



NYSE-MKT CORPORATE GOVERNANCE

The Company's common shares are listed on the NYSE-MKT. Section 110 of the NYSE-MKT Company Guide permits NYSE-MKT to consider the laws, customs and practices of foreign issuers in relaxing certain NYSE-MKT listing criteria and to grant exemptions from NYSE-MKT listing criteria based on these considerations. A company seeking relief under these provisions is required to provide written certification from independent local counsel that the non-complying practice is not prohibited by home country law. Set forth below is a description of the significant ways in which the Company's governance practices differ from those followed by U.S. domestic companies pursuant to NYSE-MKT standards:

1. Section 123 of the NYSE-MKT Company Guide recommends a quorum for a meeting of shareholders to be not less than 33-1/3% of a listed company's issued and outstanding shares entitled to vote at such meeting. The Company's Articles (the equivalent of by-laws in other jurisdictions of incorporation) provide that quorum for the transaction of business at a meeting of shareholders is two shareholders who are present in person or by proxy and who, in the aggregate, hold at least 25% of the Company's issued and outstanding common shares entitled to be voted at the meeting. No business, other than the election of a chair at the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.
2. Section 7.03 of the NYSE-MKT Governance Requirements states that a listed company is required to give shareholders at least ten days' written notice in advance of all shareholders' meetings and to provide for such notice in its by-laws. The Company's Articles provide that, if and for so long as the Company is a listed company, the Company shall provide at least 21 days' notice of any meeting of shareholders to each shareholder entitled to attend such meeting. Notwithstanding this provision in the Company's Articles, the Company is subject to National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators which require proxy-related materials for shareholders' meetings to be sent in compliance with those Instruments to all registered and beneficial shareholders of the Company at least 21 days before the date fixed for such meeting.
3. Shareholder Approval Requirements: NYSE-MKT US LLC requires a listed company to obtain the approval of its shareholders for certain types of securities issuances, including private placements that may result in the issuance of common shares (or securities convertible into common shares) equal to 20% or more of presently outstanding shares for less than the greater of the book or market value of the shares. Pursuant to the Toronto Stock Exchange Company Manual, shareholder approval is required for issuances of securities in excess of 25% of the issued and outstanding shares of the Company. In the event that the NYSE-MKT's shareholder approval requirements are triggered by an issuance of the Company's securities, the Company may seek an exemption from those requirements on the basis that it be allowed to rely on the laws of its jurisdiction of incorporation.