteration than the rights of the holders of other classes of shares, a resolution passed by not less than two-thirds of the votes cast by the holders of all of the shares of a corporation, whether or not they carry the right to vote, and a special resolution of each such class, or series, as the case may be, even if such class or series is not otherwise entitled to vote. A resolution to amalgamate an OBCA corporation requires a special resolution passed by the holders of each class of shares or series of shares, whether or not such shares otherwise carry the right to vote, if such class or series of shares are affected differently.

Changes to the articles of a company under the BCBCA will be affected by the type of resolution specified in the articles of the company, which, for many alterations, including change of name or alterations to the articles, could provide for approval solely by a resolution of the directors. In the absence of anything in the articles, most corporate alterations will require a special resolution. A right or special right attached to issued shares must not be prejudiced or interfered with unless, in addition to any resolution provided for by the articles, shareholders holding shares of the class or series to which the right or special rights is attached consent by a special separate resolution of those shareholders. A resolution authorizing a company to apply for continuation into another jurisdiction must be approved by a special resolution. A resolution approving an amalgamation of a BCBCA company generally requires adoption or approval of the amalgamation by a special resolution, or, if any shares of the company do not otherwise carry the rights to vote, by a resolution of the company's shareholders passed by at least a special majority of the votes cast.

Rights of Dissent and Appraisal

The BCBCA provides that shareholders, including shareholders on behalf of beneficial owners, who dissent from certain actions being taken by a company, may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where the company proposes to:

- alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- adopt an amalgamation agreement;
- approve an amalgamation under Division 4 of Part 9 of the BCBCA;
- approve an arrangement, the terms of which arrangement permit dissent;
- authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking; and
- authorize the continuation of the company into a jurisdiction other than British Columbia.

The OBCA contains a similar dissent remedy, although the procedure for exercising this remedy is different from that contained in the BCBCA.

Oppression Remedies

Under the OBCA, a shareholder, beneficial shareholder, former shareholder or beneficial shareholder, director, former director, officer, former officer of a corporation or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, and in the case of an offering corporation, the Ontario Securities Commission, may apply to a court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of a corporation or its affiliates effects a result, the business or affairs of a corporation or its affiliates are or have been exercised in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards the interest of, any security holder, creditor, director or officer.

The oppression remedy under the BCBCA is similar to the remedy found in the OBCA, with a few differences. Under the OBCA, the applicant can complain not only about acts of the corporation and its directors but also acts of an affiliate of the corporation and the affiliate's directors, whereas under the BCBCA, the shareholder can only complain of oppressive conduct of the company. In addition, under the BCBCA the applicant must bring the application in a "timely manner", which is not required under the OBCA.

Shareholder Derivative Actions

Under the BCBCA, a shareholder, including a beneficial shareholder or a director of a company, and any other person whom the court considers to be an appropriate person to make an application, may, with leave of the court, bring an action in the name and on behalf of the company to enforce an obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such an obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against a company.

A broader right to bring a derivative action is contained in the OBCA and this right extends to officers, former shareholders, directors or officers of a corporation or its affiliates, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the OBCA permits derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries.

Requisition of Meetings

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

The BCBCA provides that shareholders of a company holding at least 5% of the issued voting shares of the company may requisition a general meeting for the purpose of transacting any business that may be transacted at a general meeting. The directors are required to call a general meeting to be held within 4 months after the receipt of the requisition. If the directors do not, within 21 days of receipt of the requisition, send notice of a general meeting, the requisitioning shareholders may send notice of a general meeting to be held to transact the business stated in the requisition.

Form of Proxy and Information Circular

The OBCA contains provisions which require the mandatory solicitation of proxies and delivery of a management proxy circular.

The BCBCA does not contain provisions relating to mandatory solicitation of proxies and delivery of a management proxy circular. However, public companies such as the Company, are subject to applicable securities law requirements regarding proxy solicitation and management information circulars.

Place of Meetings

The OBCA provides that meetings of shareholders may be held either inside or outside Ontario as the directors may determine.

The BCBCA requires all meetings of shareholders to be held in British Columbia unless a location outside British Columbia is provided for in the company's articles, the articles do not restrict meetings outside British Columbia and the location is approved by an ordinary resolution or by such other resolution as required by the articles or the location is approved in writing by the Registrar under the BCBCA before the meeting is held.

Board Composition

The OBCA requires that at least 25% of a corporation's directors be resident Canadians.

The BCBCA provides that a public company must have at least three directors but does not have any residency requirements for a company's directors.

Special Resolution

At the Meeting, Shareholders will be asked to pass the following special resolution authorizing the Board to implement the Continuance of the Company from British Columbia to Ontario:

"NOW THEREFORE BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The continuance of the Company into Ontario be and the same is hereby authorized and approved subject to the right of the directors to abandon the application without further approval of the Shareholders;

2. The Company apply to the Director under the *Business Corporations Act (Ontario)* for a certificate of continuance continuing the Company as if it had been incorporated under the laws of the Province of Ontario in accordance with the *Business Corporations Act (Ontario)*;

3. The Company is hereby authorized to make application pursuant to the *Business Corporations Act* (British Columbia) to the Registrar of Companies to authorize the Company to continue into Ontario; and

4. Any one (1) director or officer of the Company be and he is hereby authorized and instructed to take all such acts and proceedings and to execute and deliver all such applications, authorizations, certificates, documents and instruments, as in their opinion may be reasonably necessary or desirable for the implementation of this resolution."

Shareholders will be requested to approve the Continuance by special resolution. In order to be effective, the special resolution must be passed by two-thirds (66⅔%) of the votes of the holders of Common Shares of the Company cast on the matter at the Meeting. In the absence of contrary instructions, the persons named in the enclosed Form of Proxy intend to vote for the passage of the special resolution approving the Continuance.

The directors of the Company may, notwithstanding requisite Shareholder approval, abandon the application for the Continuance without further approval of the Shareholders. In making such determination, the directors in their discretion, will determine whether it is in the best interests of the Company to proceed with the Continuance, after considering all relevant factors at the particular time, whether or not foreseen at this date.

Rights of Dissenting Shareholders

The proposed Continuation gives rise to a right of dissent under Section 238 of the BCBCA, the text of which is set forth in **Schedule "C"** to this Information Circular. If the Company completes the Continuation and the right of dissent is properly exercised by any of the Shareholders entitled to do so, the Company may be required to purchase for cash the Common Shares held by the dissenting Shareholder, at the fair value of those Common Shares immediately prior to the passing of the resolution approving the Continuation. The procedure for exercising the right of dissent is set forth in Schedule "C" and should be reviewed carefully.

The procedure to be followed by a Shareholder who intends to dissent from approval of the proposed Continuance is set out in Division 2 of Part 8 of the BCBCA. A dissenting Shareholder can require the Company to pay the fair value of the Shareholder's Common Shares, determined as the fair value that such common shares had immediately before the passing of the special resolution approving the Continuance. The following description of the rights of Shareholders to dissent is not a comprehensive statement of the procedures and is qualified in its entirety by reference to the full text of Sections 237 to 247 of Division 2 of Part 8 of the BCBCA, attached as **Schedule "C"** to this Information Circular.

The following is only a summary of the dissenting shareholder provisions of the BCBCA, which are technical and complex. Persons who are Beneficial Shareholders should contact the registered holder of such shares for assistance with exercising the dissent right. Shareholders wishing to exercise rights of dissent should seek their own legal advice since they may be prejudiced by failure to strictly comply with the applicable provisions of the BCBCA.

A Shareholder who wishes to invoke the provisions of Division 2 of Part 8 of the BCBCA must send the Company a written notice of dissent to the Continuance Resolution (the "**Notice of Dissent**"). The Notice of Dissent must be sent at least two (2) days before the Meeting at which the Continuance is to be voted on. A Shareholder who wishes to dissent must set out in the Notice of Dissent if the Notice of Dissent is being given in respect of Common Shares beneficially owned by (i) the Shareholder, or (ii) other persons who beneficially own Common Shares held by the Shareholder on whose behalf the Shareholder is dissenting. Each Notice of Dissent must comply with the requirements set out in Division 2 of Part 8 of the BCBCA.

The sending of a Notice of Dissent does not deprive a Shareholder of the right to vote on the Continuance at the Meeting, but a vote either in person or by proxy against the Continuance does not constitute a Notice of Dissent. A vote in favour of the Continuance will deprive the Shareholder of further rights under Division 2 of Part 8 of the BCBCA. A dissenting Shareholder, however, may vote as a proxy for a Shareholder whose proxy required an affirmative vote, without affecting his or her right to exercise dissent rights.

If the Company receives a Notice of Dissent and intends to or has acted on the authority of the Continuance Resolution, the Company will promptly send a notice (the "**Notice of Intention to Proceed**") to the dissenting Shareholder. To complete the dissent, the dissenting Shareholder must send the specified statements, as applicable, and the share certificates representing the subject Common Shares (the "**Notice Shares**") in accordance with Section 244 of the BCBCA within one month of the date of the Notice of Intention to Proceed, following which the dissenting Shareholder may not vote, or exercise or

assert any rights of a shareholder in respect of the Notice Shares, except as otherwise provided by the BCBCA. The Company and the dissenting Shareholder may agree on the payout value of the Notice Shares or, if no agreement is made, either the Company or the dissenting Shareholder may make an application to the Supreme Court of British Columbia (the "**Court**") to fix the payout value of the Notice Shares. In connection with the application, the Court may join in the application each dissenting Shareholder who has not agreed with the Company on the amount of the payout value of the Notice Shares and make consequential orders and give directions as it considers appropriate.

Promptly after a determination of the payout value of the Notice Shares has been made by the Court or by agreement, the Company must either pay that amount to the dissenting Shareholder or send a notice to the dissenting Shareholder that the Company is unable lawfully to pay dissenting Shareholders for their Common Shares if the Company is insolvent or if the payment would render the Company insolvent. If the dissenting Shareholder receives a notice that the Company is unable to lawfully pay dissenting Shareholders for their shares, the dissenting Shareholder may, within 30 days after receipt, withdraw his or her Notice of Dissent. If the Notice of Dissent is not withdrawn, the dissenting Shareholder remains a claimant against the Company to be paid as soon as the Company is lawfully able to do so or, in a liquidation to be ranked subordinate to the rights of creditors of the Company but in priority to its Shareholders.

A dissenting Shareholder who properly exercises the dissent rights by strictly complying with all of the procedures ("**Dissent Procedures**") required to be complied with by a dissenting Shareholder, will cease to have any rights as a Shareholder other than the right to be paid the fair value of the Common Shares by the Company in accordance with the Dissent Procedures. However, if a dissenting Shareholder seeks to exercise the dissent rights under the BCBCA, but does not properly comply with each of the Dissent Procedures required to be complied with by a dissenting Shareholder that Shareholder loses the right to dissent.

A dissenting Shareholder may, with the written consent of the Company, at any time prior to the payment to the dissenting Shareholder of the full amount of money to which the dissenting Shareholder is entitled, abandon such dissenting Shareholder's dissent to the Continuance by giving written notice to the Company, withdrawing the Notice of Dissent not later than two (2) days before the Meeting.

Shareholders who intend to exercise Dissent Rights should seek legal advice and carefully consider and comply with the provisions of the Dissent Rights. Failure to comply with the applicable Dissent Rights provisions and to adhere to the procedures established therein may result in the loss of the Dissent Rights in respect of the Continuance Resolution. Shareholders should be aware that simply voting against the Continuance Resolution at the Meeting does not constitute the exercise of Dissent Rights.

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting of Shareholders. If any other business properly comes before the Meeting, it is the intention of the persons named in the Form of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Financial information relating to SGU is provided in the Company's Financial Statements and MD&A for the year ended October 31, 2014. Copies of this Information Circular, the Financial Statements and any interim financial statements of the Company subsequent to the Financial Statements may be obtained without charge by writing to the Corporate Secretary of the Company at:

Signature Resources Ltd.
44 Victoria Street, Suite 1103
Toronto, Ontario, M5C 1Y2
jonathan@signatureresources.ca

Additional information relating to SGU is available on SEDAR at www.sedar.com.

SCHEDULE "A"

STOCK OPTION PLAN

SIGNATURE RESOURCES LTD.

INCENTIVE STOCK OPTION PLAN

as amended, June 16, 2014

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

(a) "Affiliate" has the meaning ascribed thereto by the Exchange;

(b) "Board" means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than 3 Directors of the Corporation duly appointed to administer this Plan;

(c) "Common Shares" means the common shares of the Corporation;

(d) "Consultant" means an individual who:

(i) provides ongoing consulting, technical, management or other services to the Corporation or an Affiliate under a written contract with the Corporation or the Affiliate other than services provided in relation to a Distribution,

(ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate,

(iii) in the opinion of the Corporation, spends or will spend a reasonable amount of time and attention on the business and affairs of the Corporation or an Affiliate, and

(iv) has a relationship with the Corporation or an Affiliate that enables the Consultant to be knowledgeable about the business and affairs of the Corporation or the Affiliate,

and includes a company of which a Consultant is an employee or shareholder and a partnership of which a Consultant is an employee or partner;

(e) "Corporation" means Signature Resources Ltd. and its successor entities;

(f) "Director" means a director of the Corporation or of an Affiliate;

(g) "Disinterested Shareholder Approval" has the meaning ascribed thereto by the Exchange in "Policy 4.4 – Incentive Stock Options" of the Exchange's Corporate Finance Manual;

(h) "Eligible Person" means a Director, Officer, Employee, Management Company Employee or Consultant, and includes an issuer all the voting securities of which are owned by Eligible Persons;

(i) "Employee" means an individual who:

(i) is considered an employee of the Corporation or an Affiliate under the *Income Tax Act*, i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,

(ii) works full-time for the Corporation or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source, or

(iii) works for the Corporation or an Affiliate on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source;

(j) "Exchange" means the TSX Venture Exchange and any successor entity;

(k) "Expiry Date" means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;

(l) "Insider" has the meaning ascribed thereto by the Exchange;

(m) "Investor Relations Activities" has the meaning ascribed thereto by the Exchange;

(n) "Management Company Employee" means an individual who is employed by a person providing management services to the Corporation or an Affiliate which are required for the ongoing successful operation of the business enterprise of the Corporation or the Affiliate, but excluding a person providing Investor Relations Activities;

(o) "Officer" means an officer of the Corporation or of an Affiliate, and includes a Management Company Employee;

(p) "Option" means an option to purchase Common Shares pursuant to this Plan;

(q) "Other Share Compensation Arrangement" means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;

(r) "Participant" means an Eligible Person who has been granted an Option;

(s) "Plan" means this Stock Option Plan.

1.2 Interpretation

(a) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2
ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

(a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation and its Affiliates;

(b) encouraging Eligible Persons to remain with the Corporation or its Affiliates; and

(c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

(a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.

(b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:

(i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;

(ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and

(iii) the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.

(c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.

(d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3
ADMINISTRATION OF PLAN

3.1 Administration

(a) This Plan shall be administered by the Board. Subject to the provisions of this Plan, the Board shall have the authority:

(i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited;

(ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.

(b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other persons.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Participant. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Legislation

(a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.

(b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

(c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4
OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Participant, which shall, if the Participant is an Employee, Consultant or Management Company Employee, contain a representation and warranty by the Corporation and such Participant that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or an Affiliate. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

(a) **To any one person**. The number of Common Shares reserved for issuance to any one person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the

grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.

(b) **To Consultant**s. The number of Common Shares reserved for issuance to any one Consultant in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.

(c) **To persons conducting Investor Relations Activities**. The aggregate number of Common Shares reserved for issuance to all persons conducting Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.

(d) **To Insiders.** Unless the Corporation has received Disinterested Shareholder Approval to do so:

(i) the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant;

(ii) the aggregate number of Common Shares reserved for issuance to Insiders in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

(e) **Exercises**. Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any person within a 12 month period pursuant to the exercise of Options granted under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.

ARTICLE 5
OPTION TERMS

5.1 Exercise Price

(a) Subject to a minimum exercise price as allowed under the policies of the Exchange per Common Share, the exercise price per Common Share for an Option shall not be less than the "Discounted Market Price", as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.

(b) If Options are granted within ninety days of a distribution by the Corporation by prospectus, other than for its initial public offering then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection (a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. Such ninety day period shall begin:

(i) on the date the final receipt is issued for the final prospectus in respect of such distribution; and

(ii) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

5.2 Expiry Date

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

5.3 Vesting

(a) Subject to the subsections (b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.

(b) Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Non-Assignability

Options may not be assigned or transferred.

5.5 Ceasing to be Eligible Person

(a) If a Participant who is an Officer, Employee or Consultant is terminated for cause, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination for cause.

(b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the Participant's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.

(c) If a Participant is involved in investor relations activities and ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is 90 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis, and only with the approval of the Exchange if required, further extend the date of such termination and the resulting period in which such Options remains exercisable to a date exceeding the date which is after twelve months of such event.

(d) If a Participant, other than one involved in investor relations activities, ceases to be an eligible person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Participant shall terminate and shall therefore cease to be exercisable

no later than the earlier of the Expiry Date and the date which is 90 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after twelve months of such event.

(e) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of this Section.

(f) If any portion of an Option is not vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion, further and subject to the approval of the Exchange where the vesting of the said Participant's options was a requirement of the Exchange's policies thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.

(g) Notwithstanding the foregoing, if the Corporation is listed on Tier 1 of the Exchange and a Participant ceases to be an Eligible Person in the circumstances set out in subsection (c) herein, the Board may, for any such Participant and in its discretion, extend the date of such termination and the resulting period in which the Option remains exercisable to a date not exceeding the Expiry Date.

ARTICLE 6
EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its registered office:

(a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;

(b) the originally signed option agreement with respect to the Option being exercised;

(c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised; and

(d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction;

and on the business day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.

ARTICLE 7
AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Participant and the consent of the Exchange, if required, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option if the Participant is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

7.3 Re-pricing

Subject to applicable regulatory requirements and approval, the Board may re-price the prevailing exercise price of an Option. Any reduction in the exercise price of an Option held by an Optionee who is an Insider at the time of the proposed amendment, is, however, subject to disinterested shareholder approval if and as required by the Exchange.

ARTICLE 8
MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement

plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.

SCHEDULE "B"

AUDIT COMMITTEE CHARTER

COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**").

2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

6. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

7. Meetings of the Committee shall be conducted as follows:

   (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

   (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

   (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and

any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

9. The overall duties and responsibilities of the Committee shall be as follows:

   (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

   (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;

   (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and

   (d) to report regularly to the Board on the fulfillment of its duties and responsibilities.

10. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

   (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;

   (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

   (c) review the audit plan of the external auditors prior to the commencement of the audit;

   (d) to review with the external auditors, upon completion of their audit;

   (e) be non-audit services provided by the external auditors:

      (i) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

      (ii) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

11. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

   (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

   (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

(d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

12. The Committee is also charged with the responsibility to:

(a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

(i) the annual report to Shareholders;

(ii) the annual information form, if required;

(iii) annual and interim MD&A;

(iv) prospectuses;

(v) news releases discussing financial results of the Company; and

(vi) other public reports of a financial nature requiring approval by the Board,

(vii) and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Company's consolidated financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;

(h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

13. The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditor.

SCHEDULE "C"

DISSENT RIGHTS

Please see attached.

BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

DISSENT RIGHTS

Division 2 — Dissent Proceedings

(v) Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

(vi) Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

(vii) Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

(viii) Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

(ix) Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

(x) Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

(xi) Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

(xii) Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

(xiii) Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon

as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

(xiv) Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

(xv) Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.