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# **ENVIRONMENTAL WASTE INTERNATIONAL INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF  
SHAREHOLDERS TO BE HELD ON JUNE 27<sup>th</sup>, 2017**

**- AND -**

**MANAGEMENT INFORMATION CIRCULAR**



**ENVIRONMENTAL WASTE INTERNATIONAL INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON JUNE 27<sup>th</sup>, 2017**

**NOTICE IS HEREBY GIVEN** that the Annual and Special Meeting of the Shareholders (the “Meeting”) of **Environmental Waste International Inc.** (the “Corporation”) will be held at Radisson Suite Hotel Toronto Airport, 640 Dixon Road, Etobicoke, Ontario on Tuesday, the 27<sup>th</sup> day of June, 2017 at the hour of 10:00 a.m. (Toronto time) for the following purposes:

1. To consider, and if deemed appropriate, pass a resolution fixing the number of directors of the Corporation within the minimum and maximum permitted by its Articles of Incorporation at seven (7);
2. To consider, and if deemed appropriate, pass a resolution electing directors of the Corporation for the ensuing year;
3. To consider, and if deemed appropriate, pass a resolution re-appointing MNP, LLP, Chartered Accountants, as auditors of the Corporation for the current year and authorizing the directors to fix the remuneration of the auditors;
4. To consider, and if deemed appropriate, pass a resolution confirming ratifying approving the Corporation’s 10% rolling stock option plan (the “**Plan**”);
5. To consider, and if deemed appropriate, pass a special resolution authorizing the board of directors of the Corporation to consolidate the common shares of the Corporation (“**Common Shares**”) on the basis of one (1) new Common Share for up to ten (10) old Common Shares and amend the Corporation’s Articles accordingly;
6. To consider, and if deemed appropriate, pass a resolution approving and ratifying By-Law Number 1 and By-Law Number 2 of the Corporation, which was adopted by the board of directors on March 22, 2017; and
7. To transact such other business as may properly come before the Meeting or any adjournment thereof.

A copy of the annual audited consolidated financial statements of the Corporation for its financial year ended December 31, 2016, and the auditors’ report there on, together with the corresponding management discussion and analysis will be delivered to shareholders who requested a copy. These documents may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) or at the following website at: <http://noticeinsite.tsxtrust.com/EnviromentalWasteASM2017>

The Corporation has elected to use the notice-and-access provisions for the Meeting pursuant to National Instrument 54-101 (“**NI 54-101**”) (“**Notice-and-Access Provisions**”) with respect to the mailing to its registered shareholders and its non-objecting beneficial shareholders (the “**NOBOs**”). The Notice-and-Access Provisions are a new set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing the Corporation to post the Information Circular and any additional materials on a non-SEDAR website rather than delivering such materials by mail. Shareholders will receive this Notice of Meeting and a form of proxy (the “**Notice Package**”) and may choose to receive a hard copy of the Information Circular.

The Corporation is not using procedures known as ‘stratification’ in relation to the use of Notice-and- Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Information Circular to some shareholders with the Notice Package. The Corporation is sending the Notice Package directly to the NOBOs. The Corporation will not pay for intermediaries to deliver the Notice Package to objecting beneficial holders (as defined in NI 54-101), and objecting beneficial holders will not receive the Notice Package unless their intermediary assumes the cost of delivery. In relation to this Meeting, the Notice Package will be

sent to the NOBOs and the Notice Package along with a copy of the Information Circular will be sent to the registered shareholders.

Please review the Information Circular carefully and in full prior to voting in relation to the matters to be conducted at the Meeting. The Information Circular is available on SEDAR at [www.sedar.com](http://www.sedar.com) and at the following website

<http://noticeinsite.tsxtrust.com/EnvironmentalWasteASM2017>

Any shareholders who wishes to receive a paper copy of the Information Circular should contact the Corporation at (905) 686-8689. A shareholder may also contact the Corporation's transfer agent, TSX Trust Company at Toll Free 1-866-600-5869 to obtain additional information about the "Notice-and-Access Provisions". All shareholders are invited to attend the Meeting. The board of directors of the Corporation has fixed May 15, 2017 as the record date for determining the shareholders who are entitled to vote at the Meeting. Only holders of common shares of the Corporation at the close of business on May 15, 2017 will be entitled to receive notice of and to vote at the Meeting. In order to allow for reasonable time to be allotted for a shareholder to receive and review a paper copy of the Information Circular prior to the proxy deadline, any shareholder wishing to request a paper copy of the Information Circular as described above, should ensure such request if received by 10:00 am (Toronto time) on June 19, 2017.

If you cannot attend, we encourage you to complete and return the form of proxy or voting instruction form provided to you indicating your voting instructions. Please complete, date and sign your form of proxy or voting instruction form and return it by mail in the envelope provided for this purpose, or by facsimile to our transfer agent, TSX Trust Company, 200 University Ave, Suite 300, Toronto Ontario M5H 4H1 or by following the procedures for Internet voting provided in the enclosed form of proxy or voting instruction form. To be valid, a completed form of proxy or voting instruction form must be received by our transfer agent, or Internet voting must be completed, by no later than 10:00 a.m. (Toronto Time) on Friday June 23, 2017 or, if the meeting is adjourned, by no later than 48 hours prior to the time of the adjourned meeting. If you are not a registered shareholder, please refer to the Information Circular for information on how to vote your shares.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

DATED at Toronto, Ontario, this 15<sup>th</sup> day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

*"Bob MacBean"*

Bob MacBean  
Chief Executive Officer

**ENVIRONMENTAL WASTE INTERNATIONAL INC.**

**INFORMATION CIRCULAR**

**As at May 15, 2017**

**SOLICITATION OF PROXIES**

**THIS INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF ENVIRONMENTAL WASTE INTERNATIONAL INC.** (the “Corporation”) for use at an annual and special meeting of shareholders of the Corporation (the “Meeting”) to be held at Raddison Suite Hotel Toronto Airport, 640 Dixon Road, Etobicoke, Ontario on Thursday, the 27<sup>th</sup> day of June, 2017 at the hour of 10:00 a.m. (Toronto time) and at any adjournments thereof, for the purposes set out in the accompanying Notice of Meeting. The cost of solicitation of proxies will be borne by the Corporation. The information contained in this management information circular is given as at May 15, 2017, unless indicated otherwise.

**APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the enclosed form of proxy are directors or representatives of the Corporation. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT THEM AT THE MEETING MAY DO SO** by inserting such other person’s name in the blank space provided in the form of proxy and depositing the completed proxy with the Corporation’s transfer agent, TSX Trust Company, as instructed below. A proxy can be executed by the shareholder or his attorney duly authorized in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized.

In addition to any other manner permitted by law, a proxy may be revoked before it is exercised by instrument in writing executed and delivered in the same manner as the proxy at any time up to and including the last business day preceding the day of the Meeting or any adjournment at which the proxy is to be used or delivered to the Chair of the Meeting on the day of the Meeting or any adjournment prior to the time of voting and upon either such occurrence, the proxy is revoked.

**DEPOSIT OF PROXY**

By resolution of the Directors, duly passed, **ALL PROXIES TO BE USED AT THE MEETING MUST BE DEPOSITED NOT LATER THAN 48 HOURS PRECEDING THE DAY OF THE MEETING, EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS (June 23, 2017 AT 10:00 A.M.), OR ANY ADJOURNMENT, WITH THE CORPORATION’S TRANSFER AGENT, TSX TRUST COMPANY, 200 UNIVERSITY AVE, SUITE 300, TORONTO ONTARIO M5H 4H1, provided that a proxy may be delivered to the Chair of the Meeting on the day of the Meeting or any adjournment prior to the time of voting and it is up to the Chair of the Meeting to accept or reject the proxy so delivered at the Chair’s sole discretion. A return envelope has been included with this material.**

**NON-REGISTERED SHAREHOLDERS**

Only shareholders of record at the close of business on May 15, 2017, or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either:

- i. in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares of the Corporation (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 Limited (“CDS”)) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101, (the “NI54-101”) the Corporation will have distributed copies of the Notice of Meeting, this Management Proxy Circular and the form of proxy (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the meeting material to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- i. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and submit it to the Corporation or the Corporation’s transfer agent, TSX Trust Company, 200 University Ave, Suite 300, Toronto Ontario M5H 4H1; or
- ii. more typically, be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the Non-Registered Holder will be given a page of instructions that contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares of the Corporation they beneficially own. Should a Non-Registered Holder who receives either form of proxy wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the person named in the proxy and insert the Non-Registered Holder or such other person’s name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

A Non-Registered Holder may revoke a proxy authorization form (voting instructions) or a waiver of the right to receive meeting materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a proxy authorization form (voting instructions) or of a waiver of the right to receive meeting materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

#### **EXERCISE OF DISCRETION OF PROXIES**

The persons named in the accompanying form of proxy for use at the Meeting will vote the shares in respect of which they are appointed in accordance with the directions of the shareholders appointing them. **IN THE ABSENCE OF SUCH DIRECTIONS, SUCH SHARES SHALL BE VOTED “FOR”:**

1. fixing the number of directors of the Corporation within the minimum and maximum permitted by its Articles of Incorporation at seven (7);
2. the election of directors as nominated by Management, regardless of whether there is a change, amendment or variation to the persons proposed by Management for election as directors at the Meeting or whether persons are nominated for election as directors on or from the floor of the Meeting;

3. the re-appointment of MNP LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
4. a resolution confirming, ratifying and approving the Corporation's 10% rolling stock option plan (the "**Plan**");
5. a special resolution authorizing the board of directors of the Corporation to consolidate the Common Shares on the basis of one (1) new Common Share for up to ten (10) old Common Shares and amend the Corporation's Articles accordingly;
6. approving and ratifying By-Law Number 1 and By-Law Number 2 of the Corporation, which was adopted by the board of directors on March 22, 2017; and
7. such further and other business as may be properly brought before the Meeting or any adjournment thereof.

Each of items 1, 2, 3, 4 and 6 require approval by a simple majority (50.1%) of all votes cast at the Meeting, either in person or by proxy. Item 5 requires the approval of a special majority (66 2/3%) of all votes cast at the Meeting either in person or by proxy.

The enclosed form of proxy confers discretionary authority upon the person named with respect to any amendment, variation or other matter to come before the Meeting, other than the matters referred to in the Notice of Meeting. HOWEVER, IF ANY SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS, WHICH ARE NOT NOW KNOWN TO THE MANAGEMENT, SHOULD PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXIES WILL BE VOTED IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING SUCH PROXIES, EXCEPT IN THE CASE OF THE ELECTION OF DIRECTORS AS THE SHARES REPRESENTED BY PROXY WILL BE VOTED FOR MANAGEMENT NOMINEES ONLY AND REGARDLESS OF ANY AMENDMENT OR VARIATION.

#### **NOTICE AND ACCESS**

"Notice-and-Access Provisions" means provisions concerning the delivery of proxy-related materials to Shareholders found in section 9.1.1 of National Instrument 51-102 - Continuous Disclosure Obligations ("NI 51-102"), in the case of registered shareholders, and section 2.7.1 of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer ("NI 54-101"), in the case of Non-Registered Shareholders, which would allow an issuer to deliver an information circular forming part of proxy-related materials to shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

The Notice-and-Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer's website and sometimes the transfer agent's website) rather than delivering such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer's expense.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Corporation. In order for the Corporation to utilize the Notice-and-Access Provisions to deliver proxy-related materials by posting the Circular (and if applicable, other materials) electronically on a website that is not SEDAR, the Corporation must send a notice to shareholders, including Non-Registered Shareholders, indicating that the proxy-related materials have been posted and explaining how a shareholder can access them or obtain from the Corporation a paper copy of those materials. These documents may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) or at the following website at:

<http://noticeinsite.tsxtrust.com/EnvironmentalWasteASM2017>

In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to shareholders. The requirements of that notice, which requires the Corporation to provide basic information about the Meeting and the matters to be voted on, explain how a shareholder can obtain a paper copy of the Circular and any related financial statements and MD&A, and explain the Notice-and-Access Provisions process, have been built into the Notice of Meeting. The Notice of Meeting has been delivered to shareholders by the Corporation, along with the applicable voting document (a form of proxy in the case of registered shareholders or a voting instruction form in the case of Non-Registered Shareholders).

The Corporation will not rely upon the use of 'stratification'.

The Corporation will send proxy-related materials directly to non-objecting Non-Registered Shareholders, through the services of its registrar and transfer agent, TSX Trust Company. The Corporation intends to pay for the Intermediary to deliver to objecting Non-Registered Shareholders the proxy-related materials and Form 54-101F7 - Request for Voting Instructions Made by Intermediary of NI 54-101.

Any shareholder who wishes to receive a paper copy of this Circular must contact the Corporation's transfer agent, TSX Trust Company at Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593, Toll-free: 1-866-600-5869. In order to ensure that a paper copy of the Circular can be delivered to a requesting shareholder in time for such shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that shareholders ensure their request is received no later than 10:00 am on June 21, 2016.

All shareholders may call 1-866-600-5869 (toll-free) in order to obtain additional information regarding the Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

#### **INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

At the Meeting, shareholders will be asked to consider and, if thought fit, to confirm, ratify and approve the Plan. Each director and officer of the Corporation is an eligible participant under the Plan and, accordingly, could be considered to have a material interest in the ratification of the plan.

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

The authorized capital of the Corporation consists of an unlimited number of common shares of which 163,178,436 Common Shares are issued and outstanding as fully paid and non-assessable as at May 15, 2017.

The record date for the Meeting is May 15, 2017. Each holder of common shares of record will be entitled to one vote for each common share held at the Meeting.

To the knowledge of the directors and senior officers of the Corporation, no person beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding common shares of the Corporation other than Paul E. Orlin who owns 26,368,849 common shares representing 16.16% of the Common Shares of the Corporation.

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

##### **1. Fixing Number of Directors**

Management has nominated seven individuals for election to the board of directors. Accordingly, shareholders are being asked at the Meeting to pass an ordinary resolution fixing the number of directors at seven (7) within the minimum and maximum permitted by the Corporation's articles of incorporation.



## 2. Election of Directors

The board of directors currently consists of seven (7) members. If the first resolution is passed the Board size will remain at seven (7). At the Meeting, shareholders will be asked to elect seven (7) directors. Each director elected at the Meeting will hold office until the next annual meeting of shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated according to the provisions of the by-laws of the Corporation or the *Business Corporations Act* (Ontario).

The following table states the names of the nominees, their principal occupation and employment for the previous five years and the number of shares of the Corporation beneficially owned, directly, or indirectly, or over which control or direction is exercised, by each of them as of May 15, 2017. The respective nominees have furnished the information as to shares beneficially owned.

All nominees for election as directors are currently directors of the Corporation. Proxies received in favor of management nominees, will, unless required to be withheld from voting, be voted to elect as directors of the Corporation those persons noted in the below table.

Name and Director Since	Principal Occupation	Number of Common Shares Beneficially Owned or Controlled <sup>(2)</sup>	Percentage of Common Shares
Sam Geist <sup>(1)(3)</sup> 2005	Business Consultant and owner	5,635,185	3.45%
Emanuel Gerard <sup>(1)</sup> 1999	Private Investor and Business Consultant	6,448,451	3.95%
Valdis Martinsons 2009	Business Consultant	1,270,670	0.78%
Bob MacBean 2014	Chief Executive Officer of Environmental Waste International Inc.	408,333	0.25%
Glenn Myers <sup>(3)</sup> 2016	Business Consultant	Nil	0%
Paul Orlin (being elected)	Private Investor	26,368,849	16.16%
Robert Savage 2017	Partner, KSH Capital LP	8,712,500 <sup>(4)</sup>	5.34%

### Notes:

- Members of the Audit Committee who are appointed annually.
- Shares beneficially owned directly or indirectly, or over which control or direction is exercised, as at May 15, 2017, based upon information furnished to the Corporation by the individuals in the table above. Unless otherwise indicated, shares are held directly.
- Member of the Compensation Committee.
- Mr. Savage's common shares of the Corporation are held through EWI Investors, LLC ("Investors LLC") and Mr. Savage owns 40.1% of Investors LLC. Investors LLC also holds 3,712,500 common share purchase warrants exercisable for five years into common shares at \$0.11. Investors LLC also holds a \$1,350,000 convertible debenture of the Corporation that is convertible into 12,272,727 common shares of the Company.

## 3. Appointment of Auditors

Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote **FOR** the re-appointment of MNP, LLP, Chartered Accountants, as auditors of the Corporation, to hold office until the next annual meeting of shareholders at remuneration to be fixed by the directors.

## 4. Ratification of the Corporation's 10% Rolling Stock Option Plan

On May 9, 2013, the Board of Directors of the Corporation adopted the Plan which was approved and adopted by the shareholders of the Corporation at the last annual general and special meeting of shareholders held on June 30, 2016. In accordance with the rules and policies of the TSX Venture Exchange, rolling stock option plans must be re-approved by shareholders on an annual basis and management will be asking shareholders to confirm, ratify and approve the Plan at the Meeting. Below is a summary of the Plan which is qualified in its entirety by the Plan itself. Shareholders wishing to obtain a copy of the Plan may do so by requesting a copy from the Corporation at 360 Frankcom Street, Ajax, Ontario L1S 1R5 Attn: Bob MacBean.

The purpose of the Plan is to allow the Corporation to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons with those of the shareholders. The Plan will be administered by the Board or, in its discretion, a stock option committee consisting of not less than three members of the Board. It is anticipated that the Board will administer the Plan with recommendations from the Compensation Committee.

Pursuant to the Plan, options will be exercisable over periods of up to ten years as determined by the Board. In addition, options are required by the Company to have an exercise price no less than the closing market price of the Corporation's shares prevailing on the day that the option is granted. Pursuant to the Plan, the Board may from time to time authorize the issuance of options to directors, officers, employees and consultants of the Corporation and its subsidiaries or employees of companies providing management or consulting services to the Corporation or its subsidiaries. The number of Common Shares which may be issued pursuant to options granted under the Plan will be a maximum of 10% of the issued and outstanding Common Shares at the time of the grant. In addition, the number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Options granted under Plan will be subject to such vesting schedule as the Board may determine.

Pursuant to the Plan, if any participant who is a director, officer, employee or consultant of the Corporation or an affiliate shall cease to act in that capacity for any reason other than death or permanent disability, subject to the discretion of the Board and provided that in no event shall the exercise term of an option exceed one (1) year from its Grant Date, such participant's options will terminate on the earlier of the date of the expiration of the relevant date and 90 days after the date such participant ceases to be a director, officer, employee or consultant of the Corporation or any affiliate. The Plan also provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

Options are non-assignable and non-transferable, although they are assignable to and may be exercisable by an optionee's legal heirs, personal representatives or guardians in certain cases.

If Shareholders confirm, ratify and re-approve Plan, which reserves for issuance 10% of the number of issued and outstanding Common Shares, 16,317,844 Common Shares would be reserved for issuance there under. As at the date hereof, there are 13,725,000 options outstanding and there are 2,592,844 additional options remaining available for grant under the Plan. This number would increase as the number of issued and outstanding Common Shares increases.

At the Meeting, the Shareholders will be asked to pass an ordinary resolution, with or without amendment, to confirm, ratify and approve Plan. The following is the text of the resolution to be considered by the Shareholders at the meeting:

**“RESOLVED THAT** the Corporation's 10% rolling stock option plan (the **“Plan”**) dated May 6, 2013, as originally approved by the Board on May 9, 2013 and by the shareholders of the Corporation on June 11, 2013 be and is hereby confirmed, ratified and approved.”

The foregoing resolution must be approved by a majority of the Corporation's shareholders that are present in person or by proxy at the Meeting.

The persons named in the form of proxy provided to you intend to vote the Common Shares represented by such proxy FOR the resolution to confirm, ratify and approve the Plan.

## **5. Approval of Share Consolidation**

The Board proposes to reduce the number of Common Shares of the Corporation in order to increase its flexibility with respect to potential business transactions, including any equity financings, if determined by the Corporation to be advisable. Shareholders are being asked to consider and, if thought fit, to pass the special resolution authorizing the Board, in its sole discretion, to consolidate the Common Shares on the basis of one (1) new Common Share for up to ten (10) old Common Shares (the **“Consolidation”**) and amending the Corporation's articles accordingly. Notwithstanding approval of the Consolidation by shareholders, the Board of Directors may, in its sole discretion, revoke this special resolution, and abandon the Consolidation without further approval or action by or prior notice to shareholders.

Prior to making any amendment to affect the consolidation of Common Shares, the Corporation shall first be required to obtain any and all applicable regulatory and relevant TSX-V approvals. The Board believes shareholder approval of a maximum potential Consolidation Ratio (rather than a single consolidation ratio) of one post-Consolidation Common Shares for up to ten pre-Consolidation Common Shares provides the Board with flexibility to achieve the desired results of the Consolidation, and to ensure that the Corporation remains in compliance with applicable shareholder distribution requirements of the TSX-V. If this special resolution is approved, the Consolidation will be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Corporation and its shareholders at that time. In connection with any determination to implement a Consolidation, the Corporation's Boards will set the timing for such a consolidation and select the specific ratio from within the range for a ratio set forth in the special resolution.

#### *Certain Risks Associated with the Consolidation*

There can be no assurance that the total market capitalization of the Corporation's Common Shares (the aggregate value of all Common Shares at the then market price) immediately after the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Consolidation will be higher than the per share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of a Consolidation and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Corporation will be successful in receiving increased attention from institutional investors.

#### *Principal Effects of the Consolidation*

As of May 15, 2017, the Corporation had 163,178,436 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares of the Corporation issued and outstanding will depend on the ratio selected by the Corporation's Board. The following table sets out the appropriate number of Common Shares that would be outstanding as a result of the Consolidation at the ratios suggested below.

**Table – Consolidation Ratio**

<b>Proposed Consolidation Ratio<sup>(1)</sup></b>	<b>Approximate Number of Outstanding Shares (Post Consolidation)<sup>(2)</sup></b>
1 for 10	16,317,844
1 for 8	20,397,305
1 for 5	31,635,687
1 for 2	81,589,218

**Notes:**

1. The Ratios above are for information purposes only and are not indicative of the actual ratio that may be adopted by the Board of Directors to affect the Consolidation.
2. Based on the outstanding number of Common Shares as at May 15, 2017, being 163,178,436

#### *Tax Effect*

The Consolidation will not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a shareholder who holds such Common Shares as capital property. The adjusted cost base to the shareholder of the new Common Shares immediately after the consolidation will be equal to the aggregate adjusted cost base to the shareholder of the old Common Shares immediately before the Consolidation.

#### *Notice of Consolidation and Letter of Transmittal*

If the Corporation effects the Consolidation, a letter of transmittal will be mailed to the shareholders. This letter of transmittal which will need to be duly completed and submitted by any shareholder wishing to receive share certificates representing the post-Consolidation Common Shares to which he, she or it is entitled if the Corporation completes the Consolidation. This letter of transmittal can be used for the purpose of surrendering certificates representing the currently outstanding Common Shares to the Corporation's registrar and transfer agent in exchange for new share certificates representing whole post-Consolidation Common Shares of the Corporation. After the Consolidation, current issued share certificates representing pre-Consolidation Common Shares of the Corporation will (i) not constitute good delivery for the purposes of trades of post-Consolidation Common Shares; and (ii) be deemed for all purposes to represent the number of post-Consolidation Common Shares to which the Shareholder is entitled as a result of the Consolidation. No delivery of a new certificate to a Shareholder will be made until the Shareholder has surrendered his, her or its current issued certificates. **Please do not send the letter of transmittal until the Corporation announces by press release that the Consolidation will become effective. The press release will contain instructions as to when the existing share certificates and the letter of transmittal are to be mailed to shareholders and sent to TSX Trust Corporation, the Corporation's registrar and transfer agent.**

#### *Fractional Shares*

No fractional common shares of the Corporation will be issued upon the Consolidation. All fractions of post-Consolidation shares will be rounded to the next lowest whole number if the first decimal place is less than five and rounded to the next highest whole number if the first decimal place is five or greater.

#### *Percentage Shareholdings*

The Consolidation will not affect any shareholder's percentage ownership in the Corporation, even though such ownership will be represented by a smaller number of Common Shares. Instead, the Consolidation will reduce proportionately the number of Common Shares held by all shareholders.

#### *Implementation*

The implementation of the special resolution is conditional upon the Corporation obtaining the necessary regulatory consents. The special resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation, without further approval of the Corporation's shareholders. In particular, the Board of Directors may determine not to present the special resolution to the Meeting or, if the special resolution is presented to the Meeting and approved, may determine after the meeting not to proceed with completion of the proposed Consolidation and filing the articles of amendment. If the Board does not implement the Consolidation within 36 months of the Meeting, the authority granted by the special resolution to implement the Consolidation on these terms would lapse and be of no further force or effect.

#### *Effect on Non-registered Shareholders*

Non-registered shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered shareholders. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

At the Meeting, the Shareholders will be asked to pass a special resolution, with or without amendment, to approve the Consolidation. The following is the text of the resolution to be considered by the Shareholders at the meeting:

**“BE IT RESOLVED THAT:**

1. The Corporation be and is hereby authorized to consolidate the issued and outstanding Common Shares in the capital of the Corporation on the basis of one (1) new Common Share for up to every ten (10) Common Shares presently issued and outstanding (the “**Consolidation**”) and amend the Corporation's Articles accordingly;

2. the Board of Directors are hereby authorized to determine the ratio for the Consolidation within the range set out in the Table entitled – “*Consolidation Ratio*” of the management information circular dated May 15, 2017;
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, prepare and file Articles of Amendment for the Corporation to effect the Consolidation or make any changes required by the TSX Venture Exchange or applicable securities regulatory authorities; and
4. notwithstanding the passing of this special resolution by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to or approval of the Shareholders of the Corporation not to proceed with the Consolidation or to revoke this resolution at any time prior to the Consolidation becoming effective.”

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the resolution authorizing and approving the Consolidation. In order to be approved, the special resolution must be passed by at least 66 and 2/3% of the votes cast by shareholders at the Meeting in person or by proxy.**

#### **6. Ratification and Approval of By-Laws**

On March 22, 2017, the board of directors repealed the Corporation’s by-laws, which have been the by-laws of the Corporation since its formation in 1987. These old by-laws were replaced with new by-laws, By-law No. 1 and By-Law No. 2 (the “**New By-Laws**”). The New By-Laws are quite standard by-laws for an Ontario public company and a copy of the New By-Laws are appended to this Circular as Schedule “B”. Shareholders are encouraged to read the New By-Laws before making a decision to vote for or against the approval of the New By-Laws.

By-laws can be adopted by the board of directors and are in full force and effect as at the date of their adoption. However, the shareholders must ratify and approve by-laws adopted by the board at the next following meeting of shareholders. If shareholders do not approve the New By-Laws, they will be of no further force or effect and the Corporation’s old by-laws that were repealed again become effective as the by-laws of the Corporation.

At the Meeting, the Shareholders will be asked to pass an ordinary resolution, with or without amendment, to confirm, ratify and approve the New By-Laws. In order to be approved, this resolution requires the approval of a majority of shareholders voting in person or by proxy at the Meeting. The following is the text of the resolution to be considered by the Shareholders at the meeting:

“**BE IT RESOLVED THAT** By-Law Number 1 and By-Law Number 2 adopted and approved by resolution of the board of directors of the Corporation on March 22, 2017 and attached to the Corporation’s Information Circular dated May 15, 2017 as Schedule “B” are hereby confirmed, ratified and approved as the only By-Laws of the Corporation.”

### **EXECUTIVE COMPENSATION**

#### **Compensation Discussion and Analysis**

##### **Compensation Philosophy**

The principal objectives of our compensation policies and practices for executive compensation are to attract and retain talented executives and to motivate them to achieve annual and long-term corporate objectives that are aligned with the interests of our shareholders.

The Compensation Committee establishes and reviews the Corporation’s overall compensation philosophy and its general compensation policies with respect to the Chief Executive Officer, the President and other senior officers. For executive officers other than the President and Chief Executive Officer, the Chief Executive Officer makes compensation recommendations to the Compensation Committee. The Compensation Committee, in reviewing and making recommendations to the Board relating to executive compensation, will consider and apply, among other

things, the historical operating philosophies and policies of the Corporation and the use of stock options granted under the Corporation's stock option plan to align the interests of management and shareholders to create shareholder value. The Compensation Committee evaluates the Chief Executive Officer's performance and, based on its evaluation, reviews and makes recommendations to the Board with respect to all direct and indirect compensation, benefits and perquisites (cash and non-cash) for the Chief Executive Officer based on such evaluation. In determining the Chief Executive Officer's compensation, the Compensation Committee considers the terms of his employment with EWI and may additionally consider a number of other factors, including EWI's performance, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the Chief Executive Officer in past years and other factors it considers relevant. The Compensation Committee also reviews and makes recommendations to the Board with respect to compensation, benefits and perquisites for all other senior officers of the Corporation, incentive compensation and equity based plans, and policies regarding management benefits and perquisites. The Corporation does not engage an outside consulting firm to provide executive compensation consulting. There is no regulatory oversight of our compensation process for our named executive officers. The Corporation did not use any specific benchmarks for determining the named executive officer compensation.

### **Elements of Compensation**

The elements of compensation for our named executive officers during the financial year ended December 31, 2012 included stock option grants, base salaries, company-wide employee health and welfare benefits (including medical, dental, group life insurance, accidental death and personal loss insurance, long term disability and long term care), and, in certain cases, an annual bonus opportunity. The Corporation's executive compensation structure is designed to encourage and motivate executives to achieve high levels of performance, both individually and for the Corporation, particularly over the medium-to-long term. An executive's overall compensation package in any given year will reflect the functions being performed, and his or her overall contribution to the organization, capacity to improve the Corporation's financial performance, enthusiasm and loyalty, and ability to create (or help to create) value for the benefit of the Corporation's shareholders. The Compensation Committee believes that the base salary component provides a measure of certainty and predictability to meet certain living and other financial commitments and, together with the cash bonus component, motivates executives in the short-to-medium term, while stock option grants align their interests with those of the Corporation's shareholders and assist in keeping the Corporation competitive in attracting and retaining high quality executives.

#### *Salary*

Amounts paid to an executive officer as base salary, including merit salary increases, are determined by reference to the individual's performance and salaries prevailing in the marketplace for comparable positions. The base salary of each executive officer is reviewed as required. Salary adjustments take into consideration the general level of salaries in the marketplace for comparable positions, the performance of the executive and the Corporation's performance.

#### *Bonus*

The Corporation's cash bonus awards are designed to reward an executive for the direct contribution that he or she can make to the Corporation and, at the most senior level, are directly tied to the Corporation's financial performance. The Compensation Committee determined that no cash bonuses should be awarded for the last fiscal year.

#### *Stock Options*

Stock option grants are an important component of the Corporation's executive compensation structure. Grants are intended to motivate management to achieve superior long-term performance. Options align the interests of management with those of the Corporation's shareholders and assist in keeping the Corporation competitive in attracting and retaining high quality executives. Options are granted pursuant to the Corporation's stock option plan, which permits the Compensation Committee to determine the vesting requirements and other key terms that will attach to the options. In accordance with their design as a long-term component of compensation, options granted to executives are generally subject to various vesting periods. When considering an award of options to an executive officer, consideration of the number of options previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions are generally not a factor.

## Executive Compensation for the Year Ended December 31, 2016

The fiscal 2016 base salaries for our executive officers were \$180,507 for the CEO, Bob MacBean, \$125,000 for the CTO Steve Kantor and \$15,176 for Karen Rutenberg the CFO. Bob MacBean deferred \$180,507 of his compensation in order to preserve the Corporation's cash.

The foregoing Report on Executive Compensation is submitted by the Compensation Committee.

### Summary Compensation Table

The following table provides compensation information for the Corporation's fiscal 2016, 2015 and 2014 years for the Corporation's Chief Executive Officer, Chief Technology Officer and Chief Financial Officer (collectively referred to as the "Named Executive Officers"). Other than the employees set out below, the Corporation had no other employees whose total compensation exceeded \$150,000 during the last fiscal year.

Name and Principal Positions	Year	Salary (\$) <sup>(1)</sup>	Share based awards (\$)	Option based awards (\$) <sup>(8)</sup>	Non-equity incentive plan compensation		Pension value	All other Compensation	Total Compensation
					Annual Incentive Plan <sup>(7)</sup>	Long-Term Incentive			
Karen Rutenberg CFO <sup>(4)</sup>	2016	15,176	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
Daniel Kaute CEO <sup>(2)</sup>	2016	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2014	194,615	Nil	Nil	Nil	Nil	N/A	Nil	194,615
Steve Kantor CTO <sup>(3)</sup>	2016	125,000	Nil	Nil	Nil	Nil	N/A	Nil	125,000
	2015	129,807	Nil	Nil	Nil	Nil	N/A	Nil	129,807
	2014	125,000	Nil	Nil	Nil	Nil	N/A	Nil	125,000
Robert MacBean <sup>(4)</sup> CFO <sup>(5)</sup> , CEO <sup>(6)</sup>	2016	180,507	Nil	Nil	Nil	Nil	N/A	Nil	180,507
	2015	213,309	Nil	Nil	Nil	Nil	N/A	Nil	213,309
	2014	152,422	Nil	Nil	Nil	Nil	N/A	Nil	152,422

#### Notes:

1. Karen Rutenberg was appointed CFO in May 2017
2. Daniel Kaute ceased holding the office of CEO on Nov 25, 2014.
3. Steve Kantor was appointed CTO in May 2013
4. This discloses the actual salary earned during the fiscal year indicated. Mr. MacBean deferred \$180,507 of his salary in 2016.
5. Bob MacBean was appointed CFO on November 12, 2013; and CEO on November 25, 2014
6. Bob MacBean deferred \$180,507 of his compensation in order to preserve the Corporation's cash.
7. Includes bonuses, if any, earned for the fiscal year whether or not paid in the fiscal year.
8. Option-based awards are valued at the share price on December 31, 2016 which was \$0.04, minus the fair value of the option granted.

The annual weighted average volatility number used in the above calculations and in other charts below is 169%

## Incentive Plan Awards

The following two tables provide information regarding all incentive plan awards granted by the Corporation as at the end of the Corporation's last fiscal year.

Name	Option Based Awards				Share Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option exercise Price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Robert MacBean	500,000	0.10	Nov 24, 2020	\$Nil	Nil	\$Nil
	200,000	0.10	Aug 25, 2020	\$Nil	Nil	\$Nil
	150,000	0.10	Jun 28, 2020	\$Nil	Nil	\$Nil
	1,500,000	0.10	Dec 21, 2019	\$Nil	Nil	\$Nil
	500,000	0.10	Jun 2, 2019	\$Nil	Nil	\$Nil
	150,000	0.12	Nov 18, 2018	\$Nil	Nil	\$Nil
Karen Rutenberg	50,000	0.11	Jun 30, 2021	\$Nil	Nil	\$Nil
	20,000	0.10	Aug 25, 2020	\$Nil	Nil	\$Nil
	30,000	0.10	Jun 8, 2020	\$Nil	Nil	\$Nil
	50,000	0.10	May 6, 2020	\$Nil	Nil	\$Nil
Steve Kantor	150,000	0.11	Jun 30, 2021	\$Nil	Nil	\$Nil
	175,000	0.10	Aug 25, 2020	\$Nil	Nil	\$Nil
	250,000	0.10	Jun 28, 2020	\$Nil	Nil	\$Nil
	250,000	0.10	Dec 21, 2019	\$Nil	Nil	\$Nil
	500,000	0.10	Jun 2, 2019	\$Nil	Nil	\$Nil
	275,000	0.16	Sep 9, 2018	\$Nil	Nil	\$Nil
	200,000	0.10	Jun 11, 2018	\$Nil	Nil	\$Nil
	150,000	0.25	Jun 20, 2017	\$Nil	Nil	\$Nil

**Notes:**

- The value of unexercised in-the-money options as at December 31, 2016 is the difference between the exercise price of the options and the closing price of Common Shares on the TSX-V on December 31, 2016, which was \$0.04

## Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-Based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-Based awards- Value vested during the year	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert MacBean	36,158	Nil	Nil
Karen Rutenberg	2,237	Nil	Nil
Steve Kantor	22,633	Nil	Nil

**Notes:**

- The value of Option-based awards of vested options, as at December 31, 2016 is based on a Black-Scholes option pricing model with an expected volatility of 169%.



## Termination and Other Employment Arrangements

The following table sets forth the estimated incremental payments which would be owing to each of Mr. MacBean and Mr. Steve Kantor in the event that the employment of such executive officers had been terminated effective December 31, 2016, in each of the circumstances set forth below.

Name	Termination Event	Estimated Incremental Payment			
		Severance	Option-Based Awards	Other	Total
<b>Robert MacBean</b>	By Corporation for just cause	Nil	Nil	Nil	Nil
	By Corporation without just cause	Nil	Nil	Nil	Nil
	By Mr. MacBean	Nil	Nil	Nil	Nil
	By Corporation following change of control	Nil	Nil	Nil	Nil
<b>Karen Rutenberg</b>	By Corporation for just cause	Nil	Nil	Nil	Nil
	By Corporation without just cause	Nil	Nil	Nil	Nil
	By Ms. Rutenberg	Nil	Nil	Nil	Nil
	By Corporation following change of control	Nil	Nil	Nil	Nil
<b>Steve Kantor</b>	By Corporation for just cause	Nil	Nil	Nil	Nil
	By Corporation without just cause	14 Months	Nil	Nil	Nil
	By Mr. Kantor	Nil	Nil	Nil	Nil
	By Corporation following change of control	Nil	Nil	Nil	Nil

### Note:

## Compensation of Directors

The following table outlines options that were granted to directors in fiscal 2016.

Name	Option Based Awards				Share Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option exercise Price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Emanuel Gerard	100,000	0.11	Jun 30, 2021	Nil	Nil	Nil
	200,000	0.11	Mar 14, 2021	Nil	Nil	Nil
Valdis Martinsons	100,000	0.11	Jun 30, 2021	Nil	Nil	Nil
Glenn Myers	150,000	0.11	May 4, 2021	Nil	Nil	Nil

The following table shows the compensation received by directors for the most recently completed financial year.

### Director Compensation Table

Name	Fees	Share based awards (\$)	Option based awards (\$) <sup>(1)</sup>	Non-equity	Pension value (\$)	All other	Total (\$)
	Earned (\$)			incentive plan compensation (\$)		compensation (\$)	
Sam Geist	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Emanuel Gerard	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Robert MacBean	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Valdis Martinsons	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Glenn Myers	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Russell	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides a summary of securities issued and issuable under all equity compensation plans of the Corporation as at December 31, 2016.

#### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Stock Option Plan	13,725,000	\$0.12	2,592,844

### DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

The Corporation maintains liability insurance for its directors and officers. The annual premium for the insurance is \$19,500 plus \$1,560 PST, no portion of which is payable directly by the individual directors and officers. The aggregate insurance coverage under the policy is limited to \$5 million per claim with a maximum deductible of \$25,000 per claim deductible. No claims have been made or paid to date under the policy.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end of the most recently completed financial year or as at the date hereof.

### INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Corporation, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries during the year ended December 31, 2016, or has any interest in any material transaction in the current year.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Multilateral Instrument 52-110 of the Canadian Securities Administrators (“MI 52-110”) requires the Corporation, as a venture issuer, to disclose annually in the Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

An audit committee charter, the text of which is attached as Schedule “A” to this Information Circular, governs the Corporation’s audit committee.

The Corporation’s audit committee was composed of three (3) directors in 2016, Sam Geist, Emanuel Gerard, and Tom Russell during fiscal 2016. As defined in MI 52-110, all current members of the audit committee are “independent” within the meaning of MI 52-110.

Since the commencement of the Corporation’s most recently completed financial year, the Corporation’s Board of Directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of MI 52-110, the engagement of non-audit services is considered by the Corporation’s Board of Directors, and where applicable the audit committee, on a case by case basis.

In the following table, “audit fees” are fees billed by the Corporation’s external auditor for services provided in auditing the Corporation’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Corporation to its auditors in each of the last two fiscal years, by category, are as follows:

<u>Financial Year Ending</u>	<u>Audit Fees</u>	<u>Audit Related Fees</u>	<u>Tax Fees</u>	<u>All Other Fees</u>
December 31, 2016	\$42,500	TBD	\$9,000	Nil
December 31, 2015	\$58,000	\$10,000	\$10,000	Nil

The Corporation is relying on the exemption provided by section 6.1 of MI 52-110 that provides that the Corporation, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of MI 52-110.

## STATEMENT OF CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* and National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

**1. Board of Directors** - The Board considers that Messieurs Geist, Gerard, Martinsons, Myers, Orlin and Savage are independent according to the definition of “independence” set out in Multilateral Instrument 52-110 as it applies to the Board. The Board considers that Bob MacBean is not independent in that he is an executive officer of the Corporation. The Board facilitates its exercise of independent supervision over management primarily by having a majority of the Board members consist of individuals who are independent of the Corporation. Effective April 29, 2016, Bob Guo resigned as a Director of the company. Mr. Glenn Myers was appointed as a Director until the next AGM) and is considered an independent Director. Subsequent to year end Robert Savage was appointed as a director April 12, 2017 and is considered an independent Director.

**3. Orientation and Continuing Education** - The Board has not adopted a formal policy on the orientation and continuing education of new and current directors. When a new director is appointed, the Board delegates individual directors the responsibility for providing an orientation and education program for any new director. This may be delivered through informal meetings between the new directors and the Board and senior management, complemented by presentations on the main areas of the Corporation's business. When required the Board may arrange for topical seminars to be provided to members of the Board or committees of the Board. Such seminars may be provided by one or more members of the Board and management or by external professionals.

**4. Ethical Business Conduct** - The directors are required to abide by all relevant regulatory rules and regulations. The Board monitors compliance by requiring directors and officers to declare any conflicts of interest or any other situation that could represent a potential violation of any applicable rules and regulations. When applicable, the Board will receive reports from management regarding any allegations of unethical conduct.

**5. Nomination of Directors** - The Board has not adopted any formal policy for the nomination of new directors. The Board relies on each director to identify new candidates for Board nomination based on the needs of the Board.

**6. Compensation** – Other than stock options received by the directors, no non-executive director received any cash or other form of compensation. See “*Executive Compensation - Compensation of Directors*”, above. The Board has a Compensation Committee whose role is discussed in detail in “*Executive Compensation – Compensation Discussion and Analysis*”, above.

**7. Other Board Committees** – There are two standing committees of the Board; The Audit Committee and the Compensation Committee. The Board does not have any other committees at this time. Following the Annual General and Special Meeting of the Shareholders (“AGM”) on June 27, 2017, the Board will form a Governance Committee.

#### *Audit Committee*

The Audit Committee is responsible for the integrity of the Corporation's internal accounting and control systems. The Committee receives and reviews the financial statements of the Corporation and makes recommendations thereon to the Board prior to their approval by the full Board. The Audit Committee communicates directly with the Corporation's external auditors in order to discuss audit and related matters whenever appropriate. This committee is currently comprised of three directors, Emanuel Gerard, Sam Geist and Tom Russell.

#### *Compensation Approval*

The Corporation's Compensation committee is currently comprised of three (3) directors, Sam Geist, Glenn Myers and Tom Russell. The Compensation Committee makes recommendations to the Board regarding the compensation policies and practices of the Corporation that apply to senior management and the Board.

**8. Assessments** - The Board does not have any formal policies to evaluate the effectiveness of the Board, the Audit Committee and the individual directors. The Board may appoint a special committee of directors to evaluate the Board, its committees and assess the contribution of its individual directors and to recommend any modifications to the functioning and governance of the Board and its committees. To date, the Board has not appointed any such special committee of directors to perform such analysis. Some of this function will fall to the Governance Committee being formed following the AGM.

### **ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

The annual report of the Corporation for the fiscal year ended December 31, 2016, including the financial statements for the fiscal year ended December 31, 2016, together with the report of the auditors thereon will be submitted at the Meeting. Receipt at such Meeting of the auditors' report and the Corporation's financial statements for the last completed fiscal year will not constitute approval or disapproval of any matters referred to therein.

### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management knows of no other matters to come before the Meeting other those as set forth in this Information Circular. **HOWEVER, IF OTHER MATTERS THAT ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING PROXY WILL BE VOTED ON**

**SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.**

**AVAILABILITY OF CERTAIN DOCUMENTS**

Under NI 54-101, a person or company who wishes to receive interim financial statements from the Corporation must deliver a written request for such material to the Corporation, together with a signed statement that the person or company is the owner of securities (other than debt instruments) of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed return card, together with the completed form of proxy, in the addressed envelope provided to the Corporation's transfer agent, Equity Transfer & Trust Corporation, 200 University Ave, Suite 400, Toronto Ontario M5H 4H1. The Corporation will maintain a supplemental mailing list of persons and companies wishing to receive interim financial statements.

Additional information relating to the Corporation is available under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation to request copies of the financial statements and MD&A by: (i) mail to Environmental Waste International Inc., 360 Frankcom Street, Ajax, ON L1S 1R5 or (ii) fax to 905-428-8730.

The undersigned hereby certifies that the directors of the Corporation have approved the contents and the sending of this Information Circular.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the particular matters to be acted upon by the shareholders of Environmental Waste International Inc.

DATED this 17<sup>th</sup> day of May, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

*"Bob MacBean"*

Bob MacBean  
Chief Executive Officer

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

#### The Audit Committee's Charter

##### *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 system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- 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, all of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee are financially literate will work towards becoming financially literate. For the purposes of the Company's Charter, the definition of "financially literate" is 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 elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

##### *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 the Chief Financial Officer and the external auditors in separate sessions.

#### **i) Documents/Reports Review**

##### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

- (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.

## ii) 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 external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (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, 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 revenues 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 transaction



**SCHEDULE "B"**  
**NEW BY-LAWS**  
**BY-LAW NO. 1**

A by-law relating generally to  
the conduct of the affairs of

**ENVIRONMENTAL WASTE INTERNATIONAL INC.**

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1. Interpretation
2. Execution of Documents, Banking
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BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of **ENVIRONMENTAL WASTE INTERNATIONAL INC.** (hereinafter called the "Corporation") as follows:

**ARTICLE ONE**  
**INTERPRETATION**

1.1 Definitions

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

- (a) "Act" means the Business Corporations Act, R.S.O. 1990 c. B. 16 and the regulations made pursuant thereto, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (b) "appoint" includes "elect" and vice versa;
- (c) "board" means the board of directors of the Corporation;
- (d) "by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

- (e) "meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders; "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;
- (f) "non-business day" means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Ontario);
- (g) "recorded address" means in the case of a shareholder his latest address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of a director, officer, auditor or member of a committee of the board his latest address as recorded in the records of the Corporation;
- (h) "signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by paragraph 2.1 or by a resolution passed pursuant thereto;
- (i) all terms contained in the by-laws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- (j) the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter genders; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

1.2 Conflict with Laws

In the event of any inconsistency between the by-laws and mandatory provisions of the Act or the *Securities Transfer Act*, the provisions of the Act or the *Securities Transfer Act*, as applicable, shall prevail.

**ARTICLE TWO**  
**BANKING, EXECUTION OF DOCUMENTS**

2.1 Execution of Instruments

Deeds, transfers, assignments, contracts and any other documents of the Corporation shall be signed by any officer or director or as otherwise directed by the board.

Any director or officer of the Corporation is hereby authorized and directed to sign any articles on behalf of the Corporation.

Notwithstanding any provision to the contrary contained in the by-laws of the Corporation, the Board may at any time or times direct the manner in which and the person or persons by whom any particular deed, transfer, assignment, contract or other document, or any class of deeds, transfers, assignments, contracts or other documents, shall be signed.

2.2 Banking Arrangements

The banking business of the Corporation, or any part thereof, including, without limitation, the borrowing of money and the giving of security therefor, 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 by resolution prescribe or authorize.

2.3 Financial Year

Until otherwise ordered by the board, the financial year of the Corporation shall end on the 31st day of December in each year.

### **ARTICLE THREE** **DIRECTORS**

#### 3.1 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 number of directors provided in the articles of the Corporation, from time to time, as determined by the directors, from time to time. Subject to the Act, the quorum for the transaction of business at any meeting of the Board shall be not less than a majority of the number of directors which then constitutes the Board.

#### 3.2 Qualification

No person shall be qualified for election as a director if he is less than 18 years of age; if he is a person who has been found under the *Substitute Decisions Act, 1992* or the *Mental Health Act* to be incapable of managing property or who has been found to be incapable 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. At least 25 percent of the directors shall be resident Canadians, provided that if the Corporation has less than four directors, at least one director shall be a resident Canadian. At least one-third of the directors of the Corporation shall not be officers or employees of the Corporation or any of its affiliates.

#### 3.3 Election and Term

The election of directors shall take place at the first meeting of shareholders and at each succeeding 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 be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined by special resolution or, if the special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

#### 3.4 Removal of Directors

Subject to the provisions of the Act, the shareholders may by ordinary 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 a quorum of the directors.

#### 3.5 Vacation of Office

A director ceases to hold office when he dies or, subject to the Act, resigns; he is removed from office by the shareholders in accordance with the Act; he becomes of unsound mind and is so found by a court in Canada or elsewhere or if he acquires the status of a bankrupt.

### 3.6 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 number or maximum number of directors or from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

### 3.7 Action by the Board

The board shall manage or supervise the management of the business and affairs of the Corporation. Subject to paragraphs 3.8 and 3.9, the powers of the board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of 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 of the board remains in office.

### 3.8 Meeting by Telephone

If all the directors of the Corporation present or participating in the meeting consent, a director may participate in a meeting of the board or of a committee of the board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

### 3.9 Place of Meetings

Meetings of the board may be held at any place within or outside Ontario. In any financial year of the Corporation a majority of the meetings of the board need not be held within Canada.

### 3.10 Calling of Meetings

Subject to the Act, meetings of the board shall be held from time to time on such day and at such time and at such place as the board, the Chairman of the Board (if any), the President, a Vice-President who is a director or any two directors may determine and the Secretary, when directed by the board, the Chairman of the Board (if any), the President, a Vice-President who is a director or any two directors shall convene a meeting of the board.

### 3.11 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in paragraph 9.1 to each director not less than 48 hours (exclusive of any part of a non-business

day) 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.

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

### 3.12 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.

### 3.13 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.

### 3.14 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.

### 3.15 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: the Chairman of the Board, the President or a Vice-President. If no such officer is present, the directors present shall choose one of their number to be chairman.

### 3.16 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.

### 3.17 Conflict of Interest

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or 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, and a director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during

which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders.

#### 3.18 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 shareholders or of the board or any committee thereof or otherwise in the performance of their duties. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

### **ARTICLE FOUR** **COMMITTEES**

#### 4.1 Managing Director, Committee of Directors

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

#### 4.2 Transaction of Business

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 within or outside Ontario.

#### 4.3 Audit Committee

The board shall elect annually from among its number an audit committee to be composed of not fewer than three directors of whom a majority shall not be officers or employees of the Corporation or its affiliates. The audit committee shall have the powers and duties provided in the Act.

#### 4.4 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.

#### 4.5 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.

## **ARTICLE FIVE**

### **OFFICERS**

#### 5.1 Appointment

The board may from time to time appoint a Chairman of the Board, a President, a Chief Executive Officer, a Chief Financial Officer, 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 paragraph 5.2, an officer may but need not be a director and one person may hold more than one office. In case and whenever the same person holds the offices of Secretary and Treasurer, he may but need not be known as the Secretary-Treasurer. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

#### 5.2 Chairman of the Board

The Chairman of the Board, if appointed, shall be a director and shall, when present, preside at all meetings of the board and committees of the board. The Chairman of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board. During the absence or disability of the Chairman of the Board, his duties shall be performed and his powers exercised by the President.

#### 5.3 President

The President shall, and unless and until the board designates any other officer of the Corporation to be the Chief Executive Officer of the Corporation, be the Chief Executive Officer and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the board may specify. The President shall be vested with and may exercise all the powers and shall perform all the duties of the Chairman of the Board if none be appointed or if the Chairman of the Board is absent or unable or refuses to act.

#### 5.4 Vice-President

Each Vice-President shall have such powers and duties as the board or the President may specify. The Vice-President or, if more than one, the Vice-President designated from time to time by the board or by the President, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of the board and that a Vice-President who is not a director and shareholder shall not preside as chairman at any meeting of shareholders.

#### 5.5 Secretary

The Secretary 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 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 may specify.

#### 5.6 Treasurer

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 may specify. Unless and until the board designates any other officer of the Corporation to be the Chief Financial Officer of the Corporation, the Treasurer shall be the Chief Financial Officer of the Corporation.

#### 5.7 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 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 otherwise directs.

#### 5.8 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.

#### 5.9 Term of Office

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

#### 5.10 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. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

#### 5.11 Conflict of Interest

An officer shall disclose his interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with paragraph 3.17.



#### 5.12 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 sub-delegate) as may be thought fit.

#### 5.13 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 but no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

### **ARTICLE SIX** **PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

#### 6.1 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

#### 6.2 For the Protection of Directors and Officers

In supplement of and not by way of limitation upon any rights conferred upon directors by the provisions of the Act, it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit; and, subject to the provisions of the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to the provisions of the Act and to paragraph 3.17, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director is in any way directly or indirectly interested.

#### 6.3 Limitation of Liability

Except as otherwise provided in the Act, no director or officer for the time being of the Corporation 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 act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact of his being a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

#### 6.4 Indemnity

- (a) To the maximum extent permitted by law, 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 any 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.
- (b) The Corporation may not indemnify an individual under paragraph (a) unless the individual:
  - (i) acted honestly and in good faith with a view to the best interests of the Corporation or other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request, as the case may be; and
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful.
- (c) The Corporation shall advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in paragraph (a), provided that such individual shall repay the moneys if the individual does not fulfill the conditions of paragraph (b).
- (d) The provisions for indemnification contained in the by-laws shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to action in the individual's official capacity and as to action in another capacity, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and legal representatives of such a person.

## 6.5 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in paragraph 6.4 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

# ARTICLE SEVEN DIVIDENDS

## 7.1 Dividend Cheques

A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one of them 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 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 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.

## 7.2 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall 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.

## 7.3 Record Date for Dividends and Rights

The board may fix in advance a date, preceding by not more than 50 days the date for the 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, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend 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.

## 7.4 Unclaimed Dividends

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

**ARTICLE EIGHT**  
**MEETINGS OF SHAREHOLDERS**

8.1 Annual Meetings

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine, and in any event no later than fifteen (15) months after the Corporation's last annual meeting of shareholders, subject to applicable stock exchange rules, 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.

8.2 Special Meetings

The board, the Chairman of the Board (if any), the President or a Vice-President who is a director shall have power to call a special meeting of shareholders at any time.

8.3 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 situate or, if the board shall so determine, at some other place in Canada or, if all the shareholders entitled to vote at the meeting so agree, at some place outside Canada.

8.4 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 9.1 not less than 21 days nor more than 50 days before the date of the meeting 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 report, election of directors and reappointment of the incumbent auditor shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution or by-law 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.

8.5 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall 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 vote at the meeting. If a record date for the meeting is fixed pursuant to paragraph 8.6, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared.

## 8.6 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as a record date for the determination of the shareholders entitled to notice of the meeting, provided that notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. 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 given or, if no notice is given, the day on which the meeting is held.

## 8.7 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 waive notice of or otherwise consent to such meeting being held, and
- (b) if the auditor and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditor and 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.

## 8.8 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: the President or a Vice-President who is a director and 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 shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

## 8.9 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 the 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 the bylaws 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.

## 8.10 Quorum

Subject to paragraph 8.20, and subject to when the Corporation only has one shareholder, two persons entitled to vote at a meeting of shareholders, holding in the aggregate at least 5% of all issued and

outstanding shares entitled to be voted at such meeting, whether present in person or represented by proxy, shall constitute a quorum. No business shall be transacted at any meeting unless the requisite quorum shall be present at the commencement of such business.

When the Corporation has only one shareholder, any by-law, resolution or other action of the Corporation consented to at any time during the existence of the Corporation by the signature of the sole shareholder is as valid and effective as if passed at a meeting of shareholders duly called, constituted and held for that purpose.

#### 8.11 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 paragraph 8.5, a shareholder whose name appears on such list is entitled to vote the shares shown opposite his name at the meeting to which the list relates. At any meeting of shareholders for which the Corporation has not prepared the list referred to in paragraph 8.5, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

#### 8.12 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 signed in writing or by electronic signature by the shareholder or his attorney authorized by a document that is signed in writing or by electronic signature, and shall conform with the requirements of the Act.

#### 8.13 Time for Deposit of Proxies

The board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. 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, only if 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.

#### 8.14 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.

#### 8.15 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 a 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 not be entitled to a second or casting vote.

#### 8.16 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, a 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 and 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.

#### 8.17 Ballots

On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by 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.

#### 8.18 Adjournment

The chairman at the meeting of shareholders may with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. 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. 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.

#### 8.19 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 auditor in accordance with the Act.

#### 8.20 Meetings by Electronic Means

A meeting of the shareholders may be held by telephonic or electronic means and a shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed to be present at the meeting.

## ARTICLE NINE

### NOTICES

#### 9.1 Method of Giving Notices

A notice or document required by the Act, the regulations, or the articles or by-laws of the Corporation to be sent to a shareholder or director of the Corporation may be sent by prepaid mail addressed to, or may be delivered personally to:

- (a) the shareholder at his recorded address; and
- (b) the director at his recorded address or his address in the most recent notice filed under the *Corporations Information Act*, whichever is the more current.

#### 9.2 Signature to Notices

The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

#### 9.3 Proof of Service

A certificate of the Chairman of the Board (if any), the President, a Vice-President, the Secretary or the Treasurer or of any other officer of the Corporation in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Corporation as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation as the case may be.

#### 9.4 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Corporation in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.



#### 9.5 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 both the date of giving the notice and the date of the meeting or other event shall be excluded.

#### 9.6 Undelivered Notices

If any notice given to a shareholder pursuant to paragraph 9.1 is returned on three 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.

#### 9.7 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 found thereon.

#### 9.8 Deceased Shareholders

Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased, and whether or not the Corporation has notice of his decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any person or persons) until some other person be entered in his stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons, if any, interested with him in such shares.

#### 9.9 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.

#### 9.10 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 thereunder, the articles, the by-laws or otherwise and such waiver or abridgement, 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 abridgement shall be in writing or by electronic means in accordance

with the Act, 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.

## **ARTICLE TEN**

### **EFFECTIVE DATE**

#### 10.1 Effective Date

This by-law shall come into force upon being passed by the board.

ENACTED the 22nd day of March, 2017.

## **BY-LAW NUMBER 2**

### **A BY-LAW RESPECTING THE BORROWING OF MONEY AND ISSUE OF SECURITIES BY ENVIRONMENTAL WASTE INTERNATIONAL INC.**

**THE FOLLOWING IS ENACTED** as a by-law of the Corporation:

1. The directors of the Corporation are authorized to:
  - (a) borrow money upon the credit of the Corporation;
  - (b) issue, re-issue, sell or pledge debt obligations of the Corporation;
  - (c) charge, mortgage, hypothecate, pledge or create a security interest in any property of the Corporation, whether real or personal, moveable or immovable, tangible or intangible, to secure any indebtedness, liabilities or other obligations of the Corporation; and
  - (d) subject to section 20 of the Business Corporations Act (Ontario), give a guarantee on behalf of the Corporation to secure performance of any obligation of any person.
2. The directors may by resolution delegate to one or more of the directors of the Corporation all or any of the foregoing powers.
3. The powers conferred by this by-law are in addition to and not in substitution for any borrowing powers possessed by the directors independently of this by-law, including, without limiting the generality of the foregoing, borrowing powers set forth in the Business Corporations Act (Ontario).

The foregoing is made a by-law of the Corporation pursuant to the Business Corporations Act (Ontario) by all of the directors of the Corporation.

ENACTED the 22<sup>nd</sup> day of March, 2017.



