

## TIMIA CAPITAL CORP.

### INFORMATION CIRCULAR FOR THE ANNUAL GENERAL MEETING OF THE HOLDERS OF COMMON SHARES TO BE HELD ON JUNE 2, 2020

(As at April 27, 2020, unless indicated otherwise)

#### SOLICITATION OF PROXIES

This Information Circular is provided in connection with the solicitation of proxies by the management of TIMIA Capital Corp. (the “**Company**”) for use at the annual general meeting of the shareholders of the Company to be held in a virtual only format via the internet using the access information provided below at 10:00 am (Vancouver time) on June 2, 2020 (the “**Meeting**”), for the purposes set out in the accompanying notice of meeting and at any adjournment thereof. The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse shareholders, nominees or agents for the cost incurred in obtaining authorization to execute forms of proxy from their principals.

#### VIRTUAL MEETING

This year to mitigate risks to the health and safety of the Company’s shareholders, employees and other stakeholders, the Company will be holding its Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the Meeting and vote virtually. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This is because the Company and its transfer agent, do not have a record of the non-registered shareholders, and, as a result, will have no knowledge of their shareholdings or entitlement to vote unless they appoint themselves as proxyholder. Please see “Appointment and Revocation of Proxy” below.

#### Attending the Meeting Virtually

The Meeting will be held virtually via the Zoom meeting platform. In order to access the Meeting, shareholders will have two options: through the Zoom application, which requires internet connectivity; or via teleconference.

#### ***Attending via Zoom Video Conference:***

In order to access the Meeting through the Zoom application, shareholders will need to download the application onto their computer or smartphone and then once the application is loaded open the following link or enter the Meeting ID below:

<https://zoom.us/j/98976907923>

Meeting ID: **989 7690 7923**

Password: Not Required

Shareholders will have the option through the application to join the video and audio or simply view and listen.

It is the shareholders' responsibility to ensure connectivity during the meeting and the Company encourages its shareholders to allow sufficient time to log in to the Meeting before it begins.

### ***Attending via Teleconference***

In order to dial into the Meeting by telephone, shareholders will phone:

**Canada: 855 703 8985 (Toll Free)**

**US: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)**

Meeting ID: **989 7690 7923**

Password: **Not required**

### ***Other Attendance Information***

**All participants will be required to log into the Zoom application with name and email address. Registered shareholders and proxyholders wishing to vote will be required register with the Scrutineer in advance of the Meeting. It is strongly recommended that these holders access the Meeting at least 15 minutes prior to the starting time for the Meeting.** Registered shareholders participating via teleconference will not be able to vote at the Meeting or revoke their proxy at the Meeting as the Company's scrutineer must take steps to verify the identity of registered shareholders using the video features.

Any shareholders wishing to view materials that may be presented at the Meeting by the Company's management will need to utilize the Zoom application.

### **APPOINTMENT AND REVOCATION OF PROXY**

#### **Registered Shareholders**

**Registered shareholders may vote their common shares by attending the Meeting in person as outlined above or by completing the enclosed proxy.** Registered shareholders should deliver their completed proxies to Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th floor, Toronto, Ontario, M5J 2Y1 (by mail, telephone or internet according to the instructions on the proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting, otherwise the shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the proxy are directors and officers of the Company and are proxyholders nominated by management. **A shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the shareholder at the Meeting. To exercise this right, a shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.**

A Registered shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and delivering it:
  - (i) to the registered office of the Company, care of MLT Aikins LLP, Suite 2600, 1066 West Hastings Street, Vancouver, BC, V6E 3X1, at any time up to and including 4:00 p.m. (Vancouver Time) on the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used; or
  - (ii) to the Chair of the Meeting on the day of the Meeting or any adjournment thereof;
- (c) attending the Meeting or any adjournment thereof and registering with the scrutineer as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by applicable law.

### Beneficial Shareholders

**The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their shares in the Company in their own name.** Shareholders holding their shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans or other persons (any one of which is herein referred to as an “**Intermediary**”) or otherwise not in their own name (such shareholders herein referred to as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders appearing on the records maintained by the Company’s transfer agent as registered shareholders will be recognized and allowed to vote at the Meeting. If a shareholder’s shares are listed in an account statement provided to the shareholder by a broker, in all likelihood those shares are **not** registered in the shareholder’s name and that shareholder is a Beneficial Shareholder. Such shares are most likely registered in 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 Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or “**NOBOs**”) or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or “**OBOs**”). The Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice

of meeting, this Information Circular and a request for voting instructions (a “**VIF**”), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the “**Meeting Materials**”) directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder’s shares on the Beneficial Shareholder’s behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to shareholders in this Information Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

The Meeting Materials are being sent to both registered and non-registered owners of the Company’s shares. If you are a Beneficial Shareholder and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of the Company’s securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

## **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

If a shareholder specifies a choice with respect to any matter to be acted upon, the shares represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the Meeting as stated under the headings in the notice of meeting accompanying this Information Circular. If any amendments or variations to such matters, or any other matters are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Information Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors, or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized capital of the Company consists of an unlimited number of common shares. On April 27, 2020 (the "**Record Date**"), the Company had 41,434,794 common shares outstanding. All common shares in the capital of the Company are of the same class and each carries the right to one vote. Only those shareholders of record on the Record Date are entitled to attend and vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, there are no persons that beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the common shares of the Company, other than:

<b><u>Name of Shareholder</u></b>	<b><u>Number of Common Shares Owned</u></b>
Michael Volker	4,810,750 (11.61%)
Andrew Abouchar	4,664,500 (11.26%)

As at the Record Date, the directors and officers of the Company beneficially own, directly or indirectly, 11,452,943 Common Shares, being 28.14% of the issued and outstanding Common Shares of the Company.

## **EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

#### ***Interpretation***

“Named executive officer” (“**NEO**”) means:

- (a) a Chief Executive Officer (“**CEO**”);
- (b) a Chief Financial Officer (“**CFO**”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Michael Walkinshaw and Andrew Abouchar.

#### ***Compensation Program Objectives***

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Company’s continued success;
- to align the interests of the Company’s executives with the interests of the Company’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages competitive with executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial

characteristics. The Company has not yet reached consistent profitability and therefore performance standards, such as corporate profitability were deemed by the Company to not be appropriate in the evaluation of the performance of the NEOs at this time.

### ***Purpose of the Compensation Program***

The Company's executive compensation program has been designed to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives and for their individual performances.

### ***Elements of Compensation Program***

The executive compensation program consists of salaries or consulting fees, cash bonuses, and the granting of stock options. Director compensation consists of director's fees and the granting of stock options.

### ***Purpose of Each Element of the Executive Compensation Program***

The salaries/consulting fees of a NEO are intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The cash bonus of a NEO is intended to reward goal attainment over the most recent 12 month period.

The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Company's performance and in the value of the shareholders' investments over the longer term.

### ***Determination of the Amount of Each Element of the Executive Compensation Program***

#### ***Human Resources ("HR") Committee***

The HR Committee reviews from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Such a review has been undertaken during the year in the ordinary course of the Committee's work. Implicit in the Board's mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and its shareholders and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that a significant portion of the Company's executive compensation will consist of options granted under the Stock Option Plan (as defined herein). Such compensation is both "long term" and "at risk" and, accordingly, is directly linked to the achievement of long term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is limited.

NEOs that are also Board Members, but excluding the CEO, receive director fees instead of salary. This compensation represents the remaining portion of these NEO's total compensation, after the Stock Option Plan.

While neither salary, directors' fees, nor cash bonuses are "long term" or "at risk", as noted above, Company executives are significant investors in the common shares of TIMIA. As such, executives are not incentivized to take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to them from the standpoint of their short-term compensation when their long-term compensation might be put at risk from their actions.

For 2019, Mr. Walkinshaw was paid a base salary of \$147,500 plus a cash bonus of \$32,500, and awarded 110,000 stock options.

For 2019, Mr. Abouchar was paid a base salary of \$125,250 plus a cash bonus of \$22,500, and awarded 90,000 stock options.

The base compensation, cash bonus and options will be reviewed on an annual basis by the HR Committee.

Due to the small size of the Company, and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board and Committee meetings during which, financial and other information of the Company are reviewed, and which includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

#### *Stock Options*

The Company has established a formal plan (the "**Stock Option Plan**") under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price.

The Board makes these determinations subject to the provisions of the existing Stock Option Plan and, where applicable, the policies of the TSX Venture Exchange.

Previous grants of option-based awards are taken into account when considering new grants.

#### **Compensation Governance**

The Directors and NEO's compensation is determined and reviewed by the Board and the HR Committee.

## Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Company and its subsidiaries for services in all capacities to the Company during the Company's three most recent financial years ended after November 30, 2016:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other comp (\$)	Total comp (\$)
					Annual incentive plans	Long-term incentive plans			
Andrew Abouchar	2019	125,250	nil	16,523	nil	nil	nil	22,000	163,773
	2018	95,650	nil	47,825	nil	nil	nil	33,422	176,897
Michael Walkinshaw	2019	147,500	nil	10,107	nil	nil	nil	32,500	190,107
	2018	130,750	nil	12,052	nil	nil	nil	57,679	200,481
	2017	83,000	nil	12,275	nil	nil	nil	nil	95,275

**Note:**

(1) Option-based awards awarded in 2019 are calculated as the proportion of the share-based expense for each grant that was allocated to each NEO or director.

## Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money vested options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Andrew Abouchar	600,000	0.14	9-May-2022	25,958	N/A	nil
	75,000	0.17	9-May-2023			
	90,000	0.215	11-May-2024			
Michael Walkinshaw	680,000	0.05	4-Aug-2020	100,262	N/A	nil
	100,000	0.14	9-May-2022			
	125,000	0.17	9-May-2023			
	110,000	0.215	11-May-2024			

**Note:**

(1) The value of unexercised in the money options is calculated as the difference between the market price at year end of the underlying common shares of the company and the exercise price of the stated unexercised stock options vested as of yearend.

### Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Andrew Abouchar	16,523	n/a	n/a
Michael Walkinshaw	10,107	n/a	n/a

### Pension Plan Benefits – Defined Benefits Plan

The Company does not have a Defined Benefits Pension Plan.

### Pension Plan Benefits – Defined Contribution

The Company does not have a Defined Contribution Pension Plan.

### Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreements, plans or arrangements for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a NEO's responsibilities.

### Director Compensation

#### *Director Compensation Table*

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Company (other than those directors who are also NEOs) for the most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Howard Atkinson <sup>(2)</sup>	12,000	Nil	19,895	N/A	N/A	Nil	31,895
David Demers	9,000	Nil	12,878	N/A	N/A	Nil	21,878
Paul Geyer	4,500	Nil	10,525	N/A	N/A	N/A	15,025
Jan Lederman	4,500	Nil	10,525	N/A	N/A	N/A	15,025
Thealzel Lee	9,000	Nil	12,166	N/A	N/A	N/A	21,166
Robert Napoli	4,500	Nil	10,525	N/A	N/A	N/A	15,025

**Note:**

- (1) Option-based awards in 2019 are calculated as the proportion of the share-based expense for each grant that was allocated to each NEO or director.
- (2) Audit committee chair.

**Share-Based Awards, Options-Based Awards and Non-Equity Incentive Plan Compensation**

*Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Company (other than the NEOs):

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Howard Atkinson	140,000 100,000 100,000	0.14 0.17 0.215	9-May- 2022 9-May-2023 11-May-2024	6,601	N/A	Nil
David Demers	140,000 100,000 100,000	0.14 0.17 0.215	9-May- 2022 9-May-2023 11-May-2024	7,541	N/A	Nil
Paul Geyer	100,000	0.215	11-May-2024	(1,370)	N/A	Nil
Jan Lederman	100,000	0.215	11-May-2024	(1,370)	N/A	Nil
Thealzel Lee	50,000 100,000 100,000 100,000	0.05 0.14 0.17 0.215	4-Aug-2020 9-May- 2022 9-May-2023 11-May-2024	12,808	N/A	Nil
Robert Napoli	100,000	0.215	11-May-2024	(1,370)	N/A	Nil

**Note:**

(1) The value of unexercised in the money options is calculated as the difference between the market price at year end of the underlying common shares of the company and the exercise price of the stated unexercised stock options vested as of yearend.

**Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year**

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Company (other than the NEOs) during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Howard Atkinson	19,895	N/A	N/A
David Demers	12,878	N/A	N/A
Paul Geyer	10,525	N/A	N/A
Jan Lederman	10,525	N/A	N/A
Thealzel Lee	12,166	N/A	N/A
Robert Napoli	10,525	N/A	N/A

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders <sup>(1)</sup>	5,175,000	\$0.14	325,000
Equity compensation plans not approved by security holders	Nil	N/A	Nil
<b>Total</b>	<b>5,175,000</b>	<b>\$0.14</b>	<b>325,000</b>

**Note:**

- (1) The Company has adopted an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited to 5,500,000 Common Shares, being a number equal to 15.95% of the outstanding issue as of the date of shareholder approval of the plan. Under the plan, the exercise price of an option shall not be less than the discounted market price at the time of granting, or as permitted by the policies of TSX-V. Options granted may not exceed a term of five years from the grant date.

## CORPORATE GOVERNANCE

### *Board of Directors*

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the responsibilities of the Board include strategic planning, appointing and overseeing management, succession planning, risk identification and management, environmental oversight, communications with other parties and overseeing financial and corporate issues. The Board believes that good corporate governance practices provide an important framework for timely response by the Board to situations that may directly affect shareholder value. The Board is committed to practicing good corporate governance, and has adopted a corporate governance manual which contains numerous guidelines to help it practice good corporate governance.

### *Board Independence*

The Board must have the capacity, independently of management, to fulfill its responsibilities. Independence is based upon the absence of relationships and interests that could compromise the ability of a director to exercise judgement with a view to the best interests of the Company. To facilitate independence, the Company is committed to the following practices:

1. The recruitment of strong, independent directors.
2. At least two of the directors being independent.
3. All active committees of the Board being constituted of at least two independent directors.

Of the seven existing directors of the Company, only Michael Walkinshaw is not independent because he is deemed to have a material relationship with the Company, by virtue of being the Chief Executive Officer of the Company.

#### *Other Directorships*

The directors of the Company and the nominee directors are also directors of the following other reporting issuers:

<u>Name</u>	<u>Reporting Issuer</u>
Howard Atkinson	Stroud Resources Ltd. Hamilton Capital Partners, 3iQ Corp.
David Demers	Creation Capital Corp
Paul Geyer	Neovasc Inc.
Jan Lederman	None
Thealzel Lee	None
Robert Napoli	None
Mike Walkinshaw	None

#### *Orientation and Continuing Education*

New directors of the Company are provided with an orientation and education program which includes written information about the duties and obligations of directors, the business and operations of the Company, documents from recent board meetings and opportunities for meetings and discussion with senior management and other directors. Specific details of the orientation of each new director are tailored to that director's individual needs and areas of interest.

The Company also provides continuing education opportunities to directors so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Company's business remains current.

#### *Ethical Business Conduct*

The Board follows a general code of business conduct and ethics which are intended to establish the principles of conduct and ethics to be followed by the Company's directors, officers and employees, the purpose of which is to:

1. Promote integrity and deter wrongdoing.
2. Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.
3. Promote avoidance or absence of conflicts of interest.
4. Promote full, fair, accurate, timely and understandable disclosure in public communications made by the Company.
5. Promote compliance with applicable governmental laws, rules and regulations.
6. Provide guidance to the Company's directors, officers and employees to help them recognize and deal with ethical issues.
7. To help foster a culture of integrity, honesty and accountability throughout the Company.

### *Nomination of Directors*

The Nominating and Governance Committee is responsible for identifying and evaluating qualified candidates for nomination to the Board. The Nominating and Governance Committee recommends appropriate candidates to the Board for approval.

In identifying candidates, the Nominating and Governance Committee 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, previous public and private company board experience, 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.

### *Human Resources (HR) Committee*

The HR Committee along with the Board is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Board and the HR Committee evaluate the performance of the Chief Executive Officer and other senior management in light of corporate goals and objectives, and make recommendations with respect to compensation levels based on such evaluations.

### *Other Board Committees*

The Board of Directors has not established any committees other than the Audit Committee, HR Committee and the Nominating and Governance Committee.

### *Assessments*

The Board as a whole is responsible for carrying out a review and assessment of the overall performance and effectiveness of the Board, its committees and contributions of individual directors on an annual basis. The objective of this annual review will be to facilitate a continuous improvement in the execution of the responsibilities of the Board.

## **AUDIT COMMITTEE**

### *General*

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls that management and the Board have established.

### *Audit Committee Charter*

The Board of Directors has adopted a Charter for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The Audit Committee Charter is attached as Schedule "A" to this Circular.

*Composition*

The Audit Committee consists of the following three directors. Also indicated is whether they are ‘independent’ and ‘financially literate’.

<b>Name of Member</b>	<b>Independent <sup>(1)</sup></b>	<b>Financially Literate <sup>(2)</sup></b>
David Demers	Yes	Yes
Howard Atkinson <sup>(3)</sup>	Yes	Yes
Robert Napoli	Yes	Yes

<sup>(1)</sup> A member of the Audit Committee is independent if he or she has no direct or indirect ‘material relationship’ with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member’s independent judgment. An executive officer of the Company, such as the President, is deemed to have a material relationship with the Company.

<sup>(2)</sup> A member of the Audit Committee 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.

<sup>(3)</sup> Chair of the Audit Committee

The majority of the Audit Committee is currently independent.

*Audit Committee Oversight*

Since the commencement of the Company’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board of Directors.

*Reliance on Certain Exemptions*

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 *Audit Committees* (“**NI 52-110**”) in exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

*Pre-Approval Policies and Procedures*

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services; however, as provided for in NI 52-110 the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

*External Auditor Service Fees (By Category)*

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
November 30, 2017	\$40,000	Nil	\$2,000	\$2,500
November 30, 2018	\$60,000	Nil	\$4,700	Nil
November 30, 2019	\$45,000	Nil	\$2,800	\$6,450

<sup>(1)</sup> The aggregate fees billed by the Company’s auditor for audit fees.

- (2) *The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.*
- (3) *The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.*
- (4) *The aggregate fees billed for professional services other than those listed in the other three columns.*

### *Exemption*

The Company is relying upon the exemption in section 6.1 of NI 52-110 which exempts "venture issuers" from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

As of the date hereof and at any time during the most recently completed financial year, none of the directors or executive officers of the Company or any subsidiary thereof, has more than "routine indebtedness" to the Company or any subsidiary thereof.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Unless otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction or proposed transaction since the commencement of the Company's most recently completed financial year, which has materially affected or will materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **Election of Directors**

The board of directors of the Company (the "**Board**") currently consists of seven (7) directors, all of whom are elected annually. Shareholders of the Company have set the number of directors at seven. Each director elected at the Meeting will hold office until the next annual meeting of shareholders or until his or her successor is duly elected or appointed pursuant to the articles of the Company, unless his or her office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's articles. **It is the intention of the management designees, if named as proxy, to vote FOR the election of the persons listed in the table below to the Board of Directors.**

Management has no reason to believe that any of such nominees will be unable to serve as directors; however, if, for any reason one or more of the proposed nominees do not stand for election or are unable to serve as directors, the management designees named in the enclosed form of proxy intend to vote for another nominee or nominees, as the case may be, in their discretion, unless the shareholder has specified in his or her proxy that his or her Common Shares are to be withheld from voting in the election of directors.

The following table sets out information in respect of each of the nominees for director of the Company, and is based on information received by the Company from said nominees.

Name, Municipality of Residence and Position	Present and Past Principal Occupations	Director Since	Number of Common Shares Owned Directly or Indirectly <sup>(2)</sup>
Howard Atkinson <sup>(1),(3)(4)</sup> Toronto, Ont. Director	<ul style="list-style-type: none"> <li>• Director, Stroud Resources Ltd.</li> <li>• Director, Hamilton Capital Partners</li> <li>• Director, 3iQ Corp.</li> <li>• Past Director, Yangaroo Inc.</li> <li>• President, TMFD Financial</li> <li>• President, Horizons ETFs</li> </ul>	May 10, 2017	937,500 (2.26%)
David Demers <sup>(1)(3)</sup> Vancouver, BC Director	<ul style="list-style-type: none"> <li>• President, Crocus Advisors Ltd.</li> <li>• Director, Greenlane Renewables Inc. (CPC)</li> <li>• Past Director, Primero Mining Corp.</li> <li>• CEO, Director, Westport Fuel Systems Inc.</li> </ul>	May 10, 2017	1,150,000 (2.78%)
Paul Geyer <sup>(3)</sup> Vancouver, BC Director	<ul style="list-style-type: none"> <li>• CEO, Discovery Parks</li> <li>• CEO, Nimbus Synergies Inc.</li> <li>• Chair of the Board, Starling Minds Inc.</li> <li>• Director, Claris Healthcare Inc.</li> <li>• Director, Alavida Health Ltd.</li> <li>• Past CEO, Neovasc Inc.</li> <li>• Director, TargetTape Inc.</li> </ul>	May 14, 2019	740,000 (1.79%)
Jan Lederman <sup>(4)</sup> Winnipeg, Manitoba Director	<ul style="list-style-type: none"> <li>• Director, Valhalla Private Capital, Inc.</li> <li>• Retired Partner, Thompson Dorfman Sweatman LLP</li> <li>• Retired Director, Genome Canada</li> <li>• Past Chair of the Board of Governors, University of Manitoba</li> <li>• Past Co-Founder, Innovate Manitoba Inc.</li> <li>• Chairman of the Board, VastCon Inc.</li> <li>• Chairman of the Board, RocketRez Inc.</li> </ul>	May 14, 2019	none
Thealzel Lee <sup>(3)(4)</sup> Vancouver, BC Director	<ul style="list-style-type: none"> <li>• Director, President &amp; Co-Founder, VANTEC Entrepreneurs Fund (VCC) Inc. [dba E-Fund]</li> <li>• Director &amp; Co-Founder, Nelsa Investment (VCC) Inc.</li> <li>• Senior Partner, Rocket Builders</li> </ul>	April 15, 2014	374,143 (0.92%)
Roberto Enrico (Robert) Napoli <sup>(1)</sup> Vancouver, BC Director	<ul style="list-style-type: none"> <li>• Principal and Managing Director, Promerita Capital Partners</li> <li>• Past President, ACG British Columbia</li> <li>• Co-Founder and Past Vice President, First West Capital</li> <li>• Past Global Director, The Association for Corporate Growth.</li> <li>• Past Advisory Committee Member, Accounting Standards Board of Canada</li> <li>• Past Senior Investment Manager, Vancity Capital</li> <li>• Past Manager Corporate Finance, PricewaterhouseCoopers</li> </ul>	May 14, 2019	70,000 (0.17%)
Mike Walkinshaw North Vancouver, BC CEO / Director	<ul style="list-style-type: none"> <li>• Past Managing Partner, Fronterra Ventures</li> <li>• Past Managing Director of Chrysalix Energy Venture Capital</li> <li>• Past Director, Canadian Venture Capital Association</li> <li>• Past Manager, PricewaterhouseCoopers</li> <li>• Chartered Public Accountant</li> </ul>	April 15, 2014	3,516,800 (8.49%)

**Notes:**

- (1) Members of the Audit Committee
- (2) In addition, an aggregate of 2,345,000 Common Shares are issuable to directors upon the exercise of outstanding stock options, as at November 30, 2019. See “Executive Compensation”.
- (3) Members of the HR Committee
- (4) Member of Nominating and Governance Committee

The above information, including information as to common shares beneficially owned, has been provided by the respective directors individually.

Other than as disclosed below, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, Chief Executive Officer or Chief Financial Officer of any company (including the Company) that:
  - (i) was the subject:
    - (A) of a cease trade order;
    - (B) an order similar to a cease trade order; or
    - (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,  
while the proposed director was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
  - (ii) was subject to:
    - (A) a cease trade order;
    - (B) an order similar to a cease trade order; or
    - (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,  
after the proposed director was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer;
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before 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 proposed director; or
- (d) has been subject to: (A) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority; or (B) been subject to

any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

### **Appointment of Auditor**

The Company recommends that Manning Elliott LLP (“**Manning**”) of 1700 – 1030 West Georgia St., Vancouver, British Columbia V6E 2Y3, be appointed as auditors of the Company for the ensuing year until the next annual meeting of shareholders. Manning was first appointed auditors of the Company on November 30, 2007.

**The management designees, if named as proxy, intend to vote the Common Shares represented by any such proxy FOR the appointment of Manning as auditors of the Company**, at a remuneration to be fixed by the Board, unless a shareholder has specified in his or her proxy that his or her Common Shares are to be withheld from voting on the appointment of auditors.

### **OTHER MATTERS**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the notice of meeting, but if any other matters do arise, the persons named in the proxy intend to vote on any poll, in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters ratified in the notice of meeting and other matters which may properly come before the Meeting or any adjournment.

### **ADDITIONAL INFORMATION**

Additional information on the Company is available on the internet on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company’s comparative annual financial statements and Management Discussion & Analysis which are available on SEDAR. The audited financial statements for the year ending November 30, 2019 together with the auditor’s report will be presented at the Meeting. You may request copies of the Company’s financial statements and Management Discussion & Analysis by completing the request card included with this Information Circular, in accordance to the instructions therein.

DATED May 4, 2020.

BY THE MANAGEMENT OF  
TIMIA CAPITAL CORP.

*“Michael Walkinshaw”*

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Michael Walkinshaw  
Director and Chief Executive Officer

**SCHEDULE A**

**CHARTER OF THE AUDIT COMMITTEE OF  
TIMIA CAPITAL CORP.  
("CHARTER")**

**MEMBERSHIP**

The audit committee (the "**Committee**") of the board of directors (the "**Board**") of TMIA Capital Corp. (the "**Company**") shall consist of three directors. The composition of the Committee shall comply with all of the independence requirements applicable pursuant to corporate laws, securities laws, and the policies of the stock exchange upon which shares of the Company are listed.

Each member of the Committee must be financially literate, as this term is defined under National Instrument 52-110 - Audit Committees (the "**Instrument**").

The Board shall appoint members to the Committee. Each Committee member shall be appointed for a one-year term/shall serve until a successor is duly appointed or until the member's earlier death, resignation, disqualification or removal. The Board may remove any member from the Committee at any time with or without cause. The Board shall fill Committee member vacancies by appointing a member from the Board. If a vacancy on the Committee exists, the remaining members shall exercise all the Committee's powers so long as a quorum exists.

New Committee members shall be provided with an orientation program to educate them on the Company, their roles and responsibilities on the Committee, and the Company's financial reporting and accounting practices. In addition, Committee members shall receive training as necessary to increase their understanding of financial, accounting, auditing and industry issues applicable to the Company.

The Board shall appoint the chairperson of the Committee ("**Chairperson**") from the Committee members. The Chairperson must be a non-executive Director. Subject to Section 1.04, the Board shall determine the Chairperson's term of office.

A quorum for decisions of the Committee shall be two members.

**COMMITTEE MEETINGS**

The Committee shall meet at least quarterly at such times and places as determined by the Committee. The Committee is governed by the same rules regarding meetings (including the procedure used to call meetings, and conducting meetings electronically, in person or by telephone), Notice of meetings and waiver of notice by committee members, written resolutions in lieu of a meeting, and voting at meetings that apply to the Board.

The Chairman shall seek input from Committee members, the Company's management, the Auditor and Board members when setting each Committee meeting's agenda.

Any written material to be provided to Committee members for a meeting must be distributed in advance of the meeting to give Committee members time to review and understand the information. All material provided to Committee members shall be relevant and concise.

The chairperson of the Board, the chief executive officer of the Company (“CEO”), and chief financial officer of the Company (“CFO”) may, if invited by the Chairperson, attend and speak at Committee meetings. Other Board members may also, if invited by the Chairperson, attend and speak at Committee meetings.

The Chairperson, on the Committee’s recommendation, may invite members of the Company’s management to attend meetings and give presentations relating to their responsibilities.

The Committee may appoint a Committee member or any other attendee to be the secretary of a meeting. The Chairperson shall circulate minutes of all Committee meetings to the Company’s Board members and its Auditor (defined below). The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

The Committee shall meet for a private session, excluding management and the Auditor, following each Committee meeting.

#### **PURPOSE, ROLE AND AUTHORITY**

*The purpose of the Committee is to oversee the Company’s accounting and financial reporting processes and the preparation and auditing of the Company’s financial statements.*

*The Committee is authorized by the Board to investigate any matter set out in this Charter or otherwise delegated to the Committee by the Board.*

#### **DUTIES AND RESPONSIBILITIES**

The Committee has the duties and responsibilities set out in sections 5 to 14 of this Charter, as may be amended, supplemented or restated from time to time.

#### **EXTERNAL AUDITOR - APPOINTMENT AND REMOVAL**

To consider and recommend to the Board, to put forward for shareholder approval at the annual meeting, an Auditor that will be appointed or reappointed to prepare or issue an auditor’s report as well as perform audit, review, attest or other services for the Company in compliance with the Instrument, and to recommend to the Board the Auditor’s removal, if necessary.

To set the terms of the Auditor’s engagement and its remuneration, including reviewing and negotiating the Auditor’s engagement letter.

To review and monitor the independence of the Auditor.

To, at least once per fiscal year, review the qualifications and performance of the Auditor and the Auditor’s lead partners and consider and decide if the Company should adopt or maintain a policy of rotating the accounting firm serving as the Company’s external auditor.

#### **AUDITOR OVERSIGHT - AUDIT SERVICES**

To require the Auditor to report directly to the Committee.

To discuss with the Auditor, before an audit commences, the nature and scope of the audit, the Auditor's responsibilities in relation to the audit, the overall audit strategy, the timing of the audit, the processes used by the Auditor to identify risks and reporting such risks to the Committee. To discuss with the Auditor any other matters relevant to the audit, including the coordination of services and processes, where more than one audit firm is involved.

To review and discuss with the Auditor all critical accounting policies and practices to be used in the audit, all alternative treatments of financial information within International Financial Reporting Standards ("IFRS") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the Auditor.

To review any major issues regarding accounting principles, including IFRS, and financial statement presentation with the Auditor and Company's management, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

To review and discuss with the Auditor and management any problems or difficulties encountered during the audit, including restrictions on the scope of activities or access to information, and any significant disagreements between the Auditor and management in relation to financial reporting. The Committee may meet with the Auditor and management (together or separately) to discuss and resolve such disagreements.

To review all material communications between management and the Auditor, including reviewing the Auditor's management letter and management's response.

To create (if required), review, and approve the Company's policies respecting the hiring of any (former or current) Auditor's past or present employees or past or present partners that participated in any capacity in any Company audit.

To oversee any other matters relating to the Auditor and the performance of audit services on the Company's behalf.

#### **AUDITOR OVERSIGHT - NON-AUDIT SERVICES**

To pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries in accordance with the Instrument.

Notwithstanding section 7.1, the Committee may delegate the pre-approval of non-audit services to a member or certain members of the Committee. Such member or members shall notify the Committee at each Committee meeting of the non-audit services they approved since the last Committee meeting.

#### **INTERNAL CONTROLS**

To oversee an effective system of internal controls and procedures for the Company relating to the financial reporting process and disclosure of the financial results ("**Internal Controls**").

To review with management the adequacy and effectiveness of the Company’s Internal Controls, including any significant deficiencies or material weaknesses in the design or operation of the Internal Controls, and to determine if any special steps must be adopted by the Auditor during its audit in light of any such deficiencies or weaknesses.

To review management’s roles, responsibilities, and performance in relation to the Internal Controls.

To review, discuss and investigate any alleged fraud involving the Company’s management or employees in relation to the Internal Controls, including management’s response to any allegations of fraud. To implement corrective and disciplinary action in cases of proven fraud, and to determine if any special steps must be adopted by the Auditor during its audit in light of any proven fraud or any allegations of fraud.

To establish and monitor the procedures for: (a) the receipt, retention, and treatment of complaints the Company receives relating to its Internal Controls; (b) the anonymous submission of employees’ concerns relating to questionable accounting or audited matters engaged in by the Company; and (c) the independent investigation of the matters set out in (a) and (b), including the appropriate follow up action for each.

To review and discuss with the CEO and CFO, or those officers who perform the duties similar to a CEO or CFO, the steps taken to complete the required certifications of the annual and interim filings with the securities commissions.

## **FINANCIAL STATEMENTS**

To review and discuss with the Auditor and management the Company’s annual audited financial statements as well as the accompanying Auditor’s report and management discussion and analysis (“**MD&A**”). The Committee’s review of the annual audited financial statements will include a review of the notes contained in the financial statements, in particular the notes on: (a) significant accounting policies, including any changes made to them and the effect this may have on the Company; (b) significant estimates and assumptions; (c) significant adjustments resulting from the an audit; (d) the going concern assumption; (e) compliance with accounting standards; (f) investigations and litigation undertaken by regulatory authorities; (g) the impact of unusual transactions; and (h) off-balance sheet and contingent asset and liabilities, and related disclosures.

To assess: (a) the quality of the accounting principles applied to the financial statements; (b) the clarity of disclosure in the financial statements; and (c) whether the audited annual financial statements present fairly, in all material respects, in accordance with IFRS, the Company’s financial condition, operational results and cash flows.

Upon satisfactory completion of its review, to recommend the annual audited financial statements, Auditor’s report and annual MD&A for Board approval.

To review the interim financial statements and related MD&A with the Auditor (if the interim financial statements are audited) and management, and if satisfied that the interim financial statements meet the criteria set out in subsection 9.2 to recommend to the Board that it approve the interim financial statements and accompanying MD&A.

## **DISCLOSURE OF OTHER FINANCIAL INFORMATION**

To review and discuss with management the design, implementation and maintenance of effective procedures relating to the Committee’s prior review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements (“**Disclosure Procedures**”). To ensure that the Disclosure Procedures put in place are followed by the Company’s management and employees, and to periodically assess the adequacy of the Disclosure Procedures.

To review the Company’s profit and loss press releases and other related press releases before they are released to the public and to review the nature of any financial information and ratings information provided to agencies and analysts per the Company’s disclosure policy.

To monitor and review the Company’s policy on confidentiality and disclosure on a yearly basis.

## **RISK MANAGEMENT**

To review and discuss with management policies and guidelines to govern the processes by which management assesses and manages the Company’s risks, including the Company’s major financial risk exposures and fraud, and the steps management has taken to monitor and control such exposures.

## **LEGAL COMPLIANCE**

To review with legal counsel any legal matters, including inquiries received from regulators and governmental agencies, that may have a significant impact on the Company’s financial statements, cash flows or operations, to review and oversee any policies, procedures and programs designed by the Company to promote legal compliance.

## **RELATED PARTY TRANSACTIONS**

To review all proposed related party transactions, other than those reviewed by a special committee of disinterested directors in accordance with Canadian corporate or securities laws.

## **OTHER DUTIES AND RESPONSIBILITIES**

To complete any other duties and responsibilities delegated by the Board to the Committee from time to time.

## **MEETINGS WITH THE AUDITOR**

Notwithstanding anything set out in this Charter to the contrary, the Committee may meet privately with the Auditor as frequently as the Committee deems appropriate for the Committee to fulfil its responsibilities and to discuss any concerns of the Committee or Auditor in relation to the matters covered by the Committee’s Charter, including the effectiveness of the Company’s financial recording procedures and systems, and management’s cooperation and responsiveness to matters arising from the audit and non-audit services performed by the Auditor.

## **MEETINGS WITH MANAGEMENT**

The Committee may meet privately with management as frequently as the Committee deems appropriate for the Committee to fulfil its responsibilities, and to discuss any concerns of the Committee or management.

### **OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Charter. The Committee shall set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Company.

### **REPORTING**

The Committee shall report to the Board on all matters set out in this Charter and other matters assigned to the Committee by the Board, including: (a) the Auditor's independence; (b) the Auditor's performance and the Committee's recommendation to reappoint or terminate the Auditor; (c) the adequacy of the Internal Controls; (d) the Committee's review of the Company's annual and interim financial statements, and any IFRS reconciliation, including any issues respecting the quality and integrity of financial statements, along with the MD&A; (e) the Company's compliance with legal and regulatory matters and such matters impact on the financial statements; and (f) the Company's risk management programs and any risks identified in accordance with this program.

### **CHARTER REVIEW**

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

### **PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties and responsibilities under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

### **NO RIGHTS CREATED**

This Charter is a broad policy statement and is intended to be part of Committee's flexible governance framework. While this Charter should comply with all applicable laws, regulations and listing requirements, as well as the Company's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Company.

### **EFFECTIVE DATE**

This Charter was implemented by the Board on December 1, 2015.