



## **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON JULY 26, 2016  
at 10:30 a.m. (Pacific Time)**

### **NOTICE OF MEETING AND INFORMATION CIRCULAR**

**THIS IS AN IMPORTANT MEETING THAT WILL DETERMINE THE BOARD OF DIRECTORS THAT WILL LEAD PARKIT IN THE FUTURE. PLEASE VOTE USING ONLY THE BLUE PROXY.**

#### **YOUR BOARD RECOMMENDS THAT YOU VOTE:**

- ✓ FOR setting the number of directors of the company at five (5)**
- ✓ FOR the re-election of Robert Emri, Pesach (Pace) Goldman, Joel Dumaresq, David Mullen and Bryan Wallner**
- ✓ FOR the reappointment of Davidson & Company LLP as the company's auditors**
- ✓ FOR the approval and ratification of the company's stock option plan.**

THIS NOTICE OF MEETING AND INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE CURRENT DIRECTORS AND INTERIM MANAGEMENT OF PARKIT ENTERPRISE INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 26, 2016.

Dated: June 24, 2016

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#### **YOUR VOTE IS VERY IMPORTANT- PLEASE USE ONLY YOUR BLUE PROXY**

For questions or assistance, please call Shorecrest Group, Toll Free 1-888-637-5789 or Collect 647-931-7454; email: [contact@shorecrestgroup.com](mailto:contact@shorecrestgroup.com)

Please visit [www.parkitenterprise.com](http://www.parkitenterprise.com) for updates.

June 24, 2016

## MESSAGE TO SHAREHOLDERS

Dear Shareholders,

Enclosed is a Notice of Meeting and Information Circular and either a **BLUE** proxy or **BLUE** voting instruction form, sent to you in connection with an annual general meeting at which a group of dissident officers (the “Dissident Officers”) is attempting to take control of Parkit’s board of directors (the “Board”). This meeting is important to the future of your company and to your investment because it will determine the composition of the Board and the leadership of Parkit. The meeting of holders of common shares will be held at Owen Bird Law Corporation, suite 2900-595 Burrard Street, Vancouver, BC V7X 1J5 on Tuesday July 26, 2016 at 10:30 a.m. (Pacific Time).

The company anticipates that the three Dissident Officers will put forth nominees for an alternative slate of directors selected by the Dissident Officers. Your Board feels that the current attempt of the Dissident Officers to replace the Board with their own nominees is an attempt to insert a board that would be willing to approve the Dissident Officers’ unreasonable salary and contract demands and that will not hold the Dissident Officers accountable to shareholders. If after reading the information in the accompanying circular you agree, we ask you to take the time to vote using only the BLUE proxy or BLUE voting instruction form to re-elect the current Board. Please do not vote using any proxy or voting instruction form sent to you by the Dissident Officers.

The Dissident Officers have tried to assert control over the Board by manipulating the nomination process in order to achieve their compensation objectives and to diminish Board oversight. The current Board has held the Dissident Officers accountable and ensured contract terms are in line with industry standards, resulting in the desire of the Dissident Officers to seek yet another Board change.

Since late 2014, the Dissident Officers have made repeated efforts to pressure the independent directors to approve increased remuneration and enter into contracts to effect such remuneration. Despite the Dissident Officers’ assertions to the contrary, the Dissident Officers are well paid on an absolute basis as well as a relative basis when compared to companies of similar size and in similar industries.

The three Dissident Officers received aggregate compensation (including bonus) of \$814,000 for fiscal 2015 (average of \$271,000 per executive). As per the unaudited statements for the most recent quarter filed on SEDAR (three months ending January 31, 2016), ***their salaries for the quarter totaled \$180,681 or approximately 56% of total revenue.*** The current rate of remuneration would amount to approximately \$650,000 (excluding any bonus accrual which, subject to certain hurdles being met could increase the overall compensation \$1,000,000 or more). ***There have been no acquisitions in the company’s joint venture since its inception in April 2015, prompting the independent directors to question the rationale for these demands.***

The Dissident Officers previously tried to circumvent the nominating committee in order to influence the Board selection to put in place directors of their choice. When the Board did not accede to the demands of the Dissident Officers, the Dissident Officers launched the current proxy battle as an attempt to change the Board. The Dissident Officers were unsuccessful in their attempt to take control of the Board at the 2015 Annual General Meeting and thus are trying again.

Your Board needs your support to prevent the Dissident Officers from taking control of Parkit. We urge you to support the current Board and to put the costly distraction of a proxy contest behind us

and allow us to get back to building a stronger company. No matter how many shares you own, your vote is crucial to stop the Dissident Officers from taking control of your company. The outcome of the vote will be determined only by the shareholders who participate.

**Please use the proxy control number located on the accompanying BLUE proxy or BLUE voting instruction form to vote using one of the available methods provided. We recommend that you vote on the internet or via the telephone, to ensure your vote is received prior to the voting deadline of Friday July 22, 2016 at 10:30 a.m. (Pacific Time). If you have already voted using the dissident proxy, using the BLUE proxy as a later dated proxy will revoke any previous proxy submitted. If you require any assistance, please do not hesitate to contact our proxy solicitor, Shorecrest Group toll free at 1-888-637-5789 or collect 647-931-7454. For further updates, please visit the company's website at [www.parkitenterprise.com](http://www.parkitenterprise.com).**

Sincerely,

**“Joel Dumaresq”**

**Director and Chairman of the Board**

**Parkit Enterprise Inc. Information Circular –  
Frequently Asked Questions**

**Q. What am I being asked to vote on?**

- A. An annual general meeting of shareholders of Parkit Enterprise Inc. (“Parkit” or the “Company”) has been scheduled for July 26, 2016 to consider the following items:
1. Setting the number of directors at five
  2. Re-electing the current independent directors (Robert Emri, Pesach (Pace) Goldman, Joel Dumaresq, David Mullen, and Bryan Wallner, collectively, the “Board”)
  3. Appointing Davidson & Company LLP as auditors (“Auditors”) of the Company for the ensuing year and authorizing the Directors to fix their remuneration
  4. Approving and ratifying the Company’s Stock Option Plan

**Your board of directors recommends that you vote FOR all the above motions using only your BLUE proxy.** It is anticipated that an alternative slate of Directors will be proposed by a dissident group of officers led by Richard Baxter, suspended President and CEO, Patrick Bonney, suspended CIO and Simon Buckett, suspended CFO (collectively, the “Dissident Officers” or the “Dissidents”).

**Q. Why was the meeting postponed until July 26, 2016?**

- A. The annual general meeting (the “AGM” or the “Meeting”) was originally scheduled for June 21, 2016. However, the day after the Company’s circular was mailed on May 12, 2016, the Dissident Officers filed notice of their own director nominees with the Company, nominating Richard Baxter and three other nominees. A dissident circular and proxy were then promptly mailed to all shareholders. Upon investigation, the Board determined that the Management Information Circular issued by the Company under the direction of the Dissident Officers had been sent to only the smallest segment of the shareholder group allowed. Given that a significant portion of shareholders had received the dissident circular but not the Company’s circular, the Board gave significant consideration to the timing of the upcoming AGM and determined that it was in the best interests of the Company and its shareholders to briefly postpone the AGM date so that the Board could prepare and disseminate materials to all shareholders who would be made fully aware of the actions taken by the Dissident Officers to date and their underlying motivations. In an attempt to justify the decision to mail the Company’s circular to a limited group of shareholders, the Dissident Officers point to the fact that the current directors “chose to implement the AGM consistent with past practices”. The Board believes that this is misleading. Specifically, the Dissident Officers instructed the corporate secretary regarding the Meeting and never alerted the Board to this decision or direction that they gave the Corporate Secretary. Furthermore, the Dissident Officers do not address the fact they mailed their own dissident circular to a much broader group of shareholders very shortly following the mailing of the Company’s circular. The Dissident Officers would have known the difference in the number of shareholders who would receive the Company’s circular relative to the number of shareholders who would receive the Dissident circular, a point that the Board views as a conflict of interest on the part of the Dissidents.

**Q. How can I support the current vote?**

A. Parkit's Board unanimously recommends that shareholders use **ONLY** the **BLUE** proxy to vote as follows:

- **FOR – Setting the number of Directors at five (5)**
- **FOR –Re-electing the current board consisting of, Robert Emri, Pesach (Pace) Goldman, Joel Dumaresq, David Mullen and Bryan Wallner**
- **FOR - Appointing the Auditors for the ensuing year and authorizing the directors to fix their remuneration**
- **FOR – Approving and ratifying the Stock Option Plan**

**Q. Who are the Dissidents?**

The dissident group is comprised of the three Dissident Officers of the Company described above. The Dissidents are proposing that the five independent current board members be replaced by a four person Board, consisting of nominees selected by the Dissident Officers.

**Q. Why is there a proxy contest for the Board seats?**

A. Prior to the last annual general meeting of May 12, 2015 (the "2015 AGM") , the Board was comprised of five directors; three independent directors, Robert Emri, Pesach Goldman, Joel Dumaresq, and two Company executives, Richard Baxter and Patrick Bonney. In advance of the 2015 AGM, the Company issued a circular nominating each of the forgoing directors for re-election. Each of the independent directors was specifically solicited to join the Board by the Dissidents in advance of the 2015 AGM.

As announced shortly before the 2015 AGM, the Company completed the closing ("Closing") of the Joint Venture arrangement ("JV") between the Company and its US partners. The terms of the JV were negotiated over a four month period. During the negotiation, it came to the attention of the independent directors that the draft JV diverted certain benefits, fees and profits away from the Company, and its shareholders to the Dissident Officers directly. The independent directors worked with the Dissident Officers to evaluate and then eventually unwind these arrangements. Ultimately, the independent directors were successful and the JV was not structured to the Dissident Officer's complete satisfaction, but was instead altered into its current form so that the Company and **all** shareholders would receive the full benefits of the JV.

Immediately following the Closing, all of the then current directors (independents - Dumaresq, Goldman and Emri, and non-independents - Baxter and Bonney) were standing for re-election at the 2015 AGM. Immediately prior to the 2015 AGM, Mr. Baxter and the other Dissident Officers attempted to remove some of the independent directors at the 2015 AGM and replace them with their own nominees from the floor. Neither of the nominees intended to be put forth by the Dissident Officers, Mr. Bryan Wallner and Mr. David Mullen, had been vetted by the Board nor were their names put forth in advance of the meeting to allow all shareholders to consider their nominations. Moreover, neither Messrs. Wallner nor Mullen had been apprised of the fact that the Dissident Officers were using them to wage a covert proxy battle.

In order to implement their plan, the Dissident Officers reached out to shareholders in advance of the 2015 AGM (while still holding their roles as officers of the Company) in order to elicit

their support and nominate Messrs. Wallner and Mullen despite the fact that it was clearly inconsistent with the Circular already mailed and filed by the Company. Concerned shareholders representing a significant percentage of the outstanding equity approached the independent directors in order to apprise them of the secretive campaign being waged by the Dissident Officers. The independent directors confronted the Dissident Officers and the attempt to replace the Company's independent directors with their own nominees was withdrawn.

The 2015 AGM proceeded and the five directors listed in the 2015 Management Information Circular (Messrs. Emri, Goldman, Dumaresq, Baxter and Bonney) were re-elected. After careful consideration, following the 2015 AGM the Board vetted Mr. Wallner and Mr. Mullen and determined that the proposed nominees had impressive credentials and would be a valuable addition to the Board. In order to accommodate two new directors, the Board agreed (as allowed by statute) that it would expand the Board from five directors to six directors and Mr. Bonney would step down from the Board to accommodate the addition of both Messrs. Wallner and Mullen. It is worth noting that, only one year after trying to nominate Messrs. Wallner and Mullen from the floor of the 2015 AGM, the Dissident Officers are now trying to remove these directors from the Board.

**EACH of the five independent current directors that the Dissident Officers are trying to remove was identified and proposed by Mr. Baxter to serve on the Board. The Dissident Officers are attempting to replace the current Board through a proxy contest because they have been unsuccessful in influencing the current Board to approve the employment contracts proposed by the Dissident Officers.**

- Q. What further efforts did the current Board make to compensate the Dissidents while respecting the rights of shareholders?**
- A. Since late 2014, the Dissident Officers made repeated appeals to the Board to approve increased remuneration and to enter into contracts to effect such remuneration.** In the Board's view, the Dissident Officers are well paid on an absolute basis as well as a relative basis when compared to companies of similar size and in similar industries.

Following the expansion of the Board in the summer of 2015, a new compensation committee ("Compensation Committee") of three independent directors, (Joel Dumaresq, David Mullen, and Bryan Wallner) was formed to make a recommendation to the Board of appropriate employment contracts ("Contracts") for the three Dissident Officers. To assist in its efforts to determine appropriate terms for the Contracts, the Compensation Committee retained an independent third party consultant (the "Compensation Consultant") to consult on the terms of the Contracts on a go forward basis as well as to address any outstanding compensation needs.

The Dissident Officers rejected multiple Contract offers recommended by the Compensation Committee citing various problems with each offer. Each of these offers by the Compensation Committee was reviewed by the Compensation Consultant. While certain elements of the Contracts were ultimately resolved, various outstanding issues remained after the six month negotiation process, which precluded the parties from entering into mutually agreeable Contracts. Finally, in March 2016, the Compensation Committee opted to leave its most recent offer of Contracts extended to the Dissident Officers without further revision despite the objections of the Dissident Officers to the final proposal.

**Despite the repeated good faith efforts of the Compensation Committee to put forward Contracts to the mutual satisfaction of both management and the Board, final Contracts were never agreed to by the Dissidents.**

The three Dissident Officers received aggregate compensation (including bonus) of \$814,000 for fiscal 2015 (average of \$271,000 per executive). As per the unaudited statements for the most recent quarter filed on SEDAR (three months ending January 31, 2016), **the Dissident Officers' salaries for the quarter totaled \$180,681 or approximately 56% of total revenue. There have been no acquisitions in the JV since its inception in April 2015.**

**Q. Is the current board more qualified than the Dissident's nominees?**

A. Yes, the current Board brings a significant level of industry experience and demonstrated leadership that is necessary to oversee Parkit's management. The skills outlined below demonstrate the significant experience, leadership and knowledge that the current Board brings to the Company:

- 5/5 of the current Board members have public company directorship experience;
- 4/5 of the current Board members have consulted to/advised/held officer roles with public companies;
- 3/5 of the current Board members have significant real estate industry experience;
- 5/5 of the current Board members have significant investment experience;
- 5/5 of the current Board members are completely independent of the Dissident Officers; and
- 5/5 of the current Board members have prevented the inappropriate actions of the Dissident Officers.

While the Dissidents' nominees individually/collectively may possess some of the foregoing skill sets, in aggregate they would not bring the same level of experience and balance that the existing board possesses. Moreover, as outlined above, the existing Board has demonstrated that it is willing and able to demand accountability from management and protect the interest of shareholders.

**Q. What is the Dissident Officers' plan for building value for the Company?**

A. The Dissidents' circular filed on SEDAR on May 18, 2016 states that they are best positioned to execute on their strategic plan. However, they give no indication what their strategic plan would be or why they need a new board to carry out this plan. The current Board has made several attempts to work with the Dissidents over the past year to grow the business of the Company. The Dissidents have not been receptive to these attempts. The Dissident Officers have had ample opportunity over the past year to articulate the nature of their strategic plan and begin its implementation.

The lack of strategic plan of the Dissident Officers is evident when considering the failure of the Dissident Officers to source any acquisitions over the last year. In particular, the mandate of

the Investment Committee is to utilize the depth of experience of the directors (especially their experience in structuring/performing due diligence on transactions as well as background in the real estate/parking industries) to direct the Dissident Officers as acquisition opportunities arise. Members of the Investment Committee repeatedly requested information from management and asked to meet to discuss potential investments. However, the committee met only twice since its formation in June 2015 with little communication from the Dissident Officers on any acquisitions being contemplated. The Investment Committee's requests for details on the JV's acquisition pipeline and/or properties under due diligence were met with a consistent response to the effect that the Dissident Officers "were working very hard". However, no details were provided and the Board has concluded that the Dissident Officers have not made any progress on any of these items.

The Dissident Officers wanted the authority to enter into firm contracts for potential acquisitions without Board approval and/or Investment Committee recommendation. The Board did not accede to this request.

**Q. What is the current Board's plan for building value for the Company?**

- A. Following the AGM, and assuming the shareholders vote to re-elect the independent directors, the Board intends to initiate a complete review of the Company's business plan, consider all options for increasing value to shareholders (particularly the existing large discount in share price relative to the net asset value of the Company), and commence a formal review of management objectives and performance.

**Q. What are the qualifications of interim management and are they suited to run the company in the interim?**

- A. The Board is confident that Bryan Wallner, a career parking industry executive and Nigel Kirkwood, a chartered accountant with significant public company experience, are well suited to serve as interim CEO and CFO.

**Bryan Wallner**

Mr. Wallner has over 27 years of parking industry experience across North America. Mr. Wallner began his parking career in 1987 as a parking operations manager, and ultimately was appointed President and Chief Operations Officer of Imperial Parking (Impark). Under his tenure, Impark grew into one of the largest parking management companies in North America with in excess of 2,000 leased/managed parking locations, consisting of more than 400,000 parking spaces, in over 25 markets throughout Canada and the United States. As COO of Impark, Mr. Wallner oversaw gross revenue growth of 233%. Mr. Wallner was part of the management team that took Impark public in 2000, and then completed a privatization of the company in 2005.

Following the restructuring of Impark in 2009, Mr. Wallner consulted in the parking industry for the duration of his non-compete agreement with Impark, before joining Standard Parking as a senior executive responsible for strategic planning, key account management and acquisition integration.

Mr. Wallner is a director of the Company and is also a director of Pacific Parklands Foundation, a non-profit organization dedicated to the preservation and enhancement of Metro

Vancouver's regional parks. In the opinion of the Board, Mr. Wallner is an excellent candidate and is well suited for the role of CEO of Parkit.

**Nigel Kirkwood, CPA, CA**

Mr. Kirkwood has over 20 years of international experience working in accounting, mergers and acquisitions and corporate finance advisory services. Mr. Kirkwood spent 16 years based in London, England where he was a Director at Citigroup, focused on Mergers & Acquisitions and advised on projects with a completed value of \$25 billion. In 2009, Mr. Kirkwood relocated to Vancouver where he provides consulting and management services to several companies listed on the TSX and TSX Venture Exchanges.

Since December 2012, Mr. Kirkwood has been the CFO at Baja Mining Corp., acting as a key figure in the restructuring of the company. More recently in May 2015, Mr. Kirkwood undertook the role of CFO at Levon Resources Ltd. where his experience and leadership contributed greatly to the management team during the reverse take-over transaction with SciVac Therapeutics Ltd. (now VBI Vaccines Inc.) and simultaneous spin-out of the exploration mining businesses to a newly incorporated and listed entity, renamed Levon Resources. In the opinion of the Board, Mr. Kirkwood is an excellent candidate and is well suited for the role of CFO of Parkit.

**Upon re-election at the Meeting, the Board intends to conduct a review of the Company's organizational structure and will consider all eligible candidates to comprise the management team on terms that are appropriate for the Company's size and industry.**

**Q. How can I vote?**

- A. Depending on how you hold your shares, you will most likely receive a BLUE proxy or voting instructions from Computershare Investor Services or Broadridge Financial Solutions. Your BLUE proxy or voting instruction form will contain a control number that you can use to vote your shares. To ensure your vote is received in sufficient time for the Meeting, we recommend that you vote on the internet or via the telephone. Shareholders should carefully follow the instructions provided on the BLUE proxy or Blue voting instruction form to ensure their vote is counted. If you require any assistance in voting please contact the proxy solicitation agent, Shorecrest Group, Shorecrest can be contacted toll-free in North America at 1-888 -637-5789 or call collect outside North America at 647-931-7454 or by email at [contact@shorecrestgroup.com](mailto:contact@shorecrestgroup.com)

**REGISTERED SHAREHOLDERS**

If you hold your shares directly on the company's register, please vote using your BLUE PROXY using one of the following methods:

**INTERNET:** [www.investorvote.com](http://www.investorvote.com) and vote using your control number located on the front of your BLUE proxy. Follow the voting instructions on screen.

**TELEPHONE:** Call toll-free 1-866-732-8683 and vote using your Control # located on your BLUE proxy.

**FAX:** Mark, sign and date your BLUE proxy form and return it by facsimile to toll free in North America 1-866-249-7775 or 1-416-263-9524.

**MAIL:** Mark, sign and date your BLUE proxy form and return it in the enclosed postage-paid envelope.

### **BENEFICIAL SHAREHOLDERS**

If you hold your shares with a bank broker or other financial intermediary, please follow the instructions provided by your intermediary. Most shareholders will receive their voting instruction form from Broadridge and can vote using the following methods. Please vote in sufficient time for your financial intermediary to vote your shares well in advance of the Meeting. Your financial intermediary can only vote your shares if it receives your voting instructions.

**Internet:** [WWW.PROXYVOTE.COM](http://WWW.PROXYVOTE.COM) and vote using the 16 digit control number located on your BLUE voting instruction form.

**Telephone:** Please use the phone number located on your BLUE voting instruction form using your 16 digit control number.

**MAIL:** Mark, sign and date your BLUE proxy form and return it in the enclosed postage-paid envelope.

**Q. Can I attend and vote at the Meeting?**

A. Only registered shareholders can attend and vote at the Meeting. Beneficial shareholders who hold their shares through a financial intermediary must take additional steps to vote at the Meeting. Beneficial shareholders may appoint themselves or someone else, who need not be a shareholder, to vote directly at the Meeting. Please carefully follow the instructions on the accompanying **BLUE voting instruction form or other form of proxy provided by your financial intermediary.**

**Q. Can I appoint someone else to vote for me?**

A. If you are not able to attend the AGM in person and wish to appoint someone other than the Company's designated appointees to be your representative to vote on your behalf, you have the right to appoint a person or entity, who may or may not be a Shareholder of the Company, to attend and represent you at the Meeting and vote on your behalf. Please follow the instructions on the accompanying BLUE form of proxy or BLUE voting instruction form. You may appoint someone other than the two Company appointees by striking out the printed names and inserting the desired person's name and address in the blank space provided. Please return your proxy or voting instruction form using one of the available methods on the accompanying form.

**Q. Who is soliciting my proxy?**

A. Your proxy is being solicited by the **Board and interim management** of Parkit Enterprise. This Circular is furnished in connection with that solicitation. The solicitation of proxies for the Meeting will be made primarily by mail, and may be supplemented by telephone. If you have questions or need assistance completing your BLUE form of proxy or voting instruction form,

please contact Shorecrest Group who has been retained as proxy solicitation agent. Shorecrest can be contacted toll-free in North America at 1-888 -637-5789 or call collect outside North America at 647-931-7454 or by email at [contact@shorecrestgroup.com](mailto:contact@shorecrestgroup.com)

**Q. What documents have been sent to Shareholders?**

A. In addition to the accompanying Circular prepared by the Company, shareholders have been sent a “letter to shareholders” and a **BLUE form of proxy or voting instruction form (“VIF”)**. Copies of these documents (other than the BLUE VIF) are available from Parkit’s profile at [www.sedar.com](http://www.sedar.com) and on our website at [www.parkitenterprise.com](http://www.parkitenterprise.com). Please visit our website for updates and other information.

**Q. When and where is the Meeting?**

A. The Meeting will take place on July 26, 2016 at 10:30a.m. (Pacific Time), at the Law Offices of Owen Bird Law Office Corporation, Suite 2900- 595 Burrard Street Vancouver, BC, V7X 1J5.

**Q. How many Shares are entitled to vote?**

A. As of June 9, 2016, the record date for the Meeting, there were 32,245,723 shares outstanding and entitled to vote at the Meeting. You are entitled to one vote for each share that you own.

**Q. When is the cut-off time for delivery of proxies?**

A. Proxies must be delivered to Computershare Investor Services Inc., by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 or by fax to 1-866-249- 7775 (North America toll free) or 1-416-263-9524 (international), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment, the proxy-cut off time is **10:30 a.m. (Pacific Time) on July 22, 2016**. The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

**Q. Can I change my vote after I submitted a previously signed proxy?**

A. Yes. A shareholder who has given a proxy **may revoke it** by depositing an instrument in writing signed by the registered shareholder at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chairman of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A shareholder may also submit a later dated proxy to revoke an earlier dated proxy. A Shareholder may also revoke a proxy in any other manner permitted by law.

## **BACKGROUND TO THE PROXY CONTEST**

The Dissident Officers have repeatedly attempted to change the composition of the Board. Notwithstanding the fact that each of the independent directors had been asked by, Richard Baxter (the “Dissident CEO”) to join the Board, the Dissident CEO tried to push certain individuals off the Board in advance of the 2016 AGM.

The Dissident Officers were given the opportunity to demonstrate the need for reducing the size of the Board in advance of the AGM circular being filed and mailed to shareholders.

- On Wednesday, May 4, 2016:
  - The Board met and heard the Dissidents view of what shareholders wanted – specifically, that Board fees were “too high” and the Board was “too big” and “non-functional”.
  - After giving consideration to the Dissidents’ arguments to reduce the size of the Board, the Nominations Committee determined that the evidence to support maintaining the existing Board slate was overwhelming, with no evidence to support the Dissidents’ rationale to the contrary. Consequently, the Nominations Committee comprised of three independent directors nominated the existing Board for re-election at the AGM. To address the alleged issue that the Board fees were “too high”, the Nominations Committee also proposed that the independent directors lower their fees.
  - These recommendations were made to the Board and all five independent members of the Board voted in favour of the recommendations, while the Dissident CEO voted against. The Board asked the Dissident CEO why he voted against the recommendations, including the proposed reduction in directors’ fees. Contrary to the prior assertion, the Dissident CEO remarked that the amount of Board fees was **not** the real issue and that the real issue was the “unwieldy size of the Board”. The Dissidents refused to substantiate any of their claims regarding shareholder preferences and instead made an inflammatory statement citing the lack of an “amicable solution” to the situation.
- On Thursday, May 12, 2016, the Corporate Secretary (at the direction of the Dissidents) arranged to file the Company’s original circular following its approval by the Board nominating the current Board and Mr. Baxter, and to distribute the circular to a narrow group of the Company’s shareholders. In particular, close to 60% of the beneficial owners did not receive the Company’s original circular.
- The next day, on Friday May 13, 2016, the Dissidents’ lawyer advised the Company that, pursuant to the Company’s advance notice provisions, the Dissidents would put forward a new slate of three directors alongside the Dissident CEO.
- On Wednesday, May 18, 2016, the Dissidents filed the Dissident’s circular nominating the Dissident slate and arranged for its distribution to a significantly larger proportion of the Company’s shareholders.

As the current Board wanted to avoid engaging in a distracting and expensive proxy contest, the Board attempted to reach a settlement with the Dissident Officers. After several attempts to discuss a resolution with the Dissidents through discussions with Mr. Baxter, on May 19, 2016, a Board meeting was called at which Mr. Baxter was asked again why he had undertaken this hostile step to remove the Board that had repeatedly demonstrated its commitment to protect shareholders. The Dissident CEO stood by his prior assertion that he had taken this course of action based upon his communication with shareholders. The Board asked the Dissident CEO to provide evidence of these communications and/or disclose which shareholders shared this opinion with the Dissidents and the Dissident CEO was unwilling or unable to disclose and/or provide such evidence.

During this same time period, several shareholders asked members of the Board why they had received the Dissidents’ circular but not the circular issued by the Company. Upon investigation, the Board determined that the mailing of Company’s circular, as directed by the Dissident Officers, was mailed to a very small group of shareholders.

The Board then asked the Dissident CEO to step down from the Board until the AGM as a result of the inherent conflict in his remaining on the Board and in order to give the Board the flexibility to operate and respond to the Dissident's circular as a unified Board. The Dissident CEO rejected the idea and advised he was unwilling to step down. Given the hostility demonstrated by Mr. Baxter and his unwillingness to accept or abide by the Board's decisions, the Board unanimously voted to remove the Dissident CEO from the Board pursuant to the Company's articles and BC corporate law.

After several further attempts to discuss a resolution with the Dissidents through discussions with Mr. Baxter, on May 25, 2016, a Board meeting was called to approve the suspension of the Dissident Officers **with pay** until the AGM as a result of the inherent conflicts and the Dissident Officers' inability to fulfill their fiduciary obligations during a proxy contest. The vote to suspend was carried unanimously, but it was specifically determined that one final attempt to reach out to the Dissident Officers would be made in order to avoid a proxy contest at the expense of shareholders.

In light of the growing discontent of the Board with the Dissident Officers, as well as the conduct of the Dissident Officers in the context of the imminent proxy contest, the Board believed that the Dissident Officers were not acting in the best interest of the Company or its shareholders and that it was prudent to relieve them of their responsibilities until after the proxy contest.

A final attempt to discuss a resolution with the Dissidents was made by the Chairman directly to Mr. Baxter on May 31, 2016, which Mr. Baxter declined. The Board agreed to proceed with the previously approved suspension with pay.

During the week of June 20, 2016 and immediately prior to mailing this circular, the Board attempted to find a way to work constructively with the Dissident Officers and their proposed nominees to reach a compromise regarding the future composition of the Board. Unfortunately, all attempts to reach a compromise were rejected by the Dissident Officers. It was then determined by the Board that it was in the best interests of the Company and its shareholders to proceed with the proxy contest and allow shareholders to make a fully informed decision about the future direction of the Company.



## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**TAKE NOTICE** that an Annual General Meeting (the “Meeting”) of the Shareholders of **PARKIT ENTERPRISE INC.** (the “Company”) will be held in the Boardroom of Owen Bird Law Corporation, Suite 2900 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J5, on Tuesday, July 26, 2016 at 10:30 a.m. (Pacific Time)

1. To receive the consolidated financial statements of the Company for the financial year ended October 31, 2015, together with the auditor’s report thereon.
2. To set the number of directors for the ensuing year at five (5).
3. To elect directors for the ensuing year or until their successors have been duly elected or appointed.
4. To re-appoint Davidson & Company LLP, as the auditor of the Company for the ensuing year and to authorize the directors to fix their remuneration.
5. To approve and ratify the Company’s Stock Option Plan.
6. To transact such other business as may be properly transacted at the Meeting or at any adjournment thereof.

Accompanying this Notice of Meeting is an Information Circular, which provides additional information relating to matters to be dealt with at the Meeting. You have the right to vote your shares if you were a shareholder of the Company on June 9, 2016, the record date fixed for the Meeting. If you are unable to attend the Meeting in person, you may still vote by submitting a proxy. For information on how to vote please refer to the Information Circular, as well as the instructions contained in the instrument of proxy or voting instruction form.

Proxies must be delivered to Computershare Investor Services Inc., by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 or by fax to 1-866-249- 7775 (North America toll free) or 1-416-263-9524 (international), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment, the proxy-cut off time is **10:30 a.m. (Pacific Time) on July 22, 2016**. The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

**DATED** at Vancouver, British Columbia, this 24th day of June, 2016.

**BY ORDER OF THE BOARD**

*“Joel Dumaresq”*

Director and Chairman of the Board



## **INFORMATION CIRCULAR**

RELATING TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF  
PARKIT ENTERPRISE INC. ("Parkit" or the "Company")  
TO BE HELD ON JULY 26, 2016

### **GENERAL INFORMATION**

Information contained in this Information Circular (the "Information Circular" or "Circular") is as of June 9, 2016 (the "Record Date") unless otherwise indicated; and all dollar amounts referred to herein are in Canadian dollars ("CAD") unless specifically stated otherwise.

This Information Circular has been approved by the board of directors of the Company (the "Board" or "Directors").

### **SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by the Board and interim management of the Company ("Management") for use at the Annual General Meeting (the "Meeting") of the shareholders of the Company, to be held on July 26, 2016, at the time and place and for the purposes set forth in the Notice of Annual General Meeting of Shareholders and at any adjournment thereof.

The solicitation will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Corporation has retained Shorecrest Group to provide the following services in connection with the Meeting: review and analysis of this Information Circular, recommending corporate governance best practices where applicable, liaising with proxy advisory firms, developing and implementing shareholder communication and engagement strategies, advice with respect to the Meeting and proxy protocol, reporting and reviewing the tabulation of shareholder proxies, and the solicitation of shareholder proxies including contacting shareholders by telephone. In connection with these services, Shorecrest is expected to receive a fee of up to \$120,000 plus reasonable out-of-pocket expenses. The Company may utilize the Broadridge QuickVote™ service to assist NOBOs with voting their shares. NOBOs may be contacted by Shorecrest Group to conveniently obtain a vote directly over the telephone.

The cost of solicitation will be borne by the Company. None of the Directors of the Company have advised Management in writing that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

## APPOINTMENT OF PROXIES

The persons named in the instrument of proxy are designated as proxyholders by Management of the Company. **A shareholder wishing to appoint another person (who need not be a shareholder) to represent them at the Meeting may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the completed form of proxy to the Company's transfer agent, Computershare Investor Services Inc., 8<sup>th</sup> floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof duly authorized, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.**

## VOTING OF PROXIES

**The shares represented by a properly executed proxy will be voted or withheld from voting by the designated proxyholder in accordance with the instructions of the shareholder appointing him or her on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. If there are no instructions provided by the shareholder, those shares will be voted in favour of all proposals set out in this Information Circular.** The form of proxy gives the person named in it the discretion to vote as they see fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. As of the date of this Information Circular, other than the possibility of dissident director nominees, Management of the Company knows of no other matters which may come before the Meeting.

## REVOCABILITY OF PROXY

Any registered shareholder who has returned a form of proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered shareholder or by an attorney authorized in writing or, if the registered shareholder is a Company, under its corporate seal or by an officer or attorney thereof duly authorized.

The instrument revoking the proxy must be deposited: (i) at the registered office of the Company, Suite 2900 – 595 Burrard Street, Vancouver, B.C. V7X 1J5 at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof duly authorized; or (ii) with the chairman of the Meeting on the day of the Meeting.

Only registered shareholders have the right to revoke a proxy. Non-registered shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to change their voting instructions.

## NON-REGISTERED (BENEFICIAL) SHAREHOLDERS

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** However, most shareholders of the Company are “non-registered” shareholders (“Non-Registered Holder” or “Beneficial Shareholder”) because the shares they own are not registered in their names but instead are registered in the name of a nominee such as a brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is a Non-

Registered Holder in respect of shares which are held either: (i) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Ltd. (“CDS”)) of which the Intermediary is a participant.

These securityholder materials are being sent to both registered and non-registered owners of the securities. 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**”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of common shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by Internet at [www.proxyvote.com](http://www.proxyvote.com), mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the common shares held by them. Given the time constraints of the Meeting, Shareholders are urged to vote by internet or phone to ensure their vote is received in sufficient time. 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 voting instruction form cannot use that form as a proxy to vote common shares directly at the Meeting - the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its common shares voted at the Meeting.

Beneficial shareholders will receive a Voting Instruction Form (“VIF”). This form is instead of a proxy and is intended to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Intermediary how to vote on behalf of the Non-Registered Shareholder. If a Non-Registered Holder who receives a VIF wishes to attend the Meeting or have someone else attend on their behalf, the Non-Registered Holder may appoint a nominee as set out in the VIF instructions, which will grant the Non-Registered Holder or their nominee the right to attend and vote at the Meeting. Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must do so in sufficient time before the Meeting and arrange for their Intermediaries to change their vote.

**Non-Registered Holders should carefully follow the instructions provided in the VIF or form of proxy they receive from their financial intermediary, including those regarding when and where the VIF is to be delivered.**

## ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended October 31, 2015, together with the auditor’s report thereon, which have been filed on SEDAR at [www.sedar.com](http://www.sedar.com), will be presented to the shareholders at the Meeting. Shareholders wishing to obtain a copy of the

Company's audited consolidated financial statements and related Management's Discussion and Analysis may obtain a copy, free of charge, from the Company's profile on SEDAR, the Company's website at [www.parkitenterprise.com](http://www.parkitenterprise.com) or by contacting the Company at 1088-999 West Hastings Street, Vancouver, B.C. V6C 2W2; Tel: 604-424-8700.

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

Other than as disclosed elsewhere in this Information Circular, none of the Directors or senior officers of the Company, no proposed nominee for election as a Director of the Company, none of the persons who have been Directors or senior officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Directors, and those matters pertaining to incentive stock options.

### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

June 9, 2016 has been fixed as the Record Date for determination of the persons entitled to receive notice of the Meeting. Only shareholders of record on the close of business on June 9, 2016 who either attend the Meeting personally or complete and deliver an instrument of proxy or VIF in the manner and subject to the provisions above will be entitled to have their shares voted at the Meeting or any adjournment thereof duly authorized.

The Company's authorized capital consists of an unlimited number of common shares without par value. As of the date of this Information Circular, there were 32,245,723 common shares without par value issued and outstanding, each share carrying the right to one vote.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, controls or directs, directly or indirectly, 10% or more of the voting rights attached to the voting securities of the Company as of the Record Date.

### **ELECTION OF DIRECTORS**

The Board proposes to nominate the persons listed below for election as Directors of the Company to serve until their successors are elected or appointed. **In the absence of instructions to the contrary, Proxies given pursuant to the solicitation of the Board will be voted for the nominees listed in this Information Circular.** The Board does not contemplate that any of the nominees will be unable to serve as a Director. However, if for any reason any nominee does not stand for election or is unable to serve, proxies will be voted in favour of another nominee in the proxyholder's discretion unless the registered shareholder has specified in the instrument of proxy that the registered shareholder's shares are to be withheld from voting on the election of Directors.

Each Director elected at the Meeting will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or with the provisions of the British Columbia Business Corporations Act. If there are more nominees for election as Directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected, until all such vacancies have been filled.

The following table sets out the name and province of residence of each of the nominees for election as Directors, the offices they hold with the Company, their respective principal occupations, business

or employment (and if not previously elected a Director, their occupation during the five preceding years), the period or periods during which each Director has served as a Director, and the number of shares of the Company and its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

| Name, province or state and country of residence and positions, if any, held in the Company | Principal occupation, business or employment and, if not a previously elected director, occupation during the past five years  | Served as a director of the Company since | Number of shares beneficially owned or controlled <sup>1</sup> |
|---|--|---|--|
| <b>Robert Emri</b> <sup>3,4,5</sup><br>San Diego California.<br><i>Director</i>             | Mr. Emri is currently the President of Emri Group, a real estate investment firm founded in 2005.<br><br>(Previously elected a Director).  | Nov. 14, 2012                             | 301,000  |
| <b>Pesach (Pace) Goldman</b> <sup>2,4</sup><br>Toronto, Ontario<br><i>Director</i>          | Mr. Goldman is the founder of MarQuee Property Partners Inc., a real estate development and management company, and a principal of Silvercove Capital (Canada) Inc., a real estate focused alternative asset management company. Prior to joining Silvercove in 2010, Mr. Goldman spent 10 years being active in real estate capital markets. During that time period, Mr. Goldman represented numerous public real estate entities and has extensive industry relationships in Canada and the United States. Mr. Goldman began his career in public accounting at KPMG LLP after graduating from York University with a Bachelor degree in Science with a specialization in Applied Mathematics (1996) and from the Schulich School of Business, York University, with an MBA with a combined specialization in Finance and Real Estate (1999). He was awarded the Chartered Financial analyst designation (CFA Charter) in 2002.<br><br>(Previously elected a Director). | Nov. 25, 2013                             | 60,000   |
| <b>Joel Dumaresq</b> <sup>2,3,4</sup><br>Vancouver, B.C.<br><i>Director; Chairman</i>       | Mr. Dumaresq is presently the CEO of TSX-V listed Taipan Resources Inc. which is engaged in oil and gas exploration, development and production. Prior to taking on his role at Taipan, Mr. Dumaresq worked for 12 years as Managing Director of Vancouver, Canada based private equity and merchant banking firm Matrix Partners Inc. He holds a B.A. degree in Economics and Psychology from the University of British Columbia.<br><br>(Previously elected a Director).   | Jan. 29, 2015                             | 400,000  |

| Name, province or state and country of residence and positions, if any, held in the Company | Principal occupation, business or employment and, if not a previously elected director, occupation during the past five years   | Served as a director of the Company since | Number of shares beneficially owned or controlled <sup>1</sup> |
|---|---|---|--|
| <b>David Mullen</b> <sup>2,3</sup><br>Vancouver, B.C.<br><i>Director</i>                    | Mr. Mullen is currently a Managing Director of Graycliff Partners and Highland West Capital. Prior to that he was Managing Partner and Chair of Fulcrum Capital Inc.; and Chief Executive Officer and Head of Private Equity of North America for HSBC Bank (HSBC Capital Canada and HSBC Capital USA). He has also served as a director and audit committee member of several public resource-based companies. Mr. Mullen holds an MBA from the University of Western Ontario and a Bachelor of Commerce degree from the University of British Columbia. | June 9, 2015                              | Nil  |
| <b>Bryan Wallner</b> <sup>3,5</sup><br>West Vancouver, B.C.<br><i>Director</i>              | Mr. Wallner is currently the CEO of the Roofing Contractors Association of British Columbia. Prior to that he was Senior Vice-President of Standard Parking Canada Ltd. He holds a Bachelor's of Science - Business Administration from the University of Wisconsin.  | June 9, 2015                              | Nil  |

<sup>1</sup> The information as to number of shares beneficially owned or controlled is has been furnished by the respective nominees

<sup>2</sup> Member of the Audit Committee

<sup>3</sup> Member of the Compensation Committee

<sup>4</sup> Member of the Corporate Governance and Nominating Committee

<sup>5</sup> Member of the Investment Committee

No proposed Director is being elected under any arrangement or understanding between the proposed director and any other person or company.

### **Cease Trade Orders; Bankruptcy; Penalties or Sanctions**

To the knowledge of the Company, no proposed Director:

- (a) is, 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:
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was the subject of an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

- (iii) 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.
- (b) 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.
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in making a decision about whether to vote for a proposed Director.

### **Advance Notice Policy**

The Company's Advance Notice Policy was approved by shareholders at the Company's Annual and Special Meeting held on May 12, 2015. The purpose of this Policy is to provide shareholders, Directors and management of the Company with a clear procedure for nominating directors. The Policy sets out the method of notice and the deadlines by which shareholders of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders, as well as the information that a shareholder must include in the notice in order for any director nominee to be eligible for election at any annual or special meeting of shareholders. The full text of the Advance Notice Policy is attached to this Information Circular as Schedule "A".

### **STATEMENT OF EXECUTIVE COMPENSATION**

In this section, "Named Executive Officer" ("NEO") means (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer; (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer; (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

All dollar amounts referenced herein are in Canadian dollars unless otherwise specified.

### **Director and Named Executive Officer (NEO) Compensation**

The following table discloses all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and Director, in any capacity for each of the 2 most recently completed financial years:

| Table of Compensation (Excluding Compensation Securities)                                |      |   |                      |                                |                           |                                      |                         |
|--|------|---|----------------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and Position  | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$)           | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| <b>Richard Baxter</b><br><i>President and CEO; Director</i>                              | 2015 | 189,000   | 151,000 <sup>7</sup> | -                              | -                         | -                                    | 340,000                 |
|  | 2014 | 187,750   | 120,000              | -                              | -                         | -                                    | 307,750                 |
| <b>Patrick Bonney</b> <sup>1</sup><br><i>CFO; VP Corporate Development; CIO Director</i> | 2015 | 157,500   | 91,000 <sup>7</sup>  | -                              | -                         | -                                    | 248,500                 |
|  | 2014 | 129,375   | 75,000               | -                              | -                         | -                                    | 204,375                 |
| <b>Simon Buckett</b> <sup>2</sup><br><i>CFO</i>  | 2015 | 157,500   | 68,000 <sup>7</sup>  | -                              | -                         | -                                    | 225,500                 |
|  | 2014 | 80,000  | 55,000               | -                              | -                         | -                                    | 135,000                 |
| <b>John LaGourgue</b> <sup>3</sup><br><i>COO, Director</i>                               | 2015 | -   | -                    | -                              | -                         | -                                    | -                       |
|  | 2014 | 114,225   | Nil                  | -                              | -                         | -                                    | 114,225                 |
| <b>Robert Emri</b><br><i>Director</i>  | 2015 | 25,200  | Nil                  | 26,250                         | -                         | -                                    | 51,450                  |
|  | 2014 | 34,500  | Nil                  | -                              | -                         | -                                    | 34,500                  |
| <b>Pesach (Pace) Goldman</b><br><i>Director</i>  | 2015 | 25,200  | Nil                  | 26,250                         | -                         | -                                    | 51,450                  |
|  | 2014 | 22,845  | Nil                  | -                              | -                         | -                                    | 22,845                  |
| <b>Joel Dumaresq</b> <sup>4</sup><br><i>Chairman, Director</i>                           | 2015 | 18,900  | Nil                  | 23,625                         | -                         | -                                    | 42,525                  |
|  | 2014 | -   | -                    | -                              | -                         | -                                    | -                       |
| <b>David Mullen</b> <sup>5</sup><br><i>Director</i>                                      | 2015 | 9,870   | Nil                  | -                              | -                         | -                                    | 9,870                   |
|  | 2014 | -   | -                    | -                              | -                         | -                                    | -                       |
| <b>Bryan Wallner</b> <sup>6</sup><br><i>Director</i>                                     | 2015 | 9,870   | Nil                  | -                              | -                         | -                                    | 9,870                   |
|  | 2014 | -   | -                    | -                              | -                         | -                                    | -                       |

<sup>1</sup> Patrick Bonney was appointed CFO on June 14, 2013 and resigned as CFO on May 20, 2014. Mr. Bonney was appointed CIO (Chief Investment Officer) on May 9, 2014. Mr. Bonney was appointed Vice President Corporate Development on June 24, 2014 and resigned as such on June 9, 2015. Mr. Bonney resigned as a Director on June 9, 2015.

<sup>2</sup> Simon Buckett was first appointed CFO on May 20, 2014.

<sup>3</sup> John LaGourgue resigned as COO on October 10, 2014 and as a Director on November 6, 2014.

<sup>4</sup> Joel Dumaresq was appointed a Director and Chairman on January 27, 2015.

<sup>5</sup> David Mullen was appointed a Director on June 9, 2015.

<sup>6</sup> Bryan Wallner was appointed a Director on June 9, 2015.

<sup>7</sup> Bonuses paid pursuant to recommendations of compensation consultant, Roger Gurr & Associates

The following table discloses all compensation securities granted or issued to each NEO and Director of the Company in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company:

| Compensation Securities                           |   |   |                        |  |  |   |              |
|---|---|---|------------------------|--|--|---|--------------|
| Name and Position                                 | Type of compensation security                       | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry Date  |
| <b>Joel Dumaresq</b><br><i>Chairman, Director</i> | Stock Options:<br>Underlying Shares:<br>% of class: | 200,000<br>200,000  | Jan. 29, 2015          | 0.50                                     |  |   | Jan. 29 2020 |

The following table discloses each exercise of compensation securities by NEOs and Directors of the Company during the most recently completed financial year:

| Exercise of Compensation Securities by Directors and NEOs |                               |   |                                  |                  |  |  |                              |
|---|-------------------------------|---|----------------------------------|------------------|--|--|------------------------------|
| Name and Position   | Type of compensation security | Number of underlying securities exercised | Exercise price per security (\$) | Date of exercise | Closing price of security on date of exercise (\$) | Difference between exercise price and closing price on date of exercise (\$) | Total value on exercise date |
| N/A   | N/A                           | N/A                                       | N/A                              | N/A              | N/A  | N/A  | N/A                          |

The total amount of compensation securities, and underlying securities, held by each NEO or Director on the last day of the most recently completed financial year end is as follows:

| Name and Position   | Type of compensation security                       | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry Date   |
|---|---|---|------------------------|--|--|---|---------------|
| <b>Richard Baxter</b><br><i>President and CEO; Director</i>                 | Stock Options:<br>Underlying Shares:<br>% of class: | 1,000,000<br>1,000,000<br>3.1%  | June 13, 2014          | 0.50                                     | 0.51   | 0.37  | June 13, 2019 |
| <b>Patrick Bonney</b><br><i>CFO; VP Corporate Development; CIO Director</i> | Stock Options:<br>Underlying Shares:<br>% of class: | 400,000<br>400,000<br>1.24%   | June 13, 2014          | 0.50                                     | 0.51   | 0.37  | June 13, 2019 |

| Name and Position                                 | Type of compensation security                          | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry Date         |
|---|--|---|------------------------|--|--|---|---------------------|
| <b>Simon Buckett</b><br><i>CFO</i>                | Stock Options:<br>Underlying<br>Shares:<br>% of class: | 250,000<br><br>250,000<br>0.77%   | June<br>13,<br>2014    | 0.50                                     | 0.51   | 0.37  | June<br>13,<br>2019 |
| <b>John LaGourgue</b><br><i>COO, Director</i>     | Stock Options:<br>Underlying<br>Shares:<br>% of class: | 400,000<br><br>400,000<br>1.24%   | June<br>13,<br>2014    | 0.50                                     | 0.51   | 0.37  | Nov. 6,<br>2015     |
| <b>Robert Emri</b><br><i>Director</i>             | Stock Options:<br>Underlying<br>Shares:<br>% of class: | 250,000<br><br>250,000<br>0.77%   | June<br>13,<br>2014    | 0.50                                     | 0.51   | 0.37  | June<br>13,<br>2019 |
| <b>Pesach (Pace) Goldman</b><br><i>Director</i>   | Stock Options:<br>Underlying<br>Shares:<br>% of class: | 200,000<br><br>200,000<br>0.62%   | June<br>13,<br>2014    | 0.50                                     | 0.51   | 0.37  | June<br>13,<br>2019 |
| <b>Joel Dumaresq</b><br><i>Chairman, Director</i> | Stock Options:<br>Underlying<br>Shares:<br>% of class: | 200,000<br><br>200,000<br>0.62%   | Jan. 29,<br>2015       | 0.50                                     | 0.51   | 0.37  | Jan. 29,<br>2020    |

Notes:

No compensation security has been re-priced, cancelled or replaced, had its term extended, or otherwise been materially modified in the most recently completed financial year, (other than the options granted to John LaGourgue which were terminated one year following his ceasing to hold office).

No compensation security is subject to vesting provisions.

There are no restrictions for exercising compensation securities.

**Stock Option Plans and Other Incentive Plans**

The Company currently has in place a 10% rolling stock option plan (the “Stock Option Plan”) for the purpose of attracting and motivating directors, officers and consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the plan to purchase shares of the Company. The Stock Option Plan is an important part of the Company’s long-term strategy for its executive officers as well as for its other directors, officers and consultants, permitting them to participate in any appreciation of the market value of the Company’s shares over time. The Stock Option Plan is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to the Company’s long-term growth, performance and success as well as increasing shareholder value.

Stock option grants to executive officers are approved by the Board pursuant to recommendations by the Compensation Committee. Previous option grants are taken into account when considering new grants.

The Stock Option Plan was previously approved by shareholders at the Company's last meeting of shareholders held on May 12, 2015, and shareholders will be asked to vote in favour of approving and ratifying the Stock Option Plan at the upcoming Meeting. The full terms of the Stock Option Plan are attached as Schedule "D".

The Company does not have any share-based awards in place other than its Stock Option Plan.

The Company has no pension plans that provide for payments or benefits to NEOs or Directors.

The Company does not have any deferred compensation plans.

### **Employment, Consulting and Management Agreements**

There are no agreements or arrangements under which compensation was provided during the Company's most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a Director or NEO, or performed by any other party that are services typically provided by a Director or NEO.

There are no agreements or arrangements which provide for change of control, severance, termination or constructive dismissal, or any incremental payments that are triggered by, or result from, change of control, severance, termination or constructive dismissal.

### **Oversight and Description of Director and NEO Compensation.**

The objective of the Company's compensation policy is to attract and retain qualified executives to drive the continued growth of the Company and to provide remuneration which is commensurate with each executive's level of responsibility and experience, taking into account the Company's overall financial position.

The Board has established a Compensation Committee, which is currently comprised of three independent Directors: Joel Dumaresq, David Mullen and Bryan Wallner. All members are experienced participants in business or finance and public company reporting.

The Compensation Committee is responsible for evaluating the performance of the Company's executive officers, determining or making recommendations to the Board with respect to executive compensation, making recommendations to the Board with respect to Director compensation, and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Compensation Committee has the authority to engage such advisors, including executive compensation consultants, as it considers appropriate. The responsibilities, powers and operation of the Compensation Committee are set forth in its Charter, which is attached to this Information Circular as Schedule "B".

The Board determines Director compensation annually based on recommendations of the Compensation Committee, considering industry standards, performance of corporate objectives, and the Company's financial position.

The Compensation Committee determines NEO compensation annually based on industry standards, performance of corporate objectives, and the Company's financial position.

Compensation for the Company's NEOs consists of (i) base salary or consulting fee; (ii) discretionary cash bonus payments; and (iii) option grants pursuant to the Company's Stock Option Plan, all as disclosed in the tables above. The Company does not provide the NEOs with personal benefits nor does the Company provide any additional compensation to its NEOs for serving as Directors of the Company.

In fulfilling its duties and responsibilities, the Compensation Committee seeks periodic input, advice and recommendations from various sources, including Directors, executive officers and external independent compensation consultants with respect to the compensation of Directors and executive officers.

The Compensation Committee has retained a compensation consultant, Roger Gurr & Associates, to conduct a review of the Company's executive compensation strategy. The consultant was originally retained in September, 2015 and given the mandate to develop a compensation approach for future pay levels together with proposals for salary ranges, annual bonus opportunities, long-term equity based incentives and termination provisions. In developing the executive compensation proposals, the consultant used a peer comparator group of real estate companies that is reflective of the marketplace in which the Company competes for talent. The recommendations of the consultant were considered by the Compensation Committee in connection with its Contract negotiations with the Dissident Officers.

In performing its duties, the Compensation Committee has considered the implications of the risks, if any, associated with the Company's compensation policies and practices. Considering its present compensation policies and practices, the Company believes that there are no compensation elements that would encourage an executive officer or other individual to take inappropriate or excessive risks which would be reasonably likely to have a material adverse effect on the Company.

The Company does not have a policy in place that permits, limits or prohibits its Directors or NEOs to hedge the securities of the Company that they own. However, to the knowledge of the Company, none of the current Directors or NEOs is hedging any of the securities of the Company that they own, directly or indirectly.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

As at October 31, 2015, the only equity compensation plan under which equity securities of the Company are authorized for issuance is the Company's Stock Option Plan. The following table sets out equity compensation plan information as of the Company's most recently completed financial year:

| <b>Plan category</b>                                      | <b>Number of securities to be issued upon exercise of outstanding options<br/>(a)</b> | <b>Weighted-average exercise price of outstanding options<br/>(b)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br/>(c)</b> |
|---|---|---|--|
| Equity compensation plans approved by securityholders     | 2,895,000   | \$0.50  | 329,572  |
| Equity compensation plans not approved by securityholders | N/A   | N/A   | N/A  |
| <i>Total</i>  | 2,895,000   |   | 329,572  |

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Directors or executive officers, any proposed nominee for election as a Director, or any of their respective associates or affiliates, is or has been indebted to the Company or any subsidiary of the Company at any time since the commencement of the Company's most recently completed financial year.

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

No informed person or nominee for election as a director of the Company, or any associate or affiliate of any informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries other than as set out herein or otherwise disclosed. The term "informed person" as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means a director or executive officer of the Company, or any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

### **APPOINTMENT OF AUDITOR**

The Directors intend to nominate Davidson & Company LLP, of Suite 1200 – 609 Granville Street, Vancouver, B.C. V7Y 1G6, for re-appointment as auditor of the Company for the ensuing year at a remuneration to be fixed by the directors. Davidson & Company LLP was first appointed auditor of the Company in 2009.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 51-110 – *Audit Committees* of the Canadian Securities Administrators ("NI 51-110") requires that the Company, as a venture issuer, disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

### **Audit Committee Charter**

The text of the Audit Committee's Charter is attached as Schedule "C" to this Information Circular.

### **Composition of the Audit Committee**

The Company is required to have an Audit Committee comprised of not less than 3 directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. The Company's current Audit Committee consists of Pesach (Pace) Goldman, Joel Dumaresq and David Mullen.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment. All of the Audit Committee members are independent within the meaning of NI 52-110.

### **Relevant Education and Experience**

NI 51-110 provides that 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. All members of the Audit Committee are financially literate as that term is defined.

Based on their business and educational experiences, each member of the Audit Committee has a reasonable understanding of the accounting principles used by the Company to prepare its financial statements; an ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; experience in preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

The relevant education and experience of each member of the Audit Committee is as follows:

#### ***Pesach (Pace) Goldman:***

Mr. Goldman is the founder of MarQueen Property Partners Inc., a real estate development and management company, and a principal of Silvercove Capital (Canada) Inc., a real estate focused alternative asset management company. Prior to joining Silvercove in 2010, Mr. Goldman spent 10 years being active in real estate capital markets. During that time period, Mr. Goldman represented numerous public real estate entities and has extensive industry relationships in Canada and the United States. Mr. Goldman began his career in public accounting at KPMG LLP after graduating from York University with a Bachelor degree in Science with a specialization in Applied Mathematics (1996) and from the Schulich School of Business, York University, with an MBA with a combined specialization in Finance and Real Estate (1999). He was awarded the Chartered Financial analyst designation (CFA Charter) in 2002.

***Joel Dumaresq:***

Mr. Dumaresq is presently the CEO of TSX-V listed Taipan Resources Inc. which is engaged in oil and gas exploration, development and production. Prior to taking on his role at Taipan, Mr. Dumaresq worked for 12 years as Managing Director of Vancouver, Canada based private equity and merchant banking firm Matrix Partners Inc. He holds a B.A. degree in Economics and Psychology from the University of British Columbia.

***David Mullen:***

Mr. Mullen is currently Managing Director of Graycliff Partners and Highland West Capital. Prior to that he was Managing Partner and Chair of Fulcrum Capital Partners Inc.; and Chief Executive Officer and Head of Private Equity of North America for HSBC Bank (HSBC Capital Canada and HSBC Capital USA). He has also served as a director and audit committee member of several public resource-based companies. Mr. Mullen holds an MBA from the University of Western Ontario and a Bachelor of Commerce degree from the University of British Columbia.

**Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Audit Committee has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

**Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services which are set forth in the Audit Committee Charter under the heading "External Auditors".

**External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two financial years for audit fees are as follows:

| <b>Financial Year</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> |
|-----------------------|-------------------------------|---------------------------------------|-----------------------------|-----------------------------------|
| October, 2015         | \$ 80,000                     | Nil                                   | Nil                         | Nil                               |
| October, 2014         | \$ 76,704                     | Nil                                   | Nil                         | Nil                               |

<sup>1</sup> Includes services for the annual audit of the Company's financial statements.

<sup>2</sup> Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".

<sup>3</sup> Fees charged for tax compliance services.

<sup>4</sup> Fees for services other than disclosed in any other column.

## **Exemption**

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemptions in section 6.1 of NI 52-110 relating to Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) thereof.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines adopted in National Instrument 58-201 (“Guidelines”). These Guidelines are not prescriptive. Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Company’s Board of Directors is committed to sound corporate governance practices, which are both in the interests of its shareholders and contribute to effective and efficient decision-making. The Company feels its corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company’s method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

### **Board of Directors**

Five individuals are being nominated for election as Directors, all of whom are current Directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a Director is considered independent if he or she has no direct or indirect material relationship with the company or its subsidiaries which could be reasonably expected to interfere with the exercise of a Director’s independent judgment.

All of the five nominees for Director are considered to be independent.

### **Board Mandate**

The mandate of the Board is to oversee or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and business plans, reviewing and approving significant capital investments, reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources.

The Board relies on management for periodic reports, and to provide the support and information necessary to enable the board to fulfil its obligations. The Board has delegated certain responsibilities

to Management but requires transactions and commitments above a certain threshold to be reviewed and approved by the Board prior to execution. Any responsibility not delegated to senior management or a Board committee remains with the full Board. One of the Board's responsibilities is to review and, if thought fit, to approve opportunities as presented by management and to provide guidance to management. The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity.

### **Other Directorships**

The following Directors are also currently directors of reporting issuers, other than the Company:

| <b>Director</b> | <b>Reporting Issuer</b>   |
|-----------------|---|
| Joel Dumaresq   | Sojourn Ventures Inc.; Shelby Ventures Inc.; Cricket Resources Inc.; Coronet Metals Inc.; Taipan Resources Inc. |
| David Mullen    | NGEx Resources Inc.   |

### **Orientation and Continuing Education**

New Board members receive orientation, commensurate with their previous experience, on the Company's industry, business and operations and the responsibilities of Directors. Board members are encouraged to communicate with management and the Company's auditors; and to keep themselves current with industry trends and developments and changes in regulations. Board members have access to the Company's records.

### **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual Directors by governing corporate legislation and general common law, including the avoidance of conflicts of interest, promote a culture of ethical business conduct.

### **Nomination of Directors**

The Corporate Governance Committee and the Board as a whole examine, from time to time, the size and composition of the Board to ensure that it is optimal for decision-making, and makes recommendations to the Board. The Nominating Committee, which is a sub-set of the Corporate Governance Committee, develops, reviews and monitors, in consultation with the Chairman, criteria for selecting Directors, by assessing the qualifications, personal qualities, education, business background, and diversified experience of the Board and the Company's circumstances and needs.

### **Other Board Committees**

The Company has the following Committees:

The **Audit Committee** currently comprised of three independent Directors: Pesach (Pace) Goldman, Joel Dumaresq and David Mullen.

The **Compensation Committee**, currently comprised of three independent Directors: Joel Dumaresq, David Mullen and Bryan Wallner.

The **Corporate Governance Committee**, currently comprised of three independent Directors: Joel Dumaresq, Robert Emri, and Pesach (Pace) Goldman. The **Nominating Committee** is a sub-set of the Corporate Governance Committee and is currently comprised of three independent Directors: Joel Dumaresq, Robert Emri and Pesach (Pace) Goldman.

The **Investment Committee**, currently comprised of two independent Directors: Robert Emri and Bryan Wallner.

### **Assessments**

The Board monitors but does not formally assess the performance of the Board as a whole, its committees or its individual members. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The performance and contribution of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **Number of Directors**

Shareholders will be asked to vote in favour of setting the number of Directors at five (5).

### **Election of Directors**

Shareholders will be asked to vote in favour of the election of following nominees for Directors (see section entitled “Election of Directors” above):

|                       |
|-----------------------|
| ROBERT EMRI           |
| PESACH (PACE) GOLDMAN |
| JOEL DUMARESQ         |
| DAVID MULLEN          |
| BRYAN WALLNER         |

### **Appointment of Auditor**

Shareholders will be asked to vote for the re-appointment of Davidson & Company LLP, of Suite 1200 – 609 Granville Street, Vancouver, B.C. V7Y 1G6, as Auditor of the Company for the ensuing year, until the close of the next Annual General Meeting, at a remuneration to be fixed by the Directors. Davidson & Company LLP were first appointed as auditors for the Company in 2009.

### **Approval and Ratification of Stock Option Plan**

The Company presently has in place a “rolling” Stock Option Plan whereby the Company is authorized to grant stock options of up to 10% of its issued and outstanding shares from time to time. The full terms of the Stock Option Plan are attached as Schedule “D”. Shareholders will be asked to vote in favour of approving and ratifying the Stock Option Plan.

## **OTHER MATTERS**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The Board knows of no other matters to come before the Meeting other than the possibility of the nomination of dissident director nominees and other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the instrument of proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on its website [www.parkitenterprise.com](http://www.parkitenterprise.com) and on its profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite 1088 – 999 West Hastings Street, Vancouver, B.C. V6C 2W2 (Tel: 604-424-8700).

## **APPROVAL**

The content and sending of this Information Circular has been approved by the Company's Board of Directors.

**DATED** at Vancouver, British Columbia, the 24<sup>th</sup> day of June, 2016.

## **BY ORDER OF THE BOARD**

*“Joel Dumaresq”*

Director and Chairman of the Board

## Schedule “A” to Information Circular

### **ADVANCE NOTICE POLICY** of **PARKIT ENTERPRISE INC.** (the “Company”)

#### **INTRODUCTION**

The Company is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special, meeting process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been provided sufficient disclosure and time to make appropriate decisions.

The purpose of this Advance Notice Policy (the “Policy”) is to provide shareholders, directors and management of the Company with a clear procedure for nominating directors. This Policy sets out the method of notice and the deadlines by which shareholders of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders, as well as the information that a shareholder must include in the notice in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

It is the position of the Company that this Policy is beneficial to the Company, its shareholders and other stakeholders. This Policy will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, so as to meet industry standards.

#### **NOMINATIONS OF DIRECTORS**

1. Only persons who are eligible under the British Columbia *Business Corporations Act* (the “Act”) and who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company (the “Board”) may be made at any annual general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

- a) by or at the direction of the Board, including pursuant to a notice of meeting;
- b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or
- c) by any person (a “Nominating Shareholder”):
  - i. who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the Company’s securities register as a holder of one or more common shares carrying the right to vote at such meeting or who beneficially owns the shares that are entitled to be voted at such meeting; and
  - ii. who complies with the notice procedures set forth below in this Policy.

2. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company at the principal executive offices of the Company.

3. To be timely, a Nominating Shareholder's notice to the Secretary of the Company must be made:

- a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the "Notice Date"), notice by the Nominating Shareholder may be made not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and
- b) in the case of a special meeting (which is not also a general meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

4. To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:

- a) as to each person whom the Nominating Shareholder proposes to nominate for election as director:
  - i. the name, age, business address and residential address of the person;
  - ii. the current principal occupation or employment of the person and the principal occupation or employment of the person within the 5 years preceding the date of the notice;
  - iii. the citizenship of such person;
  - iv. the class or series and number of shares in the capital of the Company which are directly or indirectly controlled or directed or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and
  - v. any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating

Shareholder has a right to vote or direct the voting of any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may be reasonably required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

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

6. For the purposes of this Policy:

- a) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and
- b) "applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

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

8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

## **GOVERNING LAW**

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

**PARKIT ENTERPRISE INC.**

**COMPENSATION COMMITTEE CHARTER**

**1. MANDATE**

The Compensation Committee (the "Committee") will discharge the Board's responsibilities relating to compensation of the Company's executive officers and the Directors of the Company, executive compensation disclosure and oversight of the compensation structure and benefit plans and programs of the Company. Among other things, the Committee will establish and administer the Company's policies, programs and procedures for compensating and incentivizing its executive officers.

**2. COMPOSITION**

(a) The Committee shall be comprised of at least two members, the majority of which shall meet the independence requirements of applicable stock exchange securities laws.

(b) The first Committee shall be appointed by the Board. Subsequently, the Committee will recommend to the Board the Committee members and the Committee Chair from among its members.

(c) Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

**3. MEETINGS**

(a) The Committee shall meet in person or by conference call as frequently as necessary to carry out its responsibilities under this Charter, but in no event less than once per year.

(b) The Committee Chair shall be responsible for calling the meetings of the Committee, establishing meeting agendas and supervising the conduct of the meetings.

(c) A majority of the members shall constitute a quorum for conducting business at a meeting of the Committee.

(d) The Committee may request any officer or consultant of the Company, or any representative of the Company's legal counsel or other advisors, to attend a meeting or to meet with any members or representatives of the Committee.

**4. RESPONSIBILITIES**

**(a) Reporting**

The Committee shall prepare any report relating to compensation required under applicable securities laws, stock exchange and any other regulatory requirements.

**(b) Establishment of Executive Compensation Policies and Programs**

The Committee shall review all compensation arrangements for the Chief Executive Officer (“CEO”) and other executive officers of the Company, including salaries, bonus, cash-incentive and equity-based incentive compensation, and make recommendations for their approval. Without limiting the foregoing, the Committee shall review all proposed employment and retention agreements with any executive officer of the Company, as well as severance agreements that provide benefits in excess of those set forth in any severance and termination plans previously approved by the Committee or the Board.

**(c) Review and Approval of Executive Officer Compensation**

The Committee shall review and approve, at least annually, corporate goals and objectives relevant to the compensation of the CEO and the other executive officers of the Company.

The Committee will evaluate the performance of the CEO and other executive officers in the light of those corporate goals and objectives and set compensation levels based on those corporate goals and objectives and set compensation levels based on those evaluations and any other factors as it deems appropriate.

**(d) Performance Reviews**

The Committee shall complete an annual evaluation of the CEO’s performance. The performance evaluation will be delivered to the CEO by the Committee Chair.

**(e) Ratification of Incentive Compensation Plans by the Board**

The Committee shall submit to the Board for approval the following:

- (i) Cash incentive compensation and equity based incentive plans of the Company; and
- (ii) All other equity-based plans of the Company that require the approval of shareholders or otherwise required by law.

**(f) Review Director Compensation**

The Committee shall review Director compensation levels and practices, and recommend, from time to time, changes in such compensation levels and practices to the Board.

**(g) Loans to Directors**

The Committee shall monitor compliance with any legal requirements relating to the granting of loans by the Company to Directors or senior management of the Company.

**(h) Other Duties**

The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

**5. AUTHORITY AND RESOURCES**

(a) The Committee shall have the authority to engage independent legal, accounting or other advisors or consultants.

(b) The Company will provide for adequate funding, as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee provided however that such funding shall not exceed \$50,000 annually without the prior approval of the Board.

(c) The Committee shall have the authority to engage and terminate compensation consultants to assist in the evaluation of Director or executive officer compensation and, subject to paragraph (b) above, the authority to approve the fees and other retention terms of such compensation consultants.

(d) The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

(e) The Committee shall annually review its own performance.

## **6. REPORTS TO THE BOARD**

(a) The Committee shall regularly apprise the Board of any significant developments in the course of performing its Charter responsibilities.

(b) The Chairman of the Committee will periodically report to the Board, the Committee's findings and recommendations.

SCHEDULE “C” to Information Circular

**AUDIT COMMITTEE CHARTER**

**PARKIT ENTERPRISE INC.**

**Mandate**

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting, and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control systems and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

**Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. All members of the Committee must be financially literate (having 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 presumably be expected to be raised by the Company’s financial statements).

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders’ meeting.

**Meetings**

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

*Documents/Reports Review*

- (a) Review and update this Charter annually.

- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

*External Auditors*

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

- (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee. Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

### **Financial Reporting Processes**

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### **Other**

Review any related-party transactions.

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Schedule “D” to Information Circular  
**PARKIT ENTERPRISE INC.**  
**STOCK OPTION PLAN**  
**PART 1**  
**INTERPRETATION**

1.1 Defined Terms. For the purposes of this Plan, the following terms shall have the following meanings:

“**Administrator**” has the meaning ascribed thereto in Section 3.1 hereof;

“**Affiliate**” means a corporation related to another corporation if one of them is the subsidiary of the other, or both are subsidiaries of the same corporation, or each of them is controlled by the same Person;

“**Applicable Laws**” means all legal requirements relating to the administration of stock option plans, if any, under applicable corporate laws, any applicable state or provincial securities laws, the rules and regulations promulgated thereunder, and the requirements of the Exchange, and the laws of any foreign jurisdiction applicable to Options granted to residents therein;

“**Associate**” means, where used to indicate a relationship with any Person,

- (i) any relative, including the spouse, son or daughter, of that Person or a relative of that Person’s spouse, if the relative has the same home as that Person,
- (ii) any partner, other than a limited partner, of that Person,
- (iii) any trust or estate in which such Person has a substantial beneficial interest or as to which such Person serves as trustee or in a similar capacity, or
- (iv) any corporation of which such Person beneficially owns, directly or indirectly, voting securities carrying more than ten percent of the voting rights attached to all outstanding voting securities of the corporation;

“**Board**” means the Board of Directors of the Company;

“**Blackout Period**” means a period during which an Optionee is restricted by the Company from trading in the Company’s securities pending the dissemination of previously undisclosed material information;

“**Charitable Option**” means an Option or equivalent security granted by the Company to an Eligible Charitable Organization;

“**Charitable Organization**” has the meaning as ascribed thereto in the Tax Act;

“**Committee**” means a committee of the Board appointed in accordance with Section 3.2 hereof;

“**Company**” means Parkit Enterprise Inc. and its Affiliates;

“**Consultant**” means, in relation to the Company, an individual (other than an Employee or a Director or Officer of the Company) or corporation, that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company, other than services provided in relation to a distribution of securities,
- (ii) provides the services under a contract between the Company or an Affiliate and the individual or corporation, as the case may be
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate; and
- (iv) has a relationship with the Company or an Affiliate that enables the individual or corporation to be knowledgeable about the business and affairs of the Company;

“**Date of Grant**” means the date on which a grant of an Option is effective;

“**Director**” means a director of the Company or an Affiliate;

“**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months which causes an individual to be unable to engage in any substantial gainful activity;

“**Discounted Market Price**” has the meaning ascribed thereto in the Exchange Policies;

“**Disinterested Shareholder Approval**” means approval by a majority of the votes cast by shareholders of the Company or their proxies at a shareholders’ meeting other than votes attaching to securities beneficially owned by Insiders to whom Options may be granted pursuant to this Plan and their Associates and, for purposes of this Plan, holders of non-voting and subordinate voting securities (if any) will be given full voting rights on a resolution which requires disinterested shareholder approval;

“**Eligible Charitable Organization**” means:

- (i) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation, or
- (ii) a Registered National Arts Services Organization.

**“Employee”** means:

- (i) an individual who is considered an employee of the Company or an Affiliate under the Tax Act (and for whom income tax, employment insurance and CPP deductions must be made at source);
- (ii) an individual who works full-time for the Company or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (iii) an individual who works for the Company 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 Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;

**“Exchange”** means the TSX Venture Exchange, or any other stock exchange on which the Company’s Shares are listed for trading;

**“Exchange Policies”** mean the policies set forth in the Exchange’s Corporate Finance Manual, as amended from time to time.

**“Guardian”** means the guardian, if any, appointed for an Optionee;

**“Insider”** means:

- (i) a director or senior officer of the Company;
- (ii) a director or senior officer of an entity that is itself an insider or subsidiary of the Company;  
or
- (iii) a Person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company; or
- (iv) the Company itself if it holds any of its own securities;

**“Investor Relations Activities”** has the meaning ascribed thereto in the Exchange Policies;

**“Management Company Employee”** means an individual employed by a Person providing management services to the Company (other than Investor Relations Activities), which are required for the ongoing successful operation of the business of the Company;

**“Officer”** means the chief executive officer, the chief financial officer, president, vice president, secretary, treasurer, manager, comptroller and any person routinely performing corresponding functions and/or policy making functions with respect to the Company or its Affiliates, and includes a Management Company Employee that provides the services of such Officer;

**“Option”** means an option to purchase Shares granted pursuant to the provisions of this Plan;

**“Option Agreement”** means a written agreement between the Company and an Optionee, specifying the terms of the Option being granted to the Optionee under this Plan, which may be in the form set out in Schedule “A” hereto;

**“Option Price”** means the price at which an Option to purchase Shares is exercisable;

**“Optionee”** means the recipient of an Option granted by the Company;

**“Person”** means a natural person, firm, corporation, government, or political subdivision or agency of a government; and where two or more Persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such syndicate or group shall be deemed to be a Person;

**“Plan”** means this stock option plan of the Company, as amended from time to time;

**“Private Foundation”** has the meaning as ascribed thereto in the Tax Act;

**“Public Foundation”** has the meaning as ascribed thereto in the Tax Act;

**“Registered Charity”** has the meaning as ascribed thereto in the Tax Act;

**“Registered National Arts Services Organization”** has the meaning as ascribed thereto in the Tax Act;

**“Shares”** means the common shares without par value in the capital of the Company;

**“Successor”** means the legal heirs or personal representatives of the Optionee upon death, pursuant to a will or the laws of descent and distribution of the applicable jurisdictions;

**“Tax Act”** means the Income Tax Act (Canada), as amended from time to time;

**“Term”** means the period of time during which an Option is exercisable; and

**“Terminating Event”** means:

- (v) the dissolution or liquidation of the Company, or
- (vi) a material change in the capital structure of the Company that is deemed to be a Terminating Event pursuant to Section 10.1 or 10.5 hereof.

**Part 2**  
**ESTABLISHMENT AND PURPOSE OF THE PLAN**

2.1 Establishment of the Plan. The Company hereby establishes this Plan to govern the grant, administration and exercise of Options which may be granted to eligible Optionees. The Plan is designed to be a “rolling” stock option plan under Exchange Policies, reserving at any one time a maximum of 10% of the issued Shares of the Company for the exercise of Options.

2.2 Principal Purposes. The principal purposes of this Plan are to provide the Company with the advantages of the incentive inherent in stock ownership on the part of Directors, Officers, Employees and Consultants responsible for the continued success of the Company; to create in such individuals a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such individuals to remain with the Company; and to attract new Directors, Officers, Employees and Consultants to the Company.

2.3 Benefit to Shareholders. This Plan is expected to benefit shareholders by enabling the Company to attract and retain personnel of the highest caliber by offering them an opportunity to share in any increase in value of the Shares resulting from their efforts.

**Part 3**  
**ADMINISTRATION**

3.1 Board or Committee. This Plan shall be administered by the Board or by a Committee appointed in accordance with Section 3.2 hereof. The Board or, if applicable, the Committee is hereinafter referred to as the “Administrator”.

3.2 Appointment of Committee. The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer this Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer this Plan.

3.3 Quorum and Voting. A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Part 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee who are disinterested Persons to an action may vote on any matters affecting the administration of this Plan or the grant of Options pursuant to this Plan, except that no such member shall act upon the granting of an Option to himself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to him).

3.4 Powers of Administrator. Subject to the provisions of this Plan and any Applicable Laws, and with a view to effecting the purpose of this Plan, the Administrator shall have sole authority, in its absolute discretion, to:

- (a) administer this Plan in accordance with its express terms;
- (b) determine all questions arising in connection with the administration, interpretation, and application of this Plan, including all questions relating to the value of the Shares;
- (c) correct any defect, supply any information, or reconcile any inconsistency in this Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of this Plan;
- (d) prescribe, amend, and rescind rules and regulations relating to the administration of this Plan;
- (e) determine the duration and purposes of leaves of absence from employment which may be granted to Optionees without constituting a termination of employment for purposes of this Plan;
- (f) do the following with respect to the granting of Options:
  - (i) determine the Directors, Officers, Employees and Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan,
  - (ii) determine the terms and conditions of the Option Agreement to be entered into with any Optionee (which need not be identical with the terms of any other Option Agreement),
  - (iii) amend the terms and conditions of Option Agreements, provided the Administrator obtains:
    - A. the consent of the Optionee, and
    - B. if applicable, the approval of the Exchange and/or Disinterested Shareholder Approval,
  - (iv) determine when Options shall be granted,
  - (v) determine the Option Price of each Option, and
  - (vi) determine the number of Shares subject to each Option; and
- (g) make all other determinations necessary or advisable for administration of this Plan.

3.4 Obtain Regulatory Approvals. In administering this Plan, the Administrator will obtain any regulatory approvals which may be required pursuant to all Applicable Laws. This Plan is subject to these approvals.

3.5 Annual Shareholder Approval. This Plan must receive approval of the Company's shareholders annually at the Company's annual general meeting. Evidence that the majority of the shareholders are in favour of a proposal to approve the Plan or any amendment thereto is not sufficient.

3.6 Administration by Administrator. All determinations made by the Administrator in good faith on matters referred to in Section 3.4 hereof shall be final, conclusive, and binding upon the Company and the relevant Optionee. The Administrator shall have all powers necessary or

appropriate to accomplish its duties under this Plan. In addition, the Administrator's administration of this Plan shall in all respects be consistent with Exchange Policies.

#### **Part 4 ELIGIBILITY**

4.1 General Eligibility. Options may be granted to an Eligible Charitable Organization or a Director, Officer, Employee or Consultant of the Company or an Affiliate at the time the Option is granted. An Optionee shall not be precluded from being granted an Option solely because such Optionee may previously have been granted an Option under this Plan.

4.2 No Violation of Laws. No Option shall be granted to any Optionee unless the Administrator has determined that the grant of such Option and the exercise thereof by the Optionee will not violate any Applicable Laws.

4.3 Optionees to be Named. No Options shall be granted unless and until the Options have been allocated to a particular Optionee(s).

#### **Part 5 SHARES SUBJECT TO THIS PLAN**

5.1 Maximum Number of Shares Reserved Under Plan. The aggregate number of Shares which may be reserved for issuance pursuant to the exercise of Options granted under this Plan shall not exceed 10% of the Company's issued and outstanding shares at the time of the grant. Such number of Shares is subject to adjustment in accordance with Part 10 hereof. Any Shares reserved for issuance pursuant to the exercise of stock options granted by the Company prior to this Plan coming into effect and which are outstanding on the date on which this Plan comes into effect shall be included in determining the number of Shares reserved for issuance hereunder as if such stock options were granted under this Plan. The terms of this Plan shall not otherwise govern such pre-existing stock options.

5.2 Sufficient Authorized Shares to be Reserved. If the constating documents of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of Options granted under this Plan. Shares that were the subject of Options that have expired or terminated may once again be subject to an Option granted under this Plan.

5.3 Disinterested Shareholder Approval. Unless Disinterested Shareholder Approval is obtained, under no circumstances shall this Plan, together with all of the Company's other previously established or proposed stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, result in or allow at any time:

- (a) the number of Shares reserved for issuance pursuant to Options granted to Insiders (as a group) at any point in time exceeding 10% of the issued and outstanding Shares;
- (b) the grant to Insiders (as a group), within a 12 month period, of an aggregate number of Options exceeding 10% of the issued and outstanding Shares at the time of the grant of the Options;

- (c) the issuance to any one Optionee, within any 12 month period, of an aggregate number of Options exceeding 5% of the issued and outstanding Shares at the time of the grant of the Options;
- (d) any individual Option grant that would result in any of the limitations set out in sections 5.3 (a), (b) or (c) being exceeded; or
- (e) any amendment to Options held by Insiders that would have the effect of decreasing the exercise price of such Options.

For purposes hereof, Options held by an Insider at any point in time that were granted to such Person prior to it becoming an Insider shall be considered Options granted to an Insider irrespective of the fact that the Person was not an Insider

5.4 Number of Shares Subject to this Plan. Upon exercise of an Option, the number of Shares thereafter available under such Option shall decrease by the number of Shares as to which the Option was exercised; however the same number of Shares shall thereafter again be available for the purposes of this Plan.

5.5 Expiry of Option. If an Option expires or terminates for any reason without having been exercised in full, the un-purchased Shares subject thereto shall again be available for the purposes of this Plan.

## **Part 6 TERMS AND CONDITIONS OF OPTIONS**

6.1 Option Agreement. Each Option shall be evidenced by an Option Agreement, which may contain such terms, not inconsistent with this Plan or any Applicable Laws, as the Administrator in its discretion may deem advisable; provided, that each Option Agreement shall contain the following terms:

- (a) the number of Shares subject to purchase pursuant to such Option;
- (b) the Date of Grant;
- (c) the Term;
- (d) the Option Price;
- (e) the Option is not assignable or transferable; and
- (f) such other terms and conditions as the Administrator deems advisable and are consistent with the purposes of this Plan.

6.2 Exchange Restrictions of Reservations. Notwithstanding any other provision hereof, for so long as the Shares are listed on the Exchange, the number of Shares reserved for issuance to:

- (i) any one Optionee pursuant to Options granted to such Optionee during any 12 month period shall not exceed 5% of the issued and outstanding Shares, calculated at the date such Options are granted;

- (ii) any one Optionee, who is a Consultant, in respect of Options granted to such Consultant during any 12 month period shall not exceed 2% of the issued and outstanding Shares, calculated at the date such Options are granted;
- (iii) all Optionees who are engaged or employed in Investor Relations Activities during any 12 month period shall not exceed in the aggregate 2% of the issued and outstanding Shares, calculated at the date such Options are granted; and
- (iv) Eligible Charitable Organizations shall not at any time exceed 1% of the issued and outstanding Shares of the Company, calculated at the date such Options are granted.

6.3 Exercise Price. Subject to the policies of the Exchange, the Option Price shall not be less than the Discounted Market Price, provided that (i) if the Company has just been recalled for trading following a suspension or halt, the Company must wait until a satisfactory market has been established before setting the exercise price for and granting of the Options (generally ten days from the date of resumption of trading); (ii) a minimum price cannot be established unless the Options are allocated to particular Optionees; and (iii) if Options are granted within 90 days of a distribution of securities by way of a prospectus, the minimum exercise price of those Options will be the greater of the Discounted Market Price and the prospectus offering price (the 90 day period to be calculated from the date a final receipt is issued for the prospectus).

6.4 Maximum Term of Ten Years. Subject to section 6.5, the maximum Term of an Option granted shall be ten years from the Date of Grant.

6.5 Blackout Period. The Term of an Option shall be automatically extended if the expiry date falls within a Blackout Period provided that: (i) the Blackout Period is imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information; (ii) the Blackout Period expires upon the general disclosure of such material information; (iii) the extension is not more than ten business days from the expiry of the Blackout Period; and (iv) such automatic extension is not applicable if the Company or Optionee is also subject to a cease trade order or similar trading restriction.

6.6 Vesting Schedule. No Option shall be exercisable until it has vested. The vesting schedule for each Option shall be specified by the Administrator at the time of grant of the Option prior to the provision of services with respect to which such Option is granted; provided, that if no vesting schedule is specified at the time of grant, the Option shall vest on the date it is granted. Notwithstanding the foregoing, for Options granted to Optionees who provide Investor Relations Activities and where no vesting schedule is specified at the time of grant, the Options shall vest according to the following schedule:

| <b>Vesting Period</b>         | <b>Percentage of Total Option Vested</b> |
|-------------------------------|--|
| 3 Months after Date of Grant  | 25%                                      |
| 6 Months after Date of Grant  | 50%                                      |
| 9 Months after Date of Grant  | 75%                                      |
| 12 Months after Date of Grant | 100%                                     |

6.7 Acceleration of Vesting. The vesting of outstanding Options may be accelerated by the Administrator at such times and in such amount as it may determine in its sole discretion.

6.8 Hold Periods. In addition to any resale restrictions under any Applicable Laws, if the Option Price is set at a discount to the Market Price (as defined in Exchange Policies), the Option Agreements and the certificates representing any Shares realized on the exercise thereof will bear the following legend:

WITHOUT PRIOR WRITTEN APPROVAL OF THE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [insert date that is four months and one day after the grant of the Options].

6.9 Form for Non-Individuals. If a proposed Optionee is a corporation or is otherwise not an individual, it must provide the Exchange with a completed Form 4F – Certification and Undertaking Required from a Corporation Granted an Incentive Stock Option, or any amended or replacement form.

6.10 Bona Fide Optionee. By execution of an Option Agreement, the Optionee represents that he, she or it is a bona fide Director, Officer, Employee or Consultant, as the case may be. It will be the joint responsibility of the Company and the Optionee that the Optionee is and will remain a bona fide Employee, Consultant or Management Company Employee.

## **Part 7 EXERCISE OF OPTION**

7.1 Method of Exercise. Subject to any limitations or conditions imposed upon an Optionee pursuant to the Option Agreement or Part 6 hereof, an Optionee may exercise an Option, prior to the expiry date thereof, by giving written notice thereof to the Company at its principal place of business or as otherwise indicated by the Company in writing.

7.2 Payment of Option Price. The notice described in Section 7.1 hereof shall be accompanied by full payment of the Option Price to the extent the Option is so exercised, and full payment of any amounts the Company determines must be withheld for tax purposes from the Optionee pursuant to the Option Agreement. Such payment shall be in lawful money (Canadian funds) in cash or by certified cheque.

7.3 Issuance of Stock Certificate. As soon as practicable after exercise of an Option in accordance with Sections 7.1 and 7.2 hereof, the Company shall issue a stock certificate evidencing the Shares with respect to which the Option has been exercised. Upon due exercise of an Option, the Optionee shall be entitled to all rights to vote or receive dividends or any other rights as a shareholder with respect to such Shares.

7.4 Monitoring Trading. An Optionee who performs Investor Relations Activities shall provide written notice to the Board of each of his trades of securities of the Company, within five business days of each trade.

**Part 8**  
**TRANSFERABILITY OF OPTIONS**

8.1 Non-Transferable. Except as provided otherwise in this Part 8, Options are non-assignable and non-transferable.

8.2 Death of Optionee. If an Optionee should die while any Options remain outstanding in his name, such Options shall pass to the Successor of the Optionee and shall be exercisable by the Successor for a period to be determined by the Administrator, which shall not be less than three months and not more than six months from the date of death.

8.3 Disability of Optionee. If the employment of an Optionee as an Employee or Consultant of the Company, or the position of an Optionee as a Director or Officer, is terminated by the Company by reason of such Optionee's Disability, any Option held by such Optionee that could have been exercised immediately prior to such termination of employment shall be exercisable by such Optionee, or by his Guardian, for a period of 90 days following the termination of employment of such Optionee.

8.4 Vesting. Options held by a Successor or exercisable by a Guardian shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

8.5 Majority Agreement. If two or more Persons constitute the Successor or the Guardian of an Optionee, the rights of such Successor or such Guardian shall be exercisable only upon the majority agreement of such Persons.

8.6 Deemed Non-Interruption of Employment. Employment shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Optionee's right to re-employment with the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Optionee's re-employment is not so guaranteed, then his or her employment shall be deemed to have terminated on the 91<sup>st</sup> day of such leave.

**Part 9**  
**TERMINATION OF OPTIONS**

9.1 Termination of Options. To the extent not earlier exercised or terminated, an Option shall terminate at the earliest of the following dates:

- (a) the termination date specified for such Option in the Option Agreement;
- (b) where the Optionee's position as an Employee, Consultant, Director or Officer is terminated for just cause, the date of such termination for just cause;
- (c) where the Optionee's position as an Employee, Consultant, Director or Officer terminates for a reason other than the Optionee's Disability, death, or termination for

just cause, 30 days after such date of termination, or such other period as may be determined by the Board;

- (d) where the Optionee's position as an Employee, Consultant, Director or Officer terminates as a result of the Optionee's death, such Options may be exercisable by the Successor for a period to be determined by the Administrator, which shall not be less than three months and not more than six months from the date of death;
- (e) the date of any sale, transfer, assignment or hypothecation, or any attempted sale, transfer, assignment or hypothecation, of such Option in violation of Section 8.1 hereof; and
- (f) the date specified in Section 10.5 hereof for such termination in the event of a Terminating Event.

## **Part 10 ADJUSTMENTS TO OPTIONS**

10.1 Alteration of Capital. In the event of any material change in the outstanding Shares of the Company prior to complete exercise of any Option by reason of any stock dividend, split, recapitalization, amalgamation, merger, consolidation, combination or exchange of shares or other similar corporate change, an equitable adjustment shall be made in one or more of the maximum number or kind of Shares issuable under this Plan or subject to outstanding Options, and the Option Price of such shares. Any such adjustment shall be made in the sole discretion of the Board, acting on recommendations made by the Administrator, and shall be conclusive and binding for all purposes of this Plan. If the Administrator determines that the nature of a material alteration in the capital structure of the Company is such that it is not practical or feasible to make appropriate adjustments to this Plan or to the Options granted hereunder, such event shall be deemed a Terminating Event for the purposes of this Plan.

10.2 No Fractions. No fractional Shares shall be issued upon the exercise of an Option and accordingly, if as a result of any adjustment set out hereof an Optionee would be entitled to a fractional Share, the Optionee shall have the right to purchase only the adjusted number of full Shares and no payment or other adjustment shall be made with respect to the fractional Share so disregarded.

10.3 Terminating Events. Subject to Section 10.4 hereof, all Options granted under this Plan shall terminate upon the occurrence of a Terminating Event.

10.4 Notice of Terminating Event. The Administrator shall give notice to Optionees not less than 30 days prior to the consummation of a Terminating Event. Upon the giving of such notice, all Options granted under this Plan shall become immediately exercisable, notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

10.5 General Offer for Shares. Notwithstanding anything else herein to the contrary, in the event (i) an offer to purchase the Shares shall be made to the holders of the Shares generally, unless the Board determines that such offer will not result in any change in control of the Company, or (ii) of a sale of all or substantially all of the assets of the Company, or (iii) the sale, pursuant to an agreement with the Company, of securities of the Company pursuant to which the Company is or becomes a

subsidiary of another corporation, then unless provision is made by the acquiring corporation for the assumption of each Option or the substitution of a substantially equivalent option therefor, the Company shall give written notice thereof to each Optionee holding Options under this Plan and such Optionees shall be entitled to exercise his or its Options to the extent previously unexercised, regardless of whether such Optionee would otherwise be entitled to exercise such Options to such extent at that time, within the 30 day period immediately following the giving of such notice. Any Options not exercised within such 30 day period will immediately terminate and such event shall be deemed to be a Terminating Event.

10.6 Determinations to be made by Administrator. Adjustments and determinations under this Part 10 shall be made by the Administrator, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

## **Part 11**

### **TERMINATION AND AMENDMENT OF PLAN**

11.1 Termination of Plan. The Administrator may terminate this Plan at the same time as all Options are terminated upon a Terminating Event pursuant to section 10.1. The Administrator may terminate this Plan at such other time and on such conditions as the Administrator may determine, provided that no such termination shall be effected if do so would affect the rights of then existing Optionees, without the approval of such Optionees.

11.2 Power of Administrator to Amend Plan. The Administrator may, subject to the approval of the Exchange, amend this Plan so as to: (i) correct typographical errors; (ii) clarify existing provisions of the Plan, which clarifications do not have the effect of altering the scope, nature or intent of such provisions; and (iii) maintain compliance with any Applicable Laws. The Administrator may condition the effectiveness of any such amendment on the receipt of shareholder approval at such time and in such manner as the Administrator may consider necessary for the Company to comply with or to avail the Company and/or the Optionees of the benefits of any securities, tax, market listing or other administrative or regulatory requirements. No such amendment, suspension or termination shall adversely affect rights under any Options previously granted without the consent of the Optionees to whom such Options were granted.

Notwithstanding the foregoing, the Company may grant Options under amendments made to this Plan that it would not otherwise be permitted to grant prior to obtaining requisite shareholder approval, provided that: (i) the Company also obtains specific shareholder approval for such grants, separate and apart from shareholders' approval to the amendments, (ii) no Options granted under the amendments are exercised prior to shareholder approval, (iii) shareholder approval is obtained on or before the earlier of the Company's next annual general meeting or 12 months from the amendment of the Plan. Should such shareholder approval not be obtained, the amendments will terminate and any Options granted thereunder will terminate.

11.3 Shareholder Approvals. Any shareholder approval required to amend this Plan must take place at a meeting of the shareholders. Evidence that the majority of the shareholders are in favour of a proposal to approve any amendment thereto is not sufficient.

11.4 No Grant During Suspension of Plan. No Option may be granted during any suspension, or after termination, of this Plan. Amendment, suspension, or termination of this Plan shall not, without the consent of the Optionee, alter or impair any rights or obligations under any Option previously granted.

**Part 12**  
**CONDITIONS PRECEDENT TO ISSUANCE OF SHARES**

12.1 Compliance with Laws. Shares shall not be issued pursuant to the exercise of any Option unless the exercise of such Option and the issuance and delivery of such Shares comply with all Applicable Laws, and such issuance may be further subject to the approval of counsel for the Company with respect to such compliance, including the availability of an exemption from prospectus and registration requirements for the issuance and sale of such Shares. The inability of the Company to obtain from any regulatory body the authority deemed by the Company to be necessary for the lawful issuance and sale of any Shares under this Plan, or the unavailability of an exemption from prospectus and registration requirements for the issuance and sale of any Shares under this Plan, shall relieve the Company of any liability with respect to the non-issuance or sale of such Shares.

12.2 Representations by Optionee. As a condition precedent to the exercise of any Option, the Company may require the Optionee to represent and warrant, at the time of exercise, that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such representations and warranties are required by any Applicable Laws. If necessary under Applicable Laws, the Administrator may cause a stop-transfer order against such Shares to be placed on the stock books and records of the Company, and a legend indicating that the Shares may not be pledged, sold or otherwise transferred unless an opinion of counsel is provided stating that such transfer is not in violation of any Applicable Laws, may be stamped on the certificates representing such Shares in order to assure an exemption from registration. The Administrator also may require such other documentation as may from time to time be necessary to comply with applicable securities laws. **THE COMPANY HAS NO OBLIGATION TO UNDERTAKE REGISTRATION OF OPTIONS OR THE SHARES ISSUABLE UPON THE EXERCISE OF OPTIONS IN THE UNITED STATES OR ANY OTHER JURISDICTION OUTSIDE OF CANADA.**

12.3 Tax Withholding. The Optionee shall hold harmless the Company and be solely responsible, upon exercise of an Option or, if later, the date that the amount of such obligations becomes determinable, all applicable federal, provincial, local and foreign withholding taxes, determined as a result of and upon exercise of an Option or from a transfer or other disposition of Shares acquired upon exercise of an Option or otherwise related to an Option or Shares acquired in connection with an Option.

**Part 13**  
**NOTICES**

13.1 Notices. All notices, requests, demands and other communications required or permitted to be given under this Plan and the Options granted under this Plan shall be in writing and may be served in any one of the following ways: (i) personally on the party to whom notice is to be given, in which case notice shall be deemed to have been duly given on the date of such service; (ii) facsimile transmission or by electronic mail, in which case notice shall be deemed to have been duly given on the date the fax or email is sent; or (iii) mailed to the party to whom notice is to be given, by first class mail, registered or certified, return receipt requested, postage prepaid, and addressed to the party at his or its most recent known address, in which case such notice shall be deemed to have been duly given on the fifth postal delivery day following the date of such mailing.

**Part 14**  
**MISCELLANEOUS PROVISIONS**

14.1 No Obligation to Exercise. Optionees shall be under no obligation to exercise Options granted under this Plan.

14.2 No Obligation to Retain Optionee. Nothing contained in this Plan shall obligate the Company to retain an Optionee as a Director, Officer, Employee or Consultant for any period, nor shall this Plan interfere in any way with the right of the Company to change the terms or conditions of the Optionee's employment or engagement with the Company, including the Optionee's compensation.

14.3 Binding Agreement. The provisions of this Plan and each Option Agreement with an Optionee shall be binding upon such Optionee and the Successor or Guardian of such Optionee.

14.4 Governing Law. The laws of the Province of British Columbia shall apply to this Plan and all rights and obligations hereunder shall be determined in accordance with such laws.

14.5 Use of Terms. Where the context so requires, references herein to the singular shall include the plural, and vice versa, and references to a particular gender shall include either or both genders.

SCHEDULE A  
**PARKIT ENTERPRISE INC.**

**OPTION AGREEMENT**

*The Option granted herein is not assignable or transferable by the Optionee. Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities issued upon the exercise of the Option granted herein may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until four months and one day after the Grant Date.*

This Option Agreement is entered into between Parkit Enterprise Inc. (“the Company”) and the Optionee named below pursuant to the Company’s Stock Option Plan (the “Plan”), a copy of which is attached hereto, and confirms that:

1. on \_\_\_\_\_, \_\_\_\_\_ (the “Grant Date”);
2. \_\_\_\_\_ (the “Optionee”);
3. was granted the option (the “Option”) to purchase \_\_\_\_\_ Common Shares (the “Option Shares”) of the Company;
4. at the price (the “Option Price”) of \$ \_\_\_\_\_ per share;
5. which shall / shall not (*select*) be exercisable (“Vested”) in accordance with Section 6.6 of the Plan (*applicable if the Optionee is a person who performs Investor Relations Activities for the Company*);
6. shall expire on \_\_\_\_\_, 20\_\_\_\_ (the “Expiry Date”); and
7. [insert other terms or conditions],

all on the terms and subject to the conditions set out in the Plan.

By receiving and accepting the Options, the Optionee:

- (a) confirms that he has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Certificate;
- (b) consents to the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (c) consents to the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

Issued as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**PARKIT ENTERPRISE INC.**

**[NAME OF OPTIONEE]**

By its authorized signatory:

\_\_\_\_\_

*SCHEDULE B*

**Stock Option Plan**

**Exercise Notice**

**TO: PARKIT ENTERPRISE INC.**

Suite 1088, 999 West Hastings Street

Vancouver, B.C. V6C 2W2

**Re: Exercise of Options**

The undersigned hereby irrevocably gives notice, pursuant to the stock option plan (the "Plan") of **PARKIT ENTERPRISE INC.** (the "Company"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (i) all of the Shares; or
- (ii) certain of the Shares which are the subject of the option certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: \_\_\_\_\_ shares
- (ii) times the Exercise Price per Share: \_\_\_\_\_

Total Exercise Price, as enclosed herewith: \_\_\_\_\_

The undersigned tenders herewith a cheque or bank draft for the Total Exercise Price, payable to the Company, and directs the Company to issue the share certificate evidencing the Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All capitalized terms, unless otherwise defined in this exercise notice, will have the meaning provided in this Plan.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Option Holder

\_\_\_\_\_  
Name of Option Holder (Print)

QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITOR

# Shorecrest

**NORTH AMERICAN TOLL-FREE**

1-888-637-5789

**Banks and Brokers and collect calls outside North America**

647-931-7454

Email: [contact@shorecrestgroup.com](mailto:contact@shorecrestgroup.com)

**REGISTERED SHAREHOLDERS**

(YOU HOLD A PHYSICAL SHARE CERTIFICATE REGISTERED IN YOUR NAME.)



***VOTE BY INTERNET***

**www.investorvote.com** and vote using your control number located on the front of your BLUE proxy. Follow the voting instructions on screen.



***VOTE BY TELEPHONE***

Call toll-free 1-866-732-8683 and vote using your control number located on your BLUE proxy

You can also VOTE BY MAIL by completing your proxy form and return it in the enclosed postage-paid envelope.

**BENEFICIAL SHAREHOLDERS**

(YOU HOLD SHARES THROUGH A BANK, BROKER OR INTERMEDIARY)



***VOTE BY INTERNET***

**www.proxyvote.com** and vote using the 16 digit control number located on your BLUE Voting Instruction Form.



***VOTE BY TELEPHONE***

Call toll-free number listed on your Voting Instruction Form and vote using the 16 digit control number located on your BLUE Voting Instruction Form

You can also VOTE BY MAIL by completing your Voting Instruction and enclosing your VIF using the postage-paid envelope.

**YOUR VOTE IS VERY IMPORTANT- PLEASE USE ONLY YOUR  
BLUE PROXY**