

**NOVA CANNABIS INC.**  
(the "Company")

**BY-LAW NO. 1**

**PART 1**  
**BUSINESS OF THE CORPORATION**

**1.1 Financial Year.** Until changed by resolution of the directors, the financial year of the Company shall end on December 31 in each year.

**1.2 Execution of Contracts, etc.** Contracts, documents and other instruments in writing regularly requiring execution by the Company may be signed by any two officers or directors, and all contracts, documents or other instruments in writing so signed shall be binding on the Company without any further authorization or formality. Any one officer or director may sign certificates and similar instruments (other than share certificates) on the Company's behalf with respect to any factual matters relating to the Company's business and affairs. The directors may from time to time by resolution appoint any officer(s) or any other person(s) on behalf of the Company either to sign contracts, documents or instruments in writing generally, or to sign specific contracts, documents or instruments in writing.

**1.3 Corporate Seal.** When required, the corporate seal may be affixed to contracts, documents or other instruments in writing duly signed on behalf of the Company.

**1.4 Registered Office.** The registered office of the Company shall be that specified in the articles.

**1.5 Agent for Service.** The Company must appoint an agent for service who is a resident Albertan in accordance with Section 20.1 of the Act. The Company must also give notice to the Registrar upon any of the following:

- (a) the initial appointment of agent for service;
- (b) any change in the name, address or other contact information of the agent for service; or
- (c) the death of the agent for service or the revocation of the agent's appointment.

Upon death or revocation, the Company must appoint a new agent for service and provide notice of such appointment without delay. The Company may also appoint an alternative agent for service in accordance with Section 20.2 of the Act.

**1.6 Banking Arrangements.** The banking business of the Company, 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 other entities and under such agreements, instructions or delegations of powers as may from time to time be prescribed by the directors or any two officers, one of whom must be the chief executive officer or chief financial officer (or an individual acting in a similar capacity). The chief executive officer or chief financial officer (or an individual acting in a similar capacity) together with any one other officer shall have the

authority to appoint bankers, authorize signing officers and attend to any other matters related to the Company's dealings with its bankers.

**1.7 Borrowing Power.** Without limiting the borrowing powers of the Company as set forth in the Act, the directors may from time to time by resolution on behalf of the Company and without the authorization of the shareholders:

- (a) borrow money on the credit of the Company;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Company;
- (c) give a guarantee on behalf of the Company to secure performance of an obligation of any such person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Company, owned or subsequently acquired, to secure any obligations of the Company.

**1.8 Voting Rights in Other Bodies Corporate.** Unless otherwise determined by resolution of the directors, all securities of any other body corporate or entity issuing securities carrying voting rights held from time to time by the Company may be voted at all applicable meetings of security holders of such other body corporate or entity and in such manner as determined by any of the chief executive officer or chief financial officer (or an individual acting in a similar capacity).

## **PART 2** **DIRECTORS**

**2.1 Number of Directors, Election and Term.** The number of directors shall be the number of directors as specified in the articles or as may from time to time be determined in accordance with the Act. Whenever a minimum and maximum number of directors is provided for in the articles, the number of directors shall be such number as may be determined by resolution of the directors and:

- (a) the directors may appoint one or more additional directors, who shall hold office for a term ending not later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one third of the number of directors elected at the previous annual meeting of shareholders;
- (b) the number of directors to be elected at an annual meeting of shareholders shall be the number of directors last determined by the directors;
- (c) a separate vote shall be taken with respect to each candidate nominated for director;
- (d) each director shall hold office for a term ending not later than the close of the next annual meeting of shareholders following his or her election or appointment; and

- (e) if directors are not elected at a meeting of shareholders, the incumbent directors continue in office until their successors are elected.

**2.2 Qualifications of Directors.** The following persons are disqualified from being a director of the Company:

- (a) anyone who is less than 18 years of age;
- (b) anyone who
  - (i) is a represented adult as defined in the *Adult Guardianship and Trustee Act* (Alberta) or is the subject of a certificate of incapacity that is in effect under the *Public Trustee Act* (Alberta),
  - (ii) is a formal patient as defined in the *Mental Health Act* (Alberta),
  - (iii) is the subject of an order under *The Mentally Incapacitated Persons Act* (Alberta) appointing a committee of the person or estate or both, or
  - (iv) has been found to be a person of unsound mind by a court elsewhere than in Alberta;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

**2.3 Advance Notice of Nomination of Directors.** Subject only to the provisions of the Act and the articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors. Nominations of persons for election as Directors may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of Directors: (a) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or (c) by any person (a "**Nominating Shareholder**") who: (i) at the close of business on the date of the giving of the notice provided for below in this Section 2.3 and on the record date for the notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (ii) complies with the notice procedures set forth below in this Section 2.3:

- (a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such Nominating Shareholder must have given notice thereof in written form to the corporate secretary of the Company at the principal executive offices of the Company in accordance with this Section 2.3.
- (b) A Nominating Shareholder's notice to the corporate secretary of the Company must be given:

- (i) in the case of an annual meeting of shareholders, on or before such deadline or within such period as may be determined by the board of directors of the Company, provided such deadline or period shall not be less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Each of the notice periods set out in 2.3(b)(i) and (ii) above shall be reset if the meeting is adjourned or postponed, and for this purpose the Notice Date shall be the date of the first public announcement of the adjournment or postponement.

- (c) A Nominating Shareholder's notice to the corporate secretary of the Company must set forth:
  - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
    - (A) the name, age, business address and residence address of the person;
    - (B) the principal occupation, business or employment of the person for the most recent five years, and the name and principal business of any company in which any such employment is carried on;
    - (C) the number of securities of each class of voting securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
    - (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act or Applicable Securities Laws (or both); and
    - (E) a duly completed personal information form in the form prescribed by the principal stock exchange on which the securities of the Company are listed for trading; and

- (ii) as to the Nominating Shareholder giving the notice:
  - (A) the name and address of such Nominating Shareholder;
  - (B) the number of securities of each class of voting securities of the Company or any of its subsidiaries beneficially owned, or over which control or direction (or both) is exercised, directly or indirectly, by such person, alone or together with any joint actor or joint actors, as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the Notice Date;
  - (C) full particulars of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the notice by, or on behalf of, such Nominating Shareholder, whether or not such instrument or right shall be subject to settlement in underlying securities of the Company, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such Nominating Shareholder with respect to securities of the Company;
  - (D) full particulars of any proxy, contract, arrangement, agreement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote or to direct or to control the voting of any shares of the Company;
  - (E) whether such Nominating Shareholder intends to deliver a proxy circular and/or form of proxy to any shareholders in connection with such nomination or otherwise solicit proxies or votes from shareholders in support of such nomination; and
  - (F) any other information relating to such Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws.
- (d) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Section 2.3; provided, however, that nothing in this Section 2.3 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing

provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- (e) For purposes of this Section 2.3: (a) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada.
- (f) Notwithstanding any other provision of this By-Law, notice given to the corporate secretary of the Company pursuant to this Section 2.3 may only be given by personal delivery or by email (at such email address as stipulated from time to time by the corporate secretary of the Company for the purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery or email (at the address as aforesaid) to the corporate secretary of the Company at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (local time at the head office of the Company) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (g) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Section 2.3 or may delegate such discretion to the chair of any meeting of the shareholders.

**2.4 Ceasing to Hold Office.** A director ceases to hold office when the director:

- (a) dies or resigns;
- (b) is removed by way of an ordinary resolution passed by the shareholders at a special meeting; or
- (c) becomes disqualified pursuant to Section 2.2 of this By-Law.

**2.5 Calling of Directors' Meetings.** The chair of the board of directors, a vice-chair, lead director (if any), the chief executive officer, any director, or the corporate secretary at the direction of any of the foregoing persons, may at any time call a meeting of the directors at such time and place as they may determine.

**2.6 Place of Directors' Meetings.** Meetings of the directors or any committee of directors may be held at any place within or outside Alberta. The directors may also determine, in their sole

discretion, that a meeting be held entirely by means of telephonic, electronic or other communication facility in accordance with Section 2.7 of this By-Law.

**2.7 Participation in Meetings by Electronic Means.** A director may, and if all the directors of the Company consent, participate in a meeting of directors or of a committee of directors by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director's consent will 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 or a committee of the board held while the director holds office. A director participating in such a meeting by such means is deemed for the purposes of the Act and the By-Laws to be present at that meeting.

**2.8 Notice of Meetings.** Notice of the time and place for the holding of any meeting of directors or a committee of directors shall be sent to each director not less than twenty-four (24) hours before the time of the meeting. Notwithstanding the foregoing, meetings of directors or a committee of directors may be held at any time without notice if:

- (a) all the directors are present, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; or
- (b) all the absent directors waive notice.

Provided that a quorum of directors is present, each newly elected board of directors may without notice hold its first meeting on the same day as the meeting of shareholders which elected such board.

**2.9 Waiver of Notice.** Notice of a meeting of the directors or a committee of directors, or any irregularity in a meeting or in the notice thereof, may be waived in any manner by a director and such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at a meeting of the directors or a committee of the directors is a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

**2.10 Quorum for Meetings.** A majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the directors. Subject to the Act, no business shall be transacted by the directors except at a meeting of directors at which quorum is present.

**2.11 Chair and Secretary of Meetings.** The chair of any meeting of directors shall be the chair of the board. If the chair of the board is not present or if he or she declines or is unable to act, the directors present shall choose one of their number to act as the chair of the meeting. The corporate secretary shall act as secretary at any meeting of the directors. If the corporate secretary is not present or if he or she declines or is unable to act, the chair of the meeting shall appoint a person to be the secretary of that meeting, which person need not be a director.

**2.12 Voting.** Questions arising at any meeting of the directors shall be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting shall not have a second or

casting vote in addition to the chair's original vote. Any such question shall be decided by a show of hands unless a ballot is required or demanded by any director.

**2.13 Resolutions in Writing.** A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or a committee of directors.

**2.14 Remuneration and Expenses.** The remuneration to be paid to the **[independent]** directors (as such term is defined under applicable securities laws) shall be such amount as is determined by resolution of the directors from time to time. A director who also serves as an officer or employee shall not receive any additional remuneration for services as a director. Directors shall also be entitled to be reimbursed their travelling and other out-of-pocket expenses properly incurred by them in connection with the business and affairs of the Company.

### **PART 3** **DELEGATION BY DIRECTORS**

**3.1 Board Mandate and Committee Charter.** The mandate of the board of directors and the charter of each committee shall be set forth in writing and be approved by the directors.

**3.2 Audit Committee.** The directors shall annually appoint an audit committee to be composed of not fewer than three directors, none of whom shall be officers or employees of the Company or its affiliates and all of whom meet all other requirements of applicable law. In addition to the powers of the audit committee set forth in its charter, the audit committee shall have all powers and duties described in the Act and pursuant to applicable securities laws.

### **PART 4** **OFFICERS**

**4.1 Appointment of Officers.** The directors may annually, or as often as may be required, designate such offices of the Company and appoint such officers as the directors may consider advisable. No officer, other than the chair or any vice-chair, needs to be a director.

**4.2 Duties of Officers.** The powers and duties of all officers shall be such as the terms of their engagement or employment call for or as the directors may specify.

**4.3 Term of Office.** All officers shall be subject to removal by resolution of the directors at any time, with or without cause. The directors may appoint a person to an office to replace an officer who has been removed or who has ceased to be an officer for any other reason.

**4.4 Chair of the Board.** The directors may determine, as they shall deem appropriate from time to time, that the chair of the board: (a) shall not be an officer and shall act solely in a non-executive capacity; or (b) shall be an officer and shall act in an executive capacity. Should the directors at any time determine that the chair shall be for the time being an officer and shall act in an executive capacity, they shall as soon as practicable appoint from among themselves a director

(hereinafter referred to as the "lead director") who is not an officer to ensure that the directors can function independently of management of the Company.

## **PART 5**

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

**5.1 Limitation of Liability.** No director, officer or employee shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for and on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the money of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Company shall be deposited, or for any loss occasioned by an error in judgment or oversight on his or her part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his or her office or employment in relation thereto, unless the same are occasioned by his or her own negligence or wilful default; provided that nothing herein shall relieve any director, officer or employee from the duty to act in accordance with the Act or from liability or breach thereof.

**5.2 Indemnification and Insurance.** The Company shall indemnify a director, officer, former director or officer or another individual who acts or acted at the Company's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding to which the individual is involved because of that association with the Company or other entity, to the full extent permitted by law. The Company is authorized to enter into agreements evidencing the indemnity in favour of the foregoing persons to the full extent permitted by law and may purchase and maintain insurance against the risk of its liability to indemnify pursuant to this provision.

## **PART 6**

### **SECURITIES**

**6.1 Issuance.** Subject to the Act and the articles, the directors may from time to time issue shares or other securities of the Company, or grant options, warrants or rights to acquire unissued shares of the Company, at such times, to such persons and for such consideration as the directors may determine; provided that no share shall be issued unless it is fully paid for as provided by the Act. The directors may determine by resolution that any or all classes or series of shares or securities issued by the Company be uncertificated; provided that no such resolution shall apply to securities represented by a certificate until such certificate has been surrendered to the Company or its transfer agent.

**6.2 Security Certificates.** Certificates evidencing securities issued by the Company shall be in the form prescribed by the Act, any stock exchange on which the Company's securities are listed and otherwise as approved by the directors from time to time. Such certificates shall be signed by at least one director or officer of the Company or by or on behalf of a registrar, transfer agent or

branch transfer agent, or an individual on their behalf, or by a trustee who certifies it in accordance with a trust indenture. Any signatures required on a certificate may be printed or otherwise mechanically reproduced thereon. If a certificate contains a printed or mechanically reproduced signature of a person, the Company may issue the certificate notwithstanding that the person has ceased to be a director or officer, and the certificate is as valid as if the person were a director or an officer at the date of its issue.

**6.3 Registrar and Transfer Agents.** For each class or series of securities issued by the Company, the directors may from time to time by resolution appoint or remove:

- (a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons or agents to keep branch registers; and
- (b) a registrar, trustee or agent to maintain a record of issued security certificates,

and, subject to the Act, one person may be appointed for both of the foregoing purposes in respect of all securities of the Company or any class or series thereof.

**6.4 Surrender of Security Certificates.** Subject to the provisions of the *Securities Transfer Act*, SA, 2006, c S-45, as amended, no transfer of a security issued by the Company shall be recorded or registered unless and until either:

- (a) the security certificate representing the security to be transferred has been surrendered and cancelled; or
- (b) if no security certificate has been issued by the Company in respect of such security, a duly executed security transfer power in respect thereof has been presented for registration.

**6.5 Defaced, Destroyed, Stolen or Lost Security Certificates.** In the case of the defacement, destruction, theft or loss of a security certificate, the fact of such defacement, destruction, theft or loss shall be reported by the owner to the Company or to an agent of the Company appointed pursuant to Section 6.3 of this By-Law, with a statement verified by oath or statutory declaration, including the circumstances concerning the same and with a request for the issuance of a new security certificate to replace the one so defaced, destroyed, stolen or lost. Upon giving the Company (or, if there is such an agent, then to the Company and to the agent) of an indemnity bond of a surety company in such form as is approved by an authorized officer, indemnifying the Company (and such agent, if any) against all loss, damage and expense, which the Company and/or such agent may suffer or be liable for by reason of the issuance of a new security certificate to such security holder, and provided the Company or such agent does not have notice that the security has been acquired by a *bona fide* purchaser, a new security certificate may be issued in replacement of the one defaced, destroyed, stolen or lost, if such issuance is ordered and authorized by any authorized officer or by resolution of the directors.

**6.6 Electronic, Book-Based or Other Non-Certificated Registered Positions.** The Company and its agent(s) appointed pursuant to Section 6.3 of this By-Law may adopt such policies and procedures and take all steps as may be necessary or desirable in order to facilitate the adoption and maintenance of a securities registration system by electronic, book-based, direct registration system or other non-certificated matters. If such a system is adopted, a registered

security holder may have its holdings of securities of the Company evidenced by an electronic, book-based, direct registration system or other non-certificated entry or position in the applicable securities register.

## **PART 7**

### **SHAREHOLDER MEETINGS**

**7.1 Annual Meetings.** The annual meeting of shareholders shall be held at such time in each year as the directors may from time to time determine, and in any case not later than fifteen (15) months after holding its last preceding annual meeting, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and transacting such other business as may properly be brought before the meeting.

**7.2 Special Meetings.** The directors may at any time call a special meeting of shareholders to be held on such day and at such time as the directors may determine. Any special meeting of shareholders may be combined with an annual meeting of shareholders.

**7.3 Place of Meetings.** Meetings of shareholders shall be held at such place within Alberta as the directors may determine (or outside Alberta if the place is specified in the Articles or if all the shareholders entitled to vote at that meeting agree that the meeting is to be held at that place).

#### **7.4 Shareholder Meetings by Electronic Means**

- (a) Shareholders and proxy holders not physically present at a meeting of shareholders may participate in a meeting of shareholders by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting if the Company makes available such a communication facility. Such persons participating in a meeting of shareholders being conducted by means of such communications facility shall be deemed for the purposes of the Act to be present in person at the meeting of shareholders.
- (b) Subject to the Act and any guidelines or procedures adopted by the directors, the directors may determine, in their sole discretion, that:
  - (i) a meeting of shareholders may be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting; and
  - (ii) voting at a meeting of shareholders may be carried out by means of a telephonic, electronic or other communication facility that the Company has made available for that purpose if the facility enables the votes to be gathered in a manner that permits their subsequent verification, and permits the tallied votes to be presented to the Company without it being possible for the Company to identify how the person voted.

**7.5 Notice of Meetings.** Notice of the date, time and place (if any) of, as well as the nature of the business to be conducted at, every meeting of shareholders shall be sent to:

- (a) each shareholder entitled to vote at the meeting;
- (b) each director; and
- (c) the auditor,

not less than 21 days and not more than 50 days before the date on which the meeting is to be held. Any notice sent pursuant to this Section 7.5 shall be addressed to the latest address of each applicable person as shown on the records of the Company or its transfer agent, or if no address is shown therein, then to the last address of each such person known to the corporate secretary. Notice of a meeting of shareholders called for any purpose other than considering the financial statements and auditor's report, fixing the number of directors, electing directors, or reappointing the incumbent auditor must state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment on that business, and the text of any special resolution to be submitted to the meeting.

**7.6 Waiver of Notice.** Any shareholder, duly appointed proxy of any shareholder, director or auditor of the Company may waive notice of any meeting of shareholders, or the time for the giving of any such notice, or any irregularity in any meeting or in the notice to any meeting, in writing or by email or other form of recorded electronic transmission addressed to the Company or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a shareholder or any other person entitled to attend a meeting of shareholders is a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

**7.7 Omission of Notice.** The accidental omission to give notice of any meeting to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any meeting of shareholders.

**7.8 Record Dates.** The directors may fix in advance a date as the record date for the determination of shareholders: (a) entitled to receive payment of a dividend; (b) entitled to participate in a liquidation or distribution; or (c) for any other purpose except the right to receive notice of or to vote at a meeting of shareholders, but such record date cannot precede by more than 50 days the particular action to be taken.

The directors may also fix in advance a date as the record date for the determination of shareholders entitled to receive notice of or to vote at a meeting of shareholders, but such record date cannot precede by more than 50 days or by less than 21 days the date on which the meeting is to be held.

If no record date is fixed,

- (a) the record date for the determination of shareholders entitled to receive notice of or to vote at a meeting of shareholders will be,

- (i) at the close of business on the last business day preceding the day on which the notice is sent; or
  - (ii) if no notice is sent, the day on which the meeting is held; and
- (b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote will be at the close of business on the day on which the directors pass the resolution relating to that purpose.

**7.9 Shareholder List.** The Company 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 in accordance with section 137 of the Act. If a record date is fixed pursuant to Section 7.8, the Company shall prepare this list no later than 10 days after setting the record date. If no record date is fixed, then the Company shall prepare this list at the close of business on the day immediately preceding the day on which notice of a shareholders' meeting is given, or where no notice of a shareholders' meeting is given, on the day on which the meeting is held. Shareholders may examine the list of shareholders during usual business hours at the records office of the Company or at the place where the securities register is maintained, and at the meeting of shareholders for which the list was prepared. If this meeting is held solely by means of telephonic or electronic means, the list will be open for inspection by any shareholder during the time of the meeting.

**7.10 Advance Notice for Proposals.** No business may be transacted at an annual and/or special meeting of shareholders, other than as set forth in this Section 7.10.

- (a) **Annual Meeting Business.** No business may be transacted at an annual meeting of shareholders, other than business that is:
  - (i) specified in the Company's notice of meeting (or any supplement thereto) given by or at the direction of the directors;
  - (ii) otherwise properly brought before the annual meeting or at the direction of the directors; or
  - (iii) otherwise properly brought before the annual meeting by any shareholder of the Company who complies with the proposal procedures set forth in this Section 7.10.

For business to be properly before an annual meeting by a shareholder of the Company, such shareholder must submit a proposal to the Company for inclusion in the Company's management information circular in accordance with the requirements of the Act; provided that any proposal that includes nominations for the election of directors shall be submitted to the Company in accordance with the requirements set forth in Section 2.3. The Company shall set out the proposal in the management information circular or attach the proposal thereto, subject to the exemptions and bases for refusal set forth in the Act.

- (b) **Special Meeting Business.** At a special meeting of shareholders, only such business shall be conducted as shall have been brought before the meeting pursuant to the Company's notice of meeting. Nominations of persons for election as directors may be made at a

special meeting of shareholders at which directors are to be elected pursuant to the Company's notice of meeting in accordance with the requirements set forth in the Company's advance notice by-law.

**7.11 Chair, Secretary and Scrutineer.** The chair of any meeting of shareholders shall be the first mentioned of the following officers who is present at the meeting: chair, vice-chair, lead director (if any), chief executive officer, chief financial officer, an executive vice-president or vice-president. If no such officer is present within fifteen (15) minutes of the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If present, the corporate secretary shall be the secretary of the meeting. If the corporate secretary is absent, the chair of the meeting shall appoint another 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 the chair of the meeting.

**7.12 Procedure at Shareholder Meetings.** The chair of any meeting of shareholders shall conduct the meeting and shall determine the procedure thereof in all respects. The decision of the chair on all matters or things, including the validity of proxies, shall be conclusive and binding on the meeting.

**7.13 Persons Entitled to be Present.** The only persons entitled to be present at a meeting of the shareholders are:

- (a) the shareholders entitled to vote at such meeting;
- (b) the directors;
- (c) the auditor; and
- (d) others who, although not entitled to vote, are entitled or required to be present at the meeting under any provision of the Act, the articles or this By-Law.

Other persons may be permitted to attend on the invitation of the chair of the meeting or with the consent of the meeting.

**7.14 Quorum.** A quorum for any meeting shall be two persons present at the opening of the meeting and holding or representing by proxy not less than twenty-five (25%) percent of the total number of issued shares of the Company possessing voting rights at such meeting. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting. A person participating in a meeting by means of telephonic, electronic or other communication facility shall be deemed for the purposes of the Act to be present in person at the meeting of shareholders.

**7.15 Shareholder Representatives.** Where a body corporate or entity is a shareholder, any individual authorized by a resolution of the directors or a governing body of the body corporate or entity may represent it at any meeting of the shareholders, and exercise at such meeting on behalf of the body corporate or entity all the powers it could exercise if it were an individual shareholder; provided that the Company or the chair of the meeting may require such shareholder or such

individual authorized by it to furnish a certified copy of such resolution or other appropriate evidence of the authority of such individual.

**7.16 Joint Shareholders.** Where two or more persons hold the same share or shares jointly, any one of such persons present at a meeting of shareholders has the right, in the absence of the other or others, to vote in respect of such share or shares, but if more than one of such persons are present or represented by proxy and vote, they shall vote together as one on the share or shares jointly held by them.

**7.17 Appointment by Proxyholder.** A shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

**7.18 Form of Proxy.** A form of proxy shall be in written or printed format or a format generated by telephonic or electronic means and shall comply with the Act. A form of proxy is valid when completed and signed in writing or by electronic signature by the shareholder or his or her attorney authorized by a document that is signed in writing or by electronic signature or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized. If a proxy or document authorizing an attorney is signed by electronic signature, the means of electronic signature shall permit a reliable determination that the proxy or document was created or communicated by or on behalf of the shareholder or the attorney, as the case may be.

**7.19 Time Limit for Deposit of Proxies.** The directors may by resolution fix a time not exceeding 48 hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at that meeting must be deposited with the Company or its agent or mandatary (subject to the rights of shareholders to revoke proxies as provided below), and any period of time so fixed shall be specified in the notice calling the meeting.

**7.20 Revocation of Proxy.** A shareholder may revoke a proxy:

- (a) by depositing an instrument or act in writing executed by the shareholder or the shareholder's representative authorized in writing:
  - (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the meeting, or an adjournment thereof, at which the proxy is to be used; or
  - (ii) with the chair of the meeting on the day of the meeting or an adjournment thereof; or
- (b) in any other manner permitted by law.

Notwithstanding any specified time limits for the deposit of proxies by shareholders, the chair of any meeting or the chair of the board may, at his or her sole discretion, waive the time limits for the deposit of proxies by shareholders, including any deadline set out in the notice calling the

meeting of shareholders or in any management information circular, and any such waiver made in good faith shall be final and conclusive.

**7.21 Votes to Govern.** At any meeting of shareholders every question shall, unless otherwise required by the articles or this By-Law or by law, be determined by a majority of the votes cast on the question, whether by show of hands, or by ballot. In the case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote.

**7.22 Show of Hands.** Subject to 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 on a question, unless a ballot thereon is so required or demanded, a declaration by the chair 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 favor, withheld or against any resolution or other proceeding in respect of such question, and the result of the ballot so taken shall be the decision of the shareholders upon such question.

**7.23 Ballots.** On any question at a meeting of shareholders, and whether or not a vote by show of hands has been taken, a ballot may be required by the chair of the meeting or demanded by any shareholder or proxyholder entitled to vote at the meeting. A ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot.

**7.24 Adjournment.** The chair of the meeting may, with the consent of the meeting, adjourn any meeting of shareholders to a fixed time and place. If the meeting of shareholders is adjourned for less than thirty (30) days, no notice of the time and place for the holding of the adjourned meeting need be given to any shareholder, 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 thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting. Management of the Company will not have to send a new form of proxy to shareholders unless a meeting is adjourned by one or more adjournments for an aggregate of more than ninety (90) days.

## **PART 8**

### **DIVIDENDS AND RIGHTS**

**8.1 Dividends and Other Distributions.** Subject to the Act and the articles, the directors may from time to time declare dividends or other distributions payable to the shareholders according to their respective rights and interest in the Company. Dividends or other distributions may be paid in money or property or by issuing fully paid shares of the Company.

**8.2 Payment of Dividends or Other Distributions.** A dividend or other distribution payable in money shall be paid by cheque or by electronic means or by such other method as the directors may determine, and will be paid to the order of each registered holder of shares of the class of series in respect of which it has been declared. Cheques will be mailed by prepaid ordinary mail

to such registered holder at such registered holder's recorded address, unless such holder otherwise directs. In the case of joint holders the payment shall, unless any applicable joint holder otherwise directs, be made payable to the order of all such joint holders and, if applicable, be mailed to them at their recorded address, unless any applicable joint holder otherwise directs. The sending of the cheque or the sending of the payment by electronic means or other method determined by the directors as provided for above in an amount equal to the dividend or other distribution to be paid, less the amount of any tax that the Company is required to and does withhold shall, unless such payment is not paid on due presentation, if applicable, satisfy and discharge the liability for the payment. A dividend or other distribution payable in money may be paid in Canadian currency or in equivalent amounts of a currency or currencies other than Canadian currency. The directors may declare dividends or other distributions in any currency or in alternative currencies and make such provisions as they deem advisable for the payment of such dividends or other distributions.

**8.3 Non-receipt of Cheques.** In the event of the non-receipt of a cheque payable pursuant to this Part 8 by the person to whom it is sent, the Company 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 corporate secretary may from time to time prescribe.

**8.4 Unclaimed Dividends.** Any dividend unclaimed after a period of two years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Company.

## **PART 9** **NOTICES**

**9.1 Notice to Directors, Officers and Auditors.** Unless the Act or this By-Law provides otherwise, whenever any notice, document or other information required or permitted by the Act, the articles or this By-Law is to be given to any director, officer or the auditor, such notice will be deemed to be given effectively if given in person, by mail or a nationally recognized overnight delivery service for next day delivery to the address of the director, officer or auditor at such person's address appearing on the records of the Company, or by fax, email or other form of electronic communication.

A notice to a director, officer or the auditor will be deemed to be received as follows:

- (a) if given in person, when actually received by the director, officer or the auditor;
- (b) if sent through the mail, at the time it would be delivered in the ordinary course of the mail;
- (c) if sent for next day delivery by a nationally recognized overnight delivery service, when delivered to such service;
- (d) if sent by fax, when sent to the fax number for such director, officer or the auditor appearing in the records of the Company and evidence of delivery confirmation is received by sender's fax device;
- (e) if sent by email, when sent to the email address for such director, officer or the auditor appearing in the records of the Company; or

- (f) if sent by another form of electronic communication, when sent to the address, location or number for such director, officer or the auditor appearing on the records of the Company.

**9.2 Notice to Shareholders.** Unless the Act or this By-Law provide otherwise, whenever any notice, document or other information required or permitted by the Act, the articles or this By-Law is to be given to a shareholder, such notice will be deemed to be given effectively if given in person, by mail or a nationally recognized overnight delivery service for next day delivery to the address of the shareholder at such shareholder's address appearing on the securities register of the Company; by fax, email or other form of electronic communication; by providing or posting the notice, document or other information on, or making it available through, a generally accessible electronic source and providing notice of the availability and location of the notice, document or other information to the shareholder via any of the foregoing methods; or by any other method permitted by law.

A notice to a shareholder will be deemed to be received as follows:

- (a) if given in person, when actually received by the shareholder;
- (b) if sent through the mail, at the time it would be delivered in the ordinary course of the mail;
- (c) if sent for next day delivery by a nationally recognized overnight delivery service, when delivered to such service;
- (d) if sent by fax, when sent to the fax number at which the shareholder consented to receive notice and evidence of delivery confirmation is received by sender's fax device;
- (e) if sent by email, when sent to the email address at which the shareholder consented to receive notice;
- (f) if sent by another form of electronic communication, when sent to the address, location or number for such shareholder appearing on the records of the Company;
- (g) if sent by posting it on or making it available through a generally accessible source referred to above, on the day such person is sent notice of the availability and location of such notice, document or other information is deemed to have been sent in accordance with one of the means above; or
- (h) if sent by any other method permitted by law, at the time that such person is deemed to have received such notice pursuant to law.

If a shareholder has consented to a method of delivery of a notice, document or other information, the shareholder may revoke such shareholder's consent to receiving any notice, document or information by fax or email by giving written notice of such revocation to the corporate secretary.

**9.3 Addresses of Shareholders.** Every shareholder shall furnish to the Company or any agent appointed by the Company an address to which all notices and documents intended for the shareholders shall be sent by hand delivery, mail or overnight delivery service. If a shareholder fails to furnish such an address, the address of such shareholder shall be deemed to be that of the

office at which the central securities register of the Company is maintained; provided that the corporate secretary may change or cause to be changed the address of any shareholder in accordance with any information believed by him or her to be reliable.

The Company may maintain a supplemental list of shareholders who consent to receive notices or documents intended for the shareholders by means of telephonic, electronic or other communication facilities. Such supplemental list and the electronic addresses contained therein shall not be included in, and shall be deemed not to form part of, the securities register required to be maintained by the Company or the shareholders' lists or supplemental shareholders' list required to be furnished by the Company in certain circumstances. In the event that the Company is unable to deliver, in accordance with such supplemental list, notices or documents required to be delivered by the Act or pursuant to the articles or this By-Law to a shareholder at the electronic address provided to the Company, the Company shall deliver such notices or documents at the address of such shareholder maintained in the securities register in accordance with the first paragraph of this Section 9.1.

**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 Company 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 Persons Becoming Entitled by Operation of Law.** Every person who by operation of law, transfers or by any other means whatsoever shall become entitled to any shares in the capital of the Company shall be bound by every notice or document in respect of such shares which prior to his or her name and address being entered on the records of the Company in respect of such shares shall have been duly sent to the person or persons from whom such person derives his or her title to such shares.

**9.6 Computation of Time.** All computation of time required to be made pursuant to this By-Law shall be made in a manner consistent with the Act and the provisions of the *Interpretation Act* (Alberta).

**9.7 Undelivered Notices.** If any notice or document given to a shareholder pursuant to this By-Law is returned on two consecutive occasions because the shareholder cannot be found, the Company is not required to send any further notices until the shareholder informs the Company in writing of its new address.

**9.8 Omissions and Errors.** The accidental omission to give any notice to any shareholder, director, officer or auditor or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

**9.9 Waiver of notice.** Where a notice or document is required by the Act, the articles or this By-Law to be given or sent, the sending of the notice or document may be waived or abridged at

any time with the consent of the person thereto in writing, email or other form of electronic communication.

**PART 10**  
**REPEAL AND EFFECTIVE DATE**

**10.1 Repeal.** Upon the enactment of this By-Law by the directors, By-Law No. 1 of the Company is repealed; provided that such repeal shall not affect the previous operation of such by-law or affect the validity of any act done, or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to such by-law prior to its repeal.

**10.2 Effective Date.** The By-Law shall become effective immediately upon its enactment by the directors but is subject to confirmation, confirmation and amendment or rejection at the next meeting of shareholders.

**PART 11**  
**GENERAL**

**11.1 Business Corporations Act (Alberta).** In this By-Law, the "Act" means the *Business Corporations Act* (Alberta), RSA 2000, c B-9, and the regulations thereto, as may be amended or substituted from time to time.

**11.2 Terms.** In this By-Law, terms defined in the Act shall have the same meanings when used herein, unless the context requires otherwise. Any reference to "articles", "auditor", "board", "chair", "chief executive officer", "chief financial officer", "corporate secretary", "director", "employee", "executive vice-president", "officer", "corporate seal", "shareholder", "vice-chair" and "vice presidents" refers to the articles, auditor, board, chair, chief executive officer, chief financial officer, corporate seal, corporate secretary, director, employee, executive vice-president, officer, shareholder, vice-chair and vice presidents of the Company.

**11.3 Interpretation.** In this By-Law, words importing the singular include the plural and vice versa; and words importing any gender include any other gender. Headings used in this By-Law are for convenience of reference only and shall not affect the construction or interpretation hereof.

**11.4 Invalidity.** The invalidity or unenforceability of any provision of this By-Law shall not affect the validity or enforceability of the remaining provisions of this By-Law.

**APPROVED BY THE BOARD:**

May 17, 2021

**CONFIRMED BY SHAREHOLDERS:**

June 22, 2021