

**BY LAW NUMBER 2**

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

**PIERIDAE ENERGY LIMITED**  
(the "Corporation")

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**SECTION ONE**  
**INTERPRETATION**

1.01 DEFINITIONS

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

"Act" means the *Canada Business Corporations Act*, and any statute that may be substituted therefore, as from time to time amended;

"appoint" includes "elect" and vice versa;

"articles" means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution, articles of revival of the Corporation and includes an amendment to any of them;

"board" means the board of directors of the Corporation;

"by-laws" means this by law and all other by laws of the Corporation from time to time in force and effect;

"corporation" means a body corporate incorporated or continued under the Act and not discontinued under the Act;

"electronic document" means, subject to the Act, any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means and that can be read or perceived by a person or by any means;

"information system" means a system used to generate, send, receive, store or otherwise process an electronic document;

"meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders;

"non business day" means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act (Canada)*;

"prescribed" means prescribed by the Act or the regulations, as the case may be;

"recorded address" means in the case of a shareholder, the shareholder's latest address as shown in the records of the Corporation or its transfer agent; and in the case of a director, at the director's latest address as shown in the records of the Corporation or in the last notice filed under the Act; and in the case of an officer, an auditor or a member of a committee of the board, such person's latest address as recorded in the records of the Corporation;

"regulations" means the regulations to the Act and any regulations that may be substituted therefore, as from time to time amended;

"signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by section 2.04 or by a resolution passed pursuant thereto;

"special meeting of shareholders" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

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

## SECTION TWO

### BUSINESS OF THE CORPORATION

#### 2.01 REGISTERED OFFICE

Until changed in accordance with the Act, the registered office of the Corporation shall be in the province specified in the articles, and at such location therein as the board may from time to time determine.

#### 2.02 CORPORATE SEAL

The Corporation may, but need not, adopt a corporate seal, and may change a corporate seal that is adopted. A document executed on behalf of the Corporation is not invalid merely because a corporate seal is not affixed to it.

#### 2.03 FINANCIAL YEAR

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

#### 2.04 EXECUTION OF INSTRUMENTS

Any officer or any director may sign certificates and similar instruments (other than share certificates) on the Corporation's behalf with respect to any factual matters relating to the Corporation's business and affairs, including certificates certifying copies of the articles, by laws, resolutions and minutes of meetings of the Corporation. Subject to the foregoing:

- (a) Deeds, transfers, assignments, contracts, obligations and other instruments shall be signed on behalf of the Corporation by one or more persons who hold the office of director, chairman of the board, chief executive officer, managing director, vice-president, secretary, treasurer, assistant secretary or assistant treasurer or any other office created by by-law or by resolution of the board. When there is only one director and that director is the only officer of the Corporation, deeds, transfers, assignments, contracts, obligations and other instruments may be signed by that person alone, as director or officer, on behalf of the Corporation;
- (b) Security certificates (including share certificates) shall be signed by at least one director or officer of the Corporation, or by a registrar, transfer agent or branch transfer agent of

the Corporation or an individual on their behalf, or by a trustee who certifies it in accordance with a trust indenture. Any signatures required on a security certificate (including share certificates) may be printed or otherwise mechanically reproduced on it.

In addition, the board may from time to time direct the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer or director may affix the corporate seal to any instrument requiring the same.

Any resolutions of the directors or shareholders of the Corporation and any documents and other instruments in writing requiring execution on behalf of the Corporation may be executed in separate counterparts, and all such executed counterparts when taken together shall constitute one resolution, document or other instrument in writing as the case may be. The Corporation and the directors and shareholders shall be entitled to rely on delivery of a facsimile copy of any executed resolution of the directors or shareholders of the Corporation or any executed document or other instrument in writing and such facsimile copy shall be legally effective to create a valid and binding resolution, document or other instrument in writing as the case may be.

#### 2.05 BANKING ARRANGEMENTS

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

#### 2.06 VOTING RIGHTS IN OTHER BODIES CORPORATE

The signing officers of the Corporation may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

### **SECTION THREE**

#### **BORROWING AND SECURITIES**

##### 3.01 BORROWING POWER

Without limiting the borrowing powers of the Corporation as set forth in the Act and subject to the articles, the board may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation, whether secured or unsecured;

- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

### 3.02 DELEGATION

Subject to the articles, the board may from time to time delegate to such one or more of the directors and officers of the Corporation or a committee of directors as may be designated by the board all or any of the powers conferred on the board by section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

## SECTION FOUR

### DIRECTORS

#### 4.01 NUMBER OF DIRECTORS AND QUORUM

Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum of directors provided in the articles. Subject to section 4.09, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the directors holding office or such greater or lesser number of directors as the board may from time to time determine.

#### 4.02 QUALIFICATION

No person shall be qualified for election as a director if he is less than 18 years of age; if he is of unsound mind and has been so found by a court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A director need not be a shareholder.

#### 4.03 RESIDENCY

Subject to the Act, at least 25% of the directors of the Corporation must be resident Canadians. However, if the Corporation has less than four directors, at least one director must be a resident Canadian.

#### 4.04 ELECTION AND TERM

The election of directors shall take place at the first meeting of the shareholders and at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re election. The number of directors to be elected at any such meeting shall, if a maximum or minimum number of directors is authorized, be the number of directors then in office unless the directors or the shareholders otherwise determine or shall, if a fixed number of directors is authorized, be such fixed number. The election shall be by resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

#### 4.05 REMOVAL OF DIRECTORS

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

#### 4.06 VACATION OF OFFICE

A director ceases to hold office when: he dies; he is removed from office by the shareholders; he ceases to be qualified for election as a director, or his written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

Subject to the Act, if all of the directors of the Corporation have resigned or have been removed without replacement, a person who manages or supervises the management of the business and affairs of the Corporation is deemed to be a director for the purposes of the Act.

#### 4.07 VACANCIES

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the shareholders to elect the minimum number of directors provided for in the articles. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the minimum number of directors provided for in the articles, the board shall forthwith call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

#### 4.08 ACTION BY THE BOARD

The board shall manage, or supervise the management of, the business and affairs of the Corporation. Subject to sections 4.09 and 4.10, the powers of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office. Where the Corporation has only one director, that director may constitute a meeting.

#### 4.09 CANADIAN DIRECTORS PRESENT AT MEETINGS

Subject to the Act, the board shall not transact business at a meeting unless,

- (a) if the Corporation is subject to subsection 105(3) of the Act, at least 25% of the directors present are resident Canadians, or if the Corporation has less than four directors, at least one of the directors present is a resident Canadian; or
- (b) if the Corporation is subject to subsection 105(3.1) of the Act, a majority of the directors present are resident Canadians or if the Corporation has only two directors, at least one of the directors present is a resident Canadian.

Despite the foregoing but subject to the Act, directors may transact business at a meeting of directors where the number of resident Canadian directors required is not present if

- (a) a resident Canadian director who is unable to be present approves in writing, or by telephonic, electronic or other communication facility, the business transacted at the meeting, or
- (b) the required number of resident Canadian directors would have been present had that director been present at the meeting.

#### 4.10 PARTICIPATION

A director may, in accordance with the regulations, if any, and if all the directors of the Corporation consent, participate in a meeting of directors or of a committee of directors by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in such a meeting by such means is deemed for the purposes of the Act, to be present at that meeting.

#### 4.11 PLACE OF MEETINGS

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

#### 4.12 CALLING OF MEETINGS

Meetings of the board shall be held from time to time at such place, on such date and at such time as the board, the chairman of the board, the managing director, the chief executive officer or any two directors may determine.

#### 4.13 NOTICE OF MEETING

Notice of the time and place of each meeting of the board shall be given in the manner provided in section 12.01 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including, if required by the Act, any proposal to:

- (a) submit to the shareholders any question or matter requiring approval of the shareholders;
- (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
- (c) issue securities except as authorized by the directors;
- (d) issue shares of a series under the Act except as authorized by the directors;
- (e) declare dividends;
- (f) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (g) pay a commission referred to in the Act except as authorized by the directors;
- (h) approve a management proxy circular;
- (i) approve a take-over bid circular or directors' circular;

- (j) approve any annual financial statements; or
- (k) adopt, amend or repeal by laws.

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

#### 4.14 FIRST MEETING OF NEW BOARD

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

#### 4.15 ADJOURNED MEETING

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

#### 4.16 REGULAR MEETINGS

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

#### 4.17 CHAIRMAN

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: chairman of the board, managing director, chief executive officer, or a vice-president. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the directors present shall choose one of their number to be chairman.

#### 4.18 VOTES TO GOVERN

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

#### 4.19 CONFLICT OF INTEREST

A director or officer who is a party to; or who is a director or officer, or an individual acting in a similar capacity, of a party to; or has a material interest in any person who is a party to, a material contract or material transaction, whether made or proposed, with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or proposed contract shall be referred to the board or, in the event that all of the directors are so interested in such contract or the directors determine that it is advisable, to the shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders. A director interested in a contract so referred to the board shall not vote on any resolution to approve the same except as provided by the Act.

#### 4.20 REMUNERATION AND EXPENSES



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

#### 4.21 VALIDITY OF ACTS OF DIRECTORS AND OFFICERS

An act of a director or officer is valid notwithstanding an irregularity in their election or appointment or a defect in their qualification.

### **SECTION FIVE**

#### **COMMITTEES**

##### 5.01 COMMITTEE OF DIRECTORS

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

##### 5.02 TRANSACTION OF BUSINESS

Subject to the provisions of section 4.10, the powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.

##### 5.03 ADVISORY COMMITTEES

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

##### 5.04 PROCEDURE

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

### **SECTION SIX**

#### **OFFICERS**

##### 6.01 APPOINTMENT

The board may from time to time appoint a chief executive officer, a chief financial officer, a president (production), a president (LNG), one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by law and subject to the provisions of the Act, delegate to such

officers powers to manage the business and affairs of the Corporation. Subject to sections 6.02 and 6.03, an officer may but need not be a director and one person may hold more than one office.

#### 6.02 CHAIRMAN OF THE BOARD

The board may from time to time also appoint a chairman of the board who shall be a director. If appointed, the board may assign to him any of the powers and duties that are by any provisions of this by law assigned to the managing director or to the chief executive officer, and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chairman of the board, his duties shall be performed and his powers exercised by the managing director, if any, or by the chief executive officer.

#### 6.03 MANAGING DIRECTOR

The board may from time to time also appoint a managing director who shall be a resident Canadian and a director. If appointed, he shall be the president and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation; and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chief executive officer, or if no chief executive officer has been appointed, the managing director shall also have the powers and duties of that office.

#### 6.04 CHIEF EXECUTIVE OFFICER

The board may from time to time also appoint a chief executive officer. If appointed, the chief executive officer shall, subject to the discretion of the board, be the president and, subject to the authority of the board, shall have general supervision of the business of the Corporation, and he shall have such other powers and duties as the board may specify. During the absence or disability of the managing director, or if no managing director has been appointed, the chief executive officer shall also have the powers and duties of that office.

#### 6.05 VICE PRESIDENTS

The board may from time to time also appoint a president (LNG), president (production), or one or more vice-presidents. If appointed, the president (LNG), president (production), or vice-president (as applicable) shall have such powers and duties as the board or the chief executive officer may specify.

#### 6.06 SECRETARY

The board may from time to time also appoint a secretary. If appointed, the secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board or the chief executive officer may specify.

#### 6.07 TREASURER

The board may from time to time also appoint a treasurer. If appointed, the treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions as treasurer and of the financial position of the Corporation; and he shall have such other powers and duties as the board or the chief executive officer may specify.

#### 6.08 POWERS AND DUTIES OF OTHER OFFICERS

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

#### 6.09 VARIATION OF POWERS AND DUTIES

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

#### 6.10 TERM OF OFFICE

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

#### 6.11 TERMS OF EMPLOYMENT AND REMUNERATION

The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time.

#### 6.12 CONFLICT OF INTEREST

An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with section 4.19.

#### 6.13 AGENTS AND ATTORNEYS

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

#### 6.14 FIDELITY BONDS

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

### SECTION SEVEN

#### PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

### 7.01 LIMITATION OF LIABILITY

Every director and officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations or from liability for any breach thereof.

### 7.02 INDEMNITY

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

The Corporation shall not indemnify an individual under the foregoing unless the individual

- (a) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request, and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

The Corporation shall also indemnify an individual in such other circumstances as the Act permits or requires.

### 7.03 INSURANCE

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in section 7.02 against any liability incurred by the individual

- (a) in the individual's capacity as a director or officer of the Corporation, or
- (b) in the individual's capacity as a director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request,

in such amounts as the board may from time to time determine.

**SECTION EIGHT**  
**SHARES AND OTHER SECURITIES**

**8.01 ALLOTMENT**

The Board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

**8.02 COMMISSIONS**

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

**8.03 REGISTRATION OF TRANSFERS**

Subject to the provisions of the Act, no transfer of securities shall be registered in a securities register except upon presentation of the certificate representing such securities with an endorsement, which complies with the Act, made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien referred to in section 8.05.

**8.04 TRANSFER AGENTS AND REGISTRARS**

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

**8.05 LIEN FOR INDEBTEDNESS**

If the articles provide that the Corporation shall have a lien on shares registered in the name of a shareholder or the shareholder's personal representative for a debt of that shareholder to the Corporation, such lien may be enforced, subject to any other provisions of the articles, by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or equity and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

**8.06 NON RECOGNITION OF TRUSTS**

Subject to the provisions of the Act, the Corporation may treat as absolute owner of any security the person in whose name the security is registered in the securities register as if that person had full legal

capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice of description in the Corporation's records or on the security certificate.

#### 8.07 SECURITY CERTIFICATES

Every holder of securities of the Corporation shall be entitled, at his option, to a security certificate that complies with the Act, or to a non transferable written acknowledgment of his right to obtain a security certificate, stating the number and class or series of securities held by him as shown on the securities register. Security certificates and acknowledgments of a shareholder's right to a security certificate, respectively, shall be in such form as the board shall from time to time approve. Any security certificate shall be signed in accordance with section 2.04 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing securities in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of security certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon security certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A security certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

#### 8.08 REPLACEMENT OF SECURITY CERTIFICATES

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

#### 8.09 JOINT HOLDERS

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

#### 8.10 DECEASED SECURITY HOLDERS

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

### SECTION NINE

#### DIVIDENDS AND RIGHTS

#### 9.01 DIVIDENDS

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

#### 9.02 DIVIDEND CHEQUES

A dividend payable in cash shall be paid by cheque or other comparable form of payment to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders, the cheque or other comparable form of payment shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque or other comparable form of payment as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

#### 9.03 NON RECEIPT OF CHEQUES

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

#### 9.04 RECORD DATE FOR DIVIDENDS AND RIGHTS

The board may, within the prescribed period, fix in advance a date, as a record date for determining shareholders entitled to receive payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation and, unless notice of the record date is waived in writing, notice of any such record date shall be given within the prescribed period. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or for the issue of any warrant or other evidence of or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

#### 9.05 UNCLAIMED DIVIDENDS

Any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

## SECTION TEN

### MEETINGS OF SHAREHOLDERS

#### 10.01 ANNUAL MEETINGS

Subject to the Act, the annual meeting of shareholders shall be held at such time in each year and, subject to section 10.03, at such place as the board may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

#### 10.02 SPECIAL MEETINGS

The board shall have power to call a special meeting of shareholders at any time.

#### 10.03 PLACE OF MEETINGS

Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situated or, if the board shall so determine, at some other place in Canada. Subject to the Act, a meeting of shareholders of the Corporation may be held at a place outside Canada if the place is specified in the articles or if all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

#### 10.04 PARTICIPATION

Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the regulations, if any, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility. A person participating in a meeting by such means is deemed for the purposes of the Act to be present at the meeting.

#### 10.05 MEETING HELD BY ELECTRONIC MEANS

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

#### 10.06 NOTICE OF MEETINGS

Notice of the time and place of each meeting of shareholders shall be given, within the prescribed period, in the manner provided in section 12.01, to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's or accountant's report, election of directors and reappointment of the incumbent auditor or accountant shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

#### 10.07 LISTS OF SHAREHOLDERS ENTITLED TO NOTICE AND TO VOTE

For every meeting of shareholders, the Corporation shall, within the time period prescribed by the Act, prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to receive notice of the meeting, as of the record date for notice of the meeting as fixed by the directors, or, if no record date is fixed by the directors, as deemed by the Act.



For every meeting of shareholders, the Corporation shall, within the time period prescribed by the Act, prepare a list of shareholders entitled to vote at the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting, as of the record date for voting at the meeting as fixed by the directors, or, if no record date is fixed by the directors, as deemed by the Act.

#### 10.08 RECORD DATE FOR NOTICE AND VOTING

- (a) The board may, within the prescribed period, fix in advance a date, as a record date for determining shareholders entitled to receive notice of a meeting of shareholders.

If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is so given or, if no notice is given, the day on which the meeting is held.

- (b) The board may, within the prescribed period, fix in advance a date, as a record date for determining shareholders entitled to vote at a meeting of shareholders.
- (c) If a record date is fixed, unless notice of the record date is waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the directors fix the record date, notice of the record date shall be given within the prescribed period and in the manner set out in the Act.

#### 10.09 MEETINGS WITHOUT NOTICE

A meeting of shareholders may be held without notice at any time and place permitted by the Act (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held, and (b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held; so long as such shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

#### 10.10 CHAIRMAN, SECRETARY AND SCRUTINEERS

The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chairman of the board, chief executive officer, managing director or a vice-president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be a shareholder, may be appointed by a resolution or by the chairman with the consent of the meeting.

#### 10.11 PERSONS ENTITLED TO BE PRESENT

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

#### 10.12 QUORUM

A quorum for the transaction of business at any meeting of shareholders shall be at least two persons present in person, or, if authorized by resolution of the Corporation's board of directors and in accordance with regulation, if any, by telephonic, electronic or other communication facility, each being a shareholder entitled to vote thereat or a duly appointed proxy or representative for an absent shareholder so entitled and representing in the aggregate not less than 5% of the outstanding shares of the Corporation carrying voting rights at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholder(s) present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholder(s) present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

#### 10.13 RIGHT TO VOTE

Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Corporation has prepared the list referred to in section 10.07, every person who is named in such list shall be entitled to vote the shares shown opposite his name at the meeting to which the list relates.

#### 10.14 PROXIES

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney and shall conform with the requirements of the Act. A proxy is valid only at the meeting in respect of which it is given or any adjournment thereof.

#### 10.15 TIME FOR DEPOSIT OF PROXIES

The board may specify in a notice calling a meeting of shareholders a time, not exceeding 48 hours excluding Saturdays and holidays, preceding the meeting or an adjournment thereof, before which time proxies to be used at such meeting must be deposited with the Corporation or its agent. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, unless it has been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

#### 10.16 JOINT SHAREHOLDERS

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

#### 10.17 VOTES TO GOVERN

At any meeting of shareholders every question shall, unless otherwise required by the articles or by laws or by law, be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairman of the meeting shall be entitled to a second or casting vote.

#### 10.18 SHOW OF HANDS

Subject to the provisions of the Act any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried, an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

#### 10.19 BALLOTS

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

#### 10.20 ELECTRONIC VOTING

Despite section 10.18, any vote referred to in such section may be held in accordance with the regulations, if any, entirely by means of a telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility.

Any person participating in a meeting of shareholders under sections 10.04 or 10.05 and entitled to vote at that meeting may vote, in accordance with the regulations, if any, by means of the telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

#### 10.21 ADJOURNMENT

If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

#### 10.22 RESOLUTION IN WRITING

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a

written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

#### 10.23 ONLY ONE SHAREHOLDER

Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting.

### **SECTION ELEVEN**

#### **DIVISIONS AND DEPARTMENTS**

##### 11.01 CREATION AND CONSOLIDATION OF DIVISIONS

The board may cause the business and operations of the Corporation or any part thereof to be divided or to be segregated into one or more divisions upon such basis, including without limitation, character or type of operation, geographical territory, product manufactured or service rendered, as the board may consider appropriate in each case. The board may also cause the business and operations of any such division to be further divided into sub units and the business and operations of any such divisions or sub units to be consolidated upon such basis as the board may consider appropriate in each case.

##### 11.02 NAME OF DIVISION

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

##### 11.03 OFFICERS OF DIVISIONS

From time to time the board or, if authorized by the board, the chief executive officer, may appoint one or more officers for any division, prescribe their powers and duties and settle their terms of employment and remuneration. The board or, if authorized by the board, the chief executive officer, may remove at its or his pleasure any officer so appointed, without prejudice to such officer's rights under any employment contract. Officers of divisions or their sub units shall not, as such, be officers of the Corporation.

### **SECTION TWELVE**

#### **NOTICES**

##### 12.01 METHOD OF GIVING NOTICES

Any notice, document or other information (which term includes any communication or documents) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid

ordinary or air mail or if sent to him pursuant to Section 13 hereof. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent pursuant to Section 13 hereof shall be deemed to have been given when it is sent or otherwise forwarded via the relevant information system. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

#### 12.02 NOTICE TO JOINT SHAREHOLDERS

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

#### 12.03 COMPUTATION OF TIME

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

#### 12.04 UNDELIVERED NOTICES

If any notice given to a shareholder pursuant to section 12.01 is returned on two consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

#### 12.05 OMISSIONS AND ERRORS

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

#### 12.06 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW

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

#### 12.07 WAIVER OF NOTICE

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

**SECTION THIRTEEN**

**DOCUMENTS IN ELECTRONIC OR OTHER FORM**

13.01 CREATION AND PROVISION OF INFORMATION

Subject to the Act and the regulations, a notice, document or other information may be created or provided in the form of an electronic document and such electronic document may be generated, sent, received, stored or otherwise processed by means of an information system.

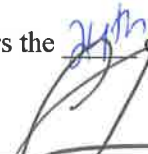
**SECTION FOURTEEN**

**EFFECTIVE DATE**


14.01 EFFECTIVE DATE

This by law shall come into force when made by the board in accordance with the Act.

**MADE AND ADOPTED** by the board of directors the 24<sup>th</sup> day of October, 2017.

  
\_\_\_\_\_  
Chief Executive Officer

**CONFIRMED** by the shareholders in accordance with the Act the 27<sup>th</sup> day of June, ~~2017~~  
2018

  
\_\_\_\_\_  
Chief Executive Officer