



**NOTICE OF ANNUAL AND SPECIAL
MEETING OF SHAREHOLDERS
AND MANAGEMENT INFORMATION CIRCULAR**

**OF
INTRINSYC TECHNOLOGIES CORPORATION**

Dated April 12, 2019



April 12, 2019

Dear fellow Shareholder,

It is my pleasure to invite you to attend the Annual and Special Meeting of Shareholders of Intrinsyc Technologies Corporation ("**Intrinsyc**") for the fiscal year ended December 31, 2018. The meeting will be held on Tuesday, May 14, 2019 at 10:30 a.m. Pacific Time at the offices of Intrinsyc at 300 – 885 Dunsmuir Street, Vancouver, BC, Canada, V6C 1N5.

The items of business to be considered at the meeting are described in the attached Notice of Annual and Special Meeting and Management Information Circular. During the meeting, we will also review Intrinsyc's business during fiscal 2018 and our plans for the future. You will have the opportunity to ask questions and to meet your directors and executives.

Your participation at the shareholders' meeting is very important. Accordingly, whether or not you plan to attend, we encourage you to vote by following the voting instructions included on the enclosed form of proxy.

We look forward to seeing you at the meeting.

Sincerely,

Tracy Rees
Chief Executive Officer, President & Director
Intrinsyc Technologies Corporation

INTRINSYC TECHNOLOGIES CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Board of Directors of Intrinsic Technologies Corporation (the “**Corporation**”) has called an Annual and Special Meeting of shareholders on Tuesday, May 14, 2019 at 10:30 a.m. (Pacific Time) (the “**Meeting**”) to be held at the Corporation’s office at 300 – 885 Dunsmuir Street, Vancouver, BC, V6C 1N5.

The following business will be conducted at the Meeting:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2018 and the report of the auditors thereon;
2. to re-appoint Ernst & Young LLP as auditors of the Corporation for the coming year and to authorize the Board of Directors to fix the auditors’ remuneration;
3. to elect the directors of the Corporation for the ensuing year;
4. to consider, and, if deemed advisable, pass an ordinary resolution reaffirming and approving the Corporation’s Amended and Restated Stock Option Plan and approving the unallocated options under such plan, as described in the Management Information Circular accompanying this Notice (the “**Circular**”); and
5. to transact such other business as may properly come before the Meeting.

As a shareholder of record at the close of business on April 1, 2019 (a “**Shareholder**”), you are entitled to attend the Meeting and to cast one vote for each common share of the Corporation (the “**Common Shares**”) that you own. If you are a registered Shareholder and are unable to attend the Meeting, you will still be able to vote by completing the proxy form included with the Circular. The Circular explains how to complete the proxy form and how the voting process works. **In order to vote at the Meeting, registered Shareholders must submit the proxy form to the Corporation’s transfer agent, TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, no later than 10:30 a.m. (Pacific Time) on Friday, May 10, 2019. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at the Chair’s discretion without notice.**

If you are a non-registered beneficial Shareholder, a proxy form will not usually be included with the Circular; instead, a voting information form (also known as a VIF) is usually included. You must follow the instructions provided by your intermediary in order to vote your Common Shares.

DATED at Vancouver, British Columbia, this 12th day of April, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

Tracy Rees
Chief Executive Officer, President & Director
Intrinsic Technologies Corporation

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INTRINSYC TECHNOLOGIES CORPORATION

MANAGEMENT INFORMATION CIRCULAR

All information in this Management Information Circular (“**Circular**”) is current as of April 12, 2019 and all currency amounts are expressed in U.S. dollars, unless otherwise indicated, and where used herein the terms “Corporation” and “Intrinsyc” refer to Intrinsyc Technologies Corporation unless otherwise indicated or the context otherwise requires.

This Circular is being sent by the management of the Corporation to the holders (the “**Shareholders**”) of the Corporation’s common shares (the “**Common Shares**”) in connection with the solicitation of proxies to be voted at the Annual and Special Meeting of the Shareholders to be held on Tuesday, May 14, 2019 (the “**Meeting**”) at the time and place and for the purposes set out in the Notice of Meeting and at any adjournment or postponement thereof.

FORWARD LOOKING STATEMENTS

Information included, attached to or incorporated by reference into this Circular may contain forward looking statements. All statements, other than statements of historical fact, included or incorporated by reference in this Circular are forward looking statements, including, without limitation, statements regarding activities, events or developments that the board of directors of the Corporation (the “**Board**”) expects or anticipates may occur in the future. These forward looking statements can be identified by the use of forward looking words such as “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe” or “continue” or similar words or the negative thereof and include statements concerning support for the Board and director nominees and current and proposed management. The forward looking statements are based on understandings and reasonable assumptions, beliefs, opinions and expectations of the Board and/or the proposed director nominees at the time they are made. There can be no assurance that the plans, intentions or expectations upon which these forward looking statements are based will occur. We caution readers of this Circular not to place undue reliance on forward looking statements contained in this Circular, which are not a guarantee of performance and are subject to a number of uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward looking statements. These factors include: shareholder actions; the timing of the Meeting; actions by the Chair of the Meeting; unexpected change of control consequences; the status of Intrinsyc’s assets, financial condition and corporate books and records; general economic and market conditions; changes in law, regulatory processes and actions of competitors; the ability to implement business strategies and pursue business opportunities and financing alternatives; the need to develop, integrate and deploy software solutions to meet the Corporation’s customers’ requirements; the availability of financing; the possibility of development or deployment difficulties or delays; the dependence on its customers’ satisfaction; the timing of entering into significant contracts; its customers’ continued commitment to the deployment of the Corporation’s solutions; the risks involved in developing integrated software solutions and integrating them with third-party products and services; the performance of the global economy and growth in technology industry sales; market acceptance of the Corporation’s products and services; customer and industry analyst perception of the Corporation and its technology vision and future prospects; the success of certain business combinations engaged in by the Corporation or by its competitors; possible disruptive effects of organizational or personnel changes; technological change, new products and standards; risks related to acquisitions and international expansion; reliance on large customers; concentration of sales; international operations and sales; management of growth and expansion; dependence upon key personnel and hiring; reliance on a limited number of suppliers; risks related to the Corporation’s competition; the Corporation not adequately protecting its intellectual property; risks related to product defects and product liability; currency exchange rate risk; volatility in the market price for the common shares of the Corporation. Shareholders are cautioned that all forward looking statements involve risks and uncertainties, including those risks and uncertainties detailed in Intrinsyc’s filings with applicable Canadian securities commissions, copies of which are available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com. We urge you to carefully consider those factors. The forward looking statements contained in this Circular and the accompanying materials, including the letter to Shareholders, are expressly qualified in their entirety by this cautionary statement. The forward looking statements included in this Circular are

made as of the date of this Circular and the Board undertakes no obligation to publicly update such forward looking statements to reflect new information, subsequent events or otherwise, except as required by law.

VOTING INFORMATION

Solicitation of Proxies

Your vote is being solicited by and on behalf of the management of the Corporation.

The solicitations will be made primarily by mail, facsimile and e-mail, but proxies may also be solicited personally or by telephone by directors, officers and regular employees of the Corporation, none of whom will receive additional compensation for assisting with the solicitation, and the estimated cost of which will be nominal. Banks, brokers, custodians, nominees and fiduciaries will be requested to forward the proxy soliciting materials to beneficial owners, and the Corporation will reimburse such persons for such reasonable out-of-pocket expenses incurred by them. The expenses of soliciting proxies, including the cost of preparing, assembling and mailing of this Circular and proxy material to shareholders, will be borne by the Corporation.

If you have any questions about this Circular or how to vote, please contact the Corporation's Corporate Secretary at (604) 801-6461.

Voting and Appointment of Proxy

Your rights to attend and vote at the Meeting depend on whether you are a **registered Shareholder** (that is, the Common Shares of the Corporation are actually registered in your name) or a **non-registered beneficial Shareholder** (for example, if you hold Common Shares of the Corporation through a broker or a bank).

Registered Shareholders

If you are a registered Shareholder, you may attend the Meeting in person. You may also appoint someone (known as a "**proxyholder**") to represent you at the Meeting and vote on your behalf. If you complete and submit the proxy form without alteration, then you will have appointed the Corporation's proxyholder (or his alternate) to attend the Meeting and vote on your behalf.

You have the right to appoint a person or company to represent you at the Meeting other than the persons designated in the proxy form. If you wish to appoint some other person or company to represent you at the Meeting, you may do so by striking out the names of the persons designated in the proxy form and inserting the name of the person or company to be appointed in the blank space provided and signing the proxy form.

If you wish to vote at the Meeting by proxy, you must either: (a) complete the proxy form and return it to the Corporation's transfer agent, TSX Trust Company, or (b) follow the instructions in the proxy form to vote by Internet at www.voteproxyonline.com. In order to be valid, Internet voting must be completed or the proxy form must be received by TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, or by fax at (416) 595-9593 no later than 10:30 a.m. (Pacific Time) on Friday, May 10, 2019, or in the case of any adjournment or postponement of the Meeting, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such adjourned or postponed meeting. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at the Chair's discretion without notice.

Revoking your Proxy

A proxy is revocable. If you have given a proxy, you (or your attorney authorized in writing) may revoke the proxy by giving notice of the revocation in writing to the Corporation's registered office, care of: Osler, Hoskin & Harcourt, LLP, Suite 1700 – 1055 West Hastings Street, Vancouver, BC, Canada, V6E 2E9, Attention: Corporate Secretary, or by fax at (778) 785-2745, or to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, or by fax at (416) 595-9593 at any time up to 5:00 p.m. (Pacific Time) on the last business day before the Meeting (or any adjournment or

postponement thereof), or to the Chair of the Meeting by no later than 9:00 a.m. (Pacific Time) on the day of the Meeting (or any adjournment or postponement thereof), or any other manner permitted by law.

The notice of the revocation must be signed as follows: (a) if you are an individual, then the notice must be signed by you or your legal personal representative or trustee in bankruptcy, and (b) if you are a corporation, then the notice must be signed by such corporation or by a representative appointed for such corporation in accordance with the articles of such corporation.

Non-registered (Beneficial) Shareholders

If your Common Shares are not registered in your own name, then they are being held in the name of an intermediary (which is usually a trust company, a securities dealer or broker, a bank or another financial institution) or in the name of a clearing agency such as the Canadian Depository for Securities Limited. You are usually called either a “non-registered” or a “beneficial” Shareholder or owner. If you are a non-registered owner and the Corporation or its agent has sent 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 the Common Shares on your behalf.

There are various procedures for voting your Common Shares, and these procedures may vary among intermediaries and clearing agencies. If you are a beneficial Shareholder, you should carefully follow the instructions of the intermediary or clearing agency, including instructions regarding when and where any voting instruction form or proxy form is to be delivered.

Typically, you will receive one of the following:

1. **A VOTING INSTRUCTION FORM.** This voting instruction form has been sent to you by your intermediary. The voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms, in some cases, permit the completion of the voting instruction form through the Internet. You must return the voting instruction form well in advance of the Meeting in order to have your Common Shares voted. If you also wish to attend the Meeting in person and vote (or have another person attend and vote on your behalf), you must complete, sign and return the voting instruction form in accordance with the directions provided on the form.
2. **FORM OF PROXY.** This is a proxy that has been signed by the intermediary (typically by a facsimile, stamped signature) and already indicates the number of Common Shares you beneficially own but that is otherwise uncompleted. You do not need to sign this form. If you receive a facsimile signed proxy and you wish to vote at the Meeting, you must properly complete the proxy and deposit it with TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, or by fax at (416) 595-9593 no later than 10:30 a.m. (Pacific Time) on Friday, May 10, 2019, or in the case of any adjournment or postponement of the Meeting, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. If you also wish to attend the Meeting in person and vote (or have another person attend and vote on your behalf), simply strike out the names of the persons indicated in the proxy form and insert your (or such other person’s) name in the blank space provided.

If you have any questions about this Circular or how to vote, please contact the Corporation’s Corporate Secretary at (604) 801-6461.

Revoking your Proxy

A non-registered holder may revoke a proxy or voting instruction form which has been given to an intermediary by written notice to the intermediary or TSX Trust Company. In order to ensure that an intermediary acts upon a revocation of a proxy form or voting instruction form, the written notice should be received by the intermediary well in advance of the Meeting.

Provisions Relating to Voting of Proxies

Voting

Voting at the Meeting generally will be by a show of hands, unless a ballot is required by the Chair of the Meeting or demanded by any Shareholder or proxyholder present and entitled to vote, with each Shareholder or proxyholder present in person being entitled to one vote per Common Share held or represented by proxy, as applicable.

Exercise of Discretion by Proxyholders

If a Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Common Shares represented will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter. It is intended that the proxyholders named by management in the accompanying form of proxy will vote the Common Shares represented by the form of proxy IN FAVOUR of each matter identified in the proxy and FOR Intrinsyc's director nominees.

The accompanying form of proxy also confers discretionary authority upon the named proxyholders with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting, or any adjournment or postponement thereof, whether or not the amendment or other matter that comes before the Meeting is or is not routine, and whether or not the amendment or other matter that comes before the Meeting is contested. As of the date of this Circular, management of the Corporation is not aware of any such amendments, variations, or any other matters that will be presented for action at the Meeting other than those referred to in the accompanying Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the persons named in the accompanying form of proxy intend to vote on them in accordance with their best judgment.

Approval of Resolutions

To approve a motion for an ordinary resolution, a simple majority of the votes cast, meaning more than 50% thereof, in person or by proxy, will be required. A motion for a special resolution must be passed by at least two-thirds, meaning more than 66^{2/3}% thereof, of the votes cast by Shareholders, present in person or by proxy at the Meeting.

Voting Common Shares and Principal Holders Thereof

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preference shares. The Board has fixed April 1, 2019 as the record date for determining which Shareholders are entitled to notice of and to vote at the Meeting. On April 1, 2019, the Corporation had 19,870,509 issued and outstanding Common Shares and no preference shares issued and outstanding. Each Common Share carries one right to one vote. The Corporation has no other classes of voting securities and does not have any classes of restricted securities. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation as at April 1, 2019.

ORDINARY BUSINESS TO BE CONDUCTED AT THE MEETING

I Presentation of Financial Statements

The audited financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon, will be placed before the Meeting. A copy of the Corporation's financial statements and Management's Discussion and Analysis may be obtained at www.sedar.com and from the Corporation, at 300 – 885 Dunsmuir Street, Vancouver, British Columbia, V6C 1N5, Attention: Corporate Secretary.

II Appointment of Auditors

Shareholders will be asked to vote for an ordinary resolution to re-appoint Ernst & Young LLP, Chartered Accountants, of Vancouver, British Columbia, as auditors of the Corporation until the end of the next annual meeting of the Shareholders and to authorize the directors to fix their remuneration. Ernst & Young LLP were first appointed as auditors of the Corporation at the annual general meeting of the Shareholders held on December 11, 2003.

The Board unanimously recommends that Shareholders vote FOR the re-appointment of Ernst & Young LLP, Chartered Accountants, as auditors of the Corporation at the Meeting. The persons named in the enclosed form of proxy will vote FOR the re-appointment of Ernst & Young LLP, Chartered Accountants, as auditors of the Corporation until the end of the next annual meeting of the Shareholders and the authorization of the directors to fix their remuneration, unless a Shareholder has specified in the proxy that his or her Common Shares are to be withheld from voting in respect thereof.

III Election of Directors

The Articles of the Corporation provide that the minimum number of directors shall be one (1) and the maximum number shall be ten (10). The number of directors presently in office is seven (7).

At the Meeting, Shareholders will be called upon to elect seven (7) directors by ordinary resolution. The persons named below are the nominees of management for election as directors. The Corporation has put forth the seven (7) nominees of management below after due consideration to the appropriate composition of relevant skills and experience that the Corporation needs going forward. The Corporation's nominees are seasoned professionals with the right mix of industry experience and business acumen.

Each director elected will hold office until his or her successor is elected or appointed, unless his or her office is vacated earlier under any of the relevant provisions of the by-laws of the Corporation or the Canada Business Corporations Act (the "CBCA").

The Board currently has three committees: the Compensation and Corporate Governance Committee, the Audit Committee and the Special Committee. The Board disbanded the Executive Committee on January 31, 2019 and established the Special Committee on February 1, 2019.

The Corporation has adopted a majority voting policy in director elections that will apply at any meeting of the shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation as a director to the Chair of the Board promptly following the applicable shareholders' meeting. Following receipt of a resignation, the Compensation and Corporate Governance Committee will consider whether or not to accept the offer of resignation and make a recommendation to the Board. The resignation of a director who received a majority withhold vote will be accepted absent exceptional circumstances. Within 90 days following the applicable shareholders' meeting, the Board shall publicly disclose its decision on whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board or the Compensation and Corporate Governance Committee at which the resignation is considered.

The following table sets out the name of each of the persons proposed to be nominated for election as a director and the name of each of the persons whose term of office, if elected, shall continue after the Meeting; all positions and offices in the Corporation presently held by that person; that person's principal occupation at present; the period(s) during which that person has served as a director; and the number of securities of the Corporation that such person has advised are beneficially owned by him, directly or indirectly, or over which control or direction is exercised. The additional biographical information following the table sets out each person's principal occupation within the five preceding years.

Intrinsyc does not anticipate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any of Intrinsyc's nominees is unable or declines to serve as director, the persons named in the proxy will vote for another nominee of the Corporation, if presented.

Name and Residence	Position with the Corporation	Principal Occupation	Director Since ⁽⁴⁾	Securities owned or controlled ⁽⁵⁾	Attendance at Board Meetings in 2018
Michael W. Bird ⁽²⁾ Ontario, Canada	Director	Investment Manager at Next Edge Capital Corporation	17 April 2013	42,320 Common Shares 67,750 stock options 10,000 restricted stock units	6/6 (100%)
Tia Cassett California, USA	Advisor	Retired Executive, Qualcomm Inc.	N/A	Nil Common Shares 10,000 stock options Nil restricted stock units	N/A
George A. Duguay ⁽¹⁾⁽²⁾⁽⁷⁾ Ontario, Canada	Director and Chair of the Board	President of G. Duguay Services Inc.	14 April 2003	182,046 Common Shares 67,750 stock options 10,000 restricted stock units	6/6 (100%)
Jeffrey MacDonald ⁽¹⁾ Ontario, Canada	Director	Chief Executive Officer of EcoSynthetix Inc.	16 May 2017	35,000 Common Shares 49,000 stock options 5,000 restricted stock units	6/6 (100%)
Daniel S. Marks ⁽³⁾⁽⁷⁾ Ontario, Canada	Director	President and Principal of Stonehouse Capital Management Inc.	17 April 2013	1,717,870 Common Shares ⁽⁶⁾ 67,750 stock options 10,000 restricted stock units	6/6 (100%)
Tracy Rees California, USA	Director and Chief Executive Officer	Chief Executive Officer of the Corporation	13 June 2017	604,775 Common Shares 229,700 stock options 79,620 restricted stock units	6/6 (100%)
Howard "Skip" Speaks ⁽²⁾⁽³⁾⁽⁷⁾ California, USA	Director	Corporate Director	11 August 2009	54,367 Common Shares 67,750 stock options 10,000 restricted stock units	6/6 (100%)

Notes:

(1) Member, Compensation and Corporate Governance Committee as of the date hereof.

(2) Member, Audit Committee as of the date hereof.

(3) Member, Executive Committee up to January 31, 2019 when the Executive Committee was disbanded.

(4) Each director is elected at the Corporation's annual meeting of shareholders to serve until the next annual meeting or until a successor is elected or appointed, unless such director resigns or is removed earlier.

(5) This information has been furnished by the respective individuals as at April 12, 2019.

(6) Of these Common Shares, Mr. Marks directly owns 430,020 and indirectly owns 80,000, with the remaining 1,207,850 under his control and direction through Stonehouse Capital Management Inc.
(7) Member, Special Committee established February 1, 2019 as of the date hereof.

Background of the Nominees

Set forth below is a brief profile of each of the nominees for election as a director of the Corporation. Other than as set forth below, each nominee has held the same principal occupation for at least the last five years.

Michael W. Bird has more than 25 years of capital markets experience in Canada. He is currently an investment manager at Next Edge Capital Corp. Next Edge Capital was formed through a management purchase of the Canadian office of Man Group Plc in 2014. Prior to joining Next Edge Mr. Bird was a Vice President at GMP Securities L.P., an independent investment dealer in the Quantitative Strategies Trading Group, served as Vice President, Head of Equity Derivatives at Desjardins Securities from 2002 to 2008 and a Senior Trader and Vice President at RBC Dominion Securities from 1994 to 2002 working in the Equity Derivatives Group.

Tia Cassett is an accomplished executive in the wireless industry with over 25 years of experience. Ms. Cassett, a recently retired executive from Qualcomm, Inc. ("**Qualcomm**"), currently serves on the board of The ARC of San Diego, the University of San Diego's School of Engineering advisory board, and is Intrinsyc's strategic board advisor. During her time at Qualcomm, Ms. Cassett held various leadership positions in product management, sales, and business development. Most recently, as Senior Director of Product Management, she led the embedded computing business with tailored mobile chipsets, community development boards, global partnerships and an international distribution network to address new markets. Earlier in her career at Qualcomm, Ms. Cassett served as the product and business lead for Qualcomm's integrated sensor subsystem technology and commercial wireless network optimization products. Her wireless industry career began at LCC Incorporated, an RF engineering company which pioneered and specialized in network design and optimization products for global wireless network operators and infrastructure providers. Ms. Cassett has 25 issued US patents and is a graduate of Virginia Tech.

George A. Duguay is a senior executive with experience in the technology, financial services and resource industries. Since 1988, he has been the President of G. Duguay Services Inc, a partner of Duguay & Ringler Corporate Services until February 2006, a provider of corporate and financial administrative services to public companies. G. Duguay Services Inc. continues to act as a consultant in this area. In addition, Mr. Duguay was a founder of Equity Financial Trust Company. He is presently Corporate Secretary of two public companies. During the period May 1993 to December 2004, Mr. Duguay served as a Director of Genesis Microchip Inc., the world's leading supplier of display image processors listed on NASDAQ. Mr. Duguay is a Chartered Professional Accountant, Certified General Accountant (CPA, CGA) and a Fellow of the Institute of Chartered Secretaries (F.C.I.S.). He is also a director of two other companies; one listed on the TSX and the other listed on the TSX-V.

Jeffrey MacDonald is the Chief Executive Officer of EcoSynthetix Inc. effective May 1, 2015 and was the Interim Chief Executive Officer of EcoSynthetix since February 2015. Mr. MacDonald was elected as a director on May 8, 2015. Mr. MacDonald joined EcoSynthetix in 2014 as Chief Operating Officer. Mr. MacDonald has more than 15 years of executive leadership experience in a variety of roles, including operations, business development, and marketing. He spent the majority of his career at Husky Injection Molding Systems Ltd. ("**Husky**"), a leading manufacturer of equipment and services for the plastics industry, with more than \$1 billion in annual sales. At Husky, Mr. MacDonald led the establishment of new businesses, introduced a number of new products to market and led key initiatives that had a transformational impact on overall business performance. Mr. MacDonald holds a Master of Business Administration degree from McMaster University and a Bachelor of Science degree from the University of Western Ontario.

Daniel S. Marks is the President and Principal of Stonehouse Capital, a portfolio management firm specializing in active investments in Canadian microcap companies. Mr. Marks was also the Chief Executive Officer and a director of Kure Technologies, Inc (formerly Unique Broadband Systems, Inc.) from May 2015 to November 2018. From June 2010 to May 2012, Mr. Marks was a director of Pacific Safety Products Inc., Canada's leading soft body armour company, where he also served as Executive

Chairman from September 2010 to May 2012. In that role, he oversaw a strategic turnaround in the company, through a process that involved the introduction of a new board and management team and ultimately a merger with Zuni Holdings Inc. From June 2009 to December 2010, Mr. Marks was a director of MTI Global Inc. (renamed Zuni Holdings Inc. in June 2010), a company involved in the design, development and manufacturing of products used primarily in the aerospace industry. Mr. Marks also served as President, Chief Executive Officer and Interim Chief Financial Officer of Zuni Holdings Inc. from June 2010 to December 2010. Mr. Marks has over twenty years of investment management experience, including positions with Polar Securities Inc., Citibank, Republic National Bank of New York and TD Securities. Mr. Marks holds a Chartered Financial Analyst (CFA) designation and an MBA from McMaster University.

Tracy Rees was appointed Chief Executive Officer in June 2009 and served as Interim Chief Executive Officer from November 2008 to June 2009. Mr. Rees joined Intrinsyc in 2007 as acting General Manager for APAC. He also previously served as Chief Operating Officer of the Corporation. Mr. Rees brings more than twenty five years of experience in the high technology industry with deep expertise in mobility software and embedded technology. His experience includes positions with mobile software and services companies; including, CEO of Annasoft Systems; Executive VP Sales, Marketing and International Operations at BSQUARE; and General Manager and VP of Sales at CalAmp.

Howard “Skip” Speaks has over twenty six years of telecommunications experience in the network operator and the wireless equipment manufacturing and vendor business. He most recently served as CEO of Rosum Corporation, a positioning and timing technology company. Until 2003, he served as a member of the board and CEO for Kyocera Wireless Corp, a San Diego-based wireless handset manufacturer. Mr. Speaks also served on the Triton Network Systems Board of Directors. He was CEO of this start-up broadband microwave equipment manufacturer and with the management team took the company public in 2000. Prior to Triton, Mr. Speaks worked thirteen years at Ericsson, and most recently served as Executive Vice President and General Manager for Ericsson’s Wireless Division. As Executive Vice President and General Manager, Mr. Speaks was responsible for sales and deployment of Ericsson’s wireless communications infrastructure in the United States and helped navigate the company through a significant restructuring to better address the impact of the convergence of data and voice over wireless networks. Mr. Speaks earned a Bachelor of Science degree for Civil Engineering from West Virginia University Institute of Technology and is a retired, registered professional engineer.

The information above with respect to each nominee’s principal occupation, business or employment, and number of Common Shares and other convertible securities beneficially owned or controlled is not within the knowledge of the Corporation or management, and has been furnished by each of the respective individuals or extracted from insider reports filed by the respective individuals publicly available at the website for the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management, other than as disclosed in this Circular, no nominee for election as a director of the Corporation is, or has been within 10 years before the date of this Circular:

1. a director, chief executive officer (“**CEO**”) or chief financial officer (“**CFO**”) of any company (including the Corporation) that: (i) was subject to an order that was issued while the nominee was acting in the capacity as director, CEO or CFO or (ii) was subject to an order that was issued after the nominee ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO;
2. a director or executive officer of any company (including the Corporation) that, while such nominee was acting in that capacity, or within one (1) year of such nominee ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

3. became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such nominee.

For the purposes of the foregoing, the term “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

To the knowledge of management, no nominee for election as a director of the Corporation has been subject to:

1. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
2. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Daniel Marks was elected to the board of directors and appointed to serve as interim Chief Executive Officer of Unique Broadband Systems, Inc. on May 5, 2015, during which time the company was subject to proceedings under the *Companies’ Creditors Arrangement Act* (Canada). Unique Broadband Systems, Inc. successfully concluded its proceedings under the *Companies’ Creditors Arrangement Act* (Canada) pursuant to an order of the Ontario Superior Court of Justice on February 26, 2015.

The Board unanimously recommends that Shareholders vote FOR the election of the above-named Intrinsic director nominees. The persons named in the enclosed form of proxy will vote FOR the election of the Intrinsic director nominees to hold office until the close of the next annual meeting of Shareholders, unless a Shareholder has specified in the proxy that his or her Common Shares are to be withheld from voting in respect thereof.

SPECIAL BUSINESS TO BE CONDUCTED AT THE MEETING

IV Re-Approval of the Corporation's Amended and Restated Incentive Stock Option Plan

At the Meeting, Shareholders will be asked to reaffirm the Corporation's Amended and Restated Incentive Stock Option Plan (the "**Amended and Restated Plan**") that was approved by the Board on April 11, 2019, and the unallocated options thereunder.

On December 13, 2007, the Shareholders initially approved the Amended and Restated Plan. The Amended and Restated Plan was reaffirmed by a majority vote of the Shareholders of the Corporation on June 28, 2010, June 26, 2013 and May 18, 2016. An amendment to section 2.4 of the Amended and Restated Plan was approved by a majority vote of the Shareholders on May 16, 2017.

A copy of the Amended and Restated Plan is set out as Schedule "B" to this Circular, and the summary included herein is qualified in its entirety by reference to the text of the Amended and Restated Plan. Under the Toronto Stock Exchange ("**TSX**") rules, any "rolling" stock option plan must be approved every three years by the Corporation's directors and Shareholders.

The rules of the TSX require that, if a listed issuer has a stock option plan that does not have a fixed maximum number of Common Shares available for grant, a majority of the directors and the shareholders of the issuer must approve the plan and the shareholders must also approve the unallocated options under the plan every three years. As the three-year term will expire on May 18, 2019, an ordinary resolution is being put to the Shareholders to reaffirm the Amended and Restated Plan and approve the unallocated options under such plan. If approved, this approval will be effective for three years from the date of the Meeting.

The principal purpose of the Amended and Restated Plan is to provide a competitive and effective means to give Corporation's directors, officers and Service Providers (as defined in the Amended and Restated Plan) the opportunity to purchase Common Shares. Granting equity is intended to assist the Corporation in attracting, retaining and motivating high calibre personnel whose contributions are important to the success of the Corporation. Capitalized terms not otherwise defined in this section shall have the meanings ascribed thereto in the Amended and Restated Plan.

The Corporation undertook a substantive review of the Amended and Restated Plan to ensure its alignment with good governance principles. At this time, there have been no substantive changes to the Amended and Restated Plan.

Under the Amended and Restated Plan, the maximum number of Common Shares that may be reserved for grants of options remains the lower of: (a) a rolling number equal to 10% less one Common Share of the total issued and outstanding Common Shares from time to time; and (b) 3,750,000 Common Shares.

Summary of the Terms of the Amended and Restated Plan

The Compensation and Corporate Governance Committee may determine, in its sole discretion, the vesting schedule applicable to each stock option, which vesting schedule will be set out in an option agreement whereby the Corporation grants a stock option to a person entitled to receive such stock option (the "**Option Agreement**"), and which will determine when a stock option becomes exercisable by the stock option holder. The current practice is to grant employee stock options with a life of five years from the date of grant, and vesting one-third (1/3) after the first year and one-twelfth (1/12) every quarter thereafter. These stock options are priced based on the closing price of the Common Shares on the trading day before grant.

The Amended and Restated Plan reserves for issuance pursuant to stock options a maximum number of Common Shares equal to the lower of: (a) a rolling number equal to 10% of the issued and outstanding Common Shares on the date of grant, less one Common Share, and (b) 3,750,000 Common Shares. The maximum number of Common Shares issuable pursuant to the Amended and Restated Plan is required in order for the options to qualify as an incentive stock option for U.S. tax purposes. In addition, any exercises of options will make new grants available under the Amended and Restated Plan, effectively resulting in a re-loading of the number of options available to grant under the Amended and Restated Plan.

The number of Common Shares issuable to any one person, other than non-employee directors, entitled to receive stock options issued pursuant to all share compensation arrangements shall not exceed 5% of the total number of issued and outstanding Common Shares. The number of Common Shares reserved for issuance to non-employee directors shall not exceed 1% of the total number of issued and outstanding Common Shares. The number of Common Shares reserved for issuance to insiders at any time and the number of Common Shares issued to all insiders within a one year period under the incentive plans shall not exceed 10% less one Common Share of the issued and outstanding Common Shares. In addition, within any one-year period, no insider and such insider's associates may receive Common Shares issued pursuant to all share compensation arrangements exceeding 5% of the outstanding Shares.

In the event of an option holder's death, disability or retirement, the stock options held by such person shall be exercisable to acquire vested but unexercised options at any time prior to the earlier of the expiry date of the stock options and 365 days from the date of such death, disability or retirement. If the option holder is terminated for cause, any outstanding stock option held by such option holder on the date of termination, whether in respect of Common Shares under the option that are vested or not, shall be cancelled as of that date. If the option holder ceases to be a director, officer or service provider of the Corporation as a result of early retirement, voluntary resignation, or termination other than for cause, the stock options held by such person shall be exercisable to acquire vested but unexercised options at any time prior to the earlier of the expiry date of the stock options and 30 days from the date such option holder ceased to be a director, officer or service provider, subject to (i) a short extension in the case the expiry date falls during a blackout period, or (ii) extension in the sole discretion of the Compensation and Corporate Governance Committee so long as such extension does not go past the expiry date of the options. Options that have not vested at that time shall not be exercisable and shall be cancelled.

Subject to the provisions of the CBCA and, if required, subject to prior acceptance of the TSX, the Board may at any time or from time to time authorize the Corporation to provide financial assistance to an option holder, on such terms and conditions as the Board may determine, to assist such option holder in exercising his or her stock options, said financial assistance to be repayable with full recourse.

An option holder may not assign any of his or her rights under the Amended and Restated Plan.

The price for Common Shares under each option shall not be less than the market price, being the closing price per Common Share on the applicable exchange for the last market trading day prior to the date it was determined to grant said stock option. The term for each option shall be set by the Board at the time of issue of the stock option but in any case shall not exceed 10 years after the date the option is granted, subject to a short extension in the case the expiry date falls during a blackout period.

In addition, under the Amended and Restated Plan, the Board may also issue Common Shares or reserve Common Shares for issuance under a bonus share plan as a discretionary bonus to certain persons, subject to such restrictions as the Board may determine and subject to all necessary approvals of any securities regulatory authority having jurisdiction over the Shares. In addition to the limitations described above in terms of the number of Common Shares that may be issued under the Amended and Restated Plan, (a) the number of Common Shares issuable under the share bonus plan to any one optionee that is employed by the Corporation in an investor relations capacity shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis, and (b) Common Shares may not be issued to non-employee directors under the Common Share Bonus Plan. The aggregate maximum number of Common Shares issued under the Common Share Bonus Plan in each calendar quarter shall not exceed the lesser of 18,750 and such number of Common Shares as has an aggregate value of not more than \$50,000 based on the market price of the Common Shares as at the end of that quarter. Notwithstanding the preceding sentence, the aggregate maximum number of Common Shares issued under the share bonus plan shall not exceed 31,250 Shares.

The Board may at any time and from time to time and without Shareholder approval, either prospectively or retrospectively, amend, suspend or terminate the Amended and Restated Plan or any option granted under the Amended and Restated Plan, including, without limiting the generality of the foregoing, changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in the Amended and Restated Plan, changes regarding the right to exercise options after termination and changes regarding the vesting of options; provided however that:

- (a) such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Common Shares are listed;
- (b) no such amendment, suspension or termination shall be made at any time to the extent such action would materially adversely affect the existing rights of an option holder with respect to any then outstanding option, as determined by the directors acting in good faith, without his or her consent in writing;
- (c) notwithstanding the foregoing the Board shall obtain Shareholder approval of:
 - (i) any amendment to the maximum number of Common Shares in respect of which options may be granted under the Amended and Restated Plan;
 - (ii) any amendment that would reduce the exercise price of an outstanding option;
 - (iii) any amendment that would extend the term of any option granted under the Amended and Restated Plan beyond the expiry date;
 - (iv) any cancellation and re-issue of options;
 - (v) any amendments to eligible participants that may permit the introduction or reintroduction of non-employee directors on a discretionary basis or amendments that increase limits previously imposed on non-executive director participation;
 - (vi) any amendment which would permit options granted under the Amended and Restated Plan to be transferable or assignable other than for normal estate settlement purposes; and
 - (vii) any amendment to the amending provision of the Amended and restated Plan.

If Shareholder approval is not obtained at the Meeting, options which have not been allocated as of May 18, 2019 will not be available for grant. Previously allocated options will continue to be unaffected by the approval or disapproval of the resolution. As of April 5, 2019, 1,676,306 options or approximately 8.44% were outstanding and the remaining 310,743 options or approximately 1.56% of the total number of Common Shares outstanding were unallocated (the “**Unallocated Options**”). If Shareholder approval is obtained at the Meeting, the Corporation will have the ability to continue granting options under the Amended and Restated Plan until May 14, 2022, which is until the date that is three (3) years from the date when Shareholder approval is being sought.

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to approve and reaffirm the Amended and Restated Plan and the Unallocated Options. The text of the ordinary resolution which management of the Corporation intends to place before the Meeting for consideration and approval is set out below.

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

- 1 the Corporation’s Amended and Restated Incentive Stock Option Plan and the Unallocated Options under such plan are approved and affirmed; and
- 2 any director or officer of the Corporation is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute, or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered such certificates, instruments, agreements, notices and other documents, and to do or cause to be done all such other acts and things as such director or officer determines to be necessary or desirable in connection with the foregoing, such determination to be conclusively evidenced by the execution of such document, agreement or instrument or the doing of any such act or filing.”

The Board unanimously recommends that Shareholders vote FOR the above resolution at the Meeting. To be effective, the above resolution must be approved by a majority of the votes properly cast thereon by holders of the Corporation’s Common Shares present in person or represented by proxy at the Meeting. **The persons named in the enclosed form of proxy will vote FOR the approval of the Amended and Restated Incentive Stock Option Plan, unless a Shareholder has specified otherwise in the proxy.**

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

All dollar amounts referred to in this Circular are in U.S. dollars unless otherwise designated.

In this Circular, a Named Executive Officer (or “**NEO**”) means each of the following individuals: (i) the Corporation’s Chief Executive Officer (the “**CEO**”); (ii) the Corporation’s Chief Technology Officer (the “**CTO**”); (iii) the Corporation’s Chief Financial Officer (the “**CFO**”); (iv) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of fiscal 2018 whose total compensation was, individually, more than CAD\$150,000 for fiscal 2018; and (v) each individual who would be an NEO but for the fact that he or she was neither an executive officer of the Corporation, nor serving in a similar capacity, at the end of fiscal 2018.

The Objectives

The Corporation’s compensation program for its NEOs has three objectives, namely: (i) to provide a compensation package that encourages and motivates performance; (ii) to be competitive with other companies of similar size and scope of operations, so as to attract and retain talented executives; and (iii) to align the interests of its executive officers with the long-term interests of the Corporation and its Shareholders through share-ownership programs.

Elements of Compensation

The Corporation’s executive compensation program is comprised primarily of the following elements:

- base salary;
- participation in the Corporation’s stock option plan;
- participation in the Corporation’s restricted stock unit plan;

- perquisites and benefits; and
- compensation under the Corporation's short-term incentive plan, namely a cash bonus, which is awarded on an annual basis.

Each element of the Corporation's compensation program is chosen to satisfy one or more of the stated compensation objectives. The Corporation's Compensation and Corporate Governance Committee regularly reviews the various elements of the Corporation's compensation program to ensure that each element is aligned with both the goals of the Corporation and the individual executive officer. The compensation program, as designed, achieves the Corporation's compensation objectives through:

- *Benchmarking.* Historically, the Compensation and Corporate Governance Committee had periodically benchmarked the Corporation's executive compensation with a peer group of companies using technology industry survey data. In 2018, the Compensation and Corporate Governance Committee compared the Corporation's executive compensation against that of comparable publicly-traded corporations operating in the technology sector.
- *Providing Fixed and Variable Compensation.* The Corporation provides a mix of fixed and variable compensation (heavily weighted to variable compensation for the NEOs) designed to attract, retain and motivate top performing executives, as well as appropriately link compensation levels with the achievement of relevant financial and strategic goals. The Corporation's fixed compensation includes salary, perquisites and benefits. The Corporation's variable compensation includes: (i) participation in the Corporation's stock option plan; (ii) participation in the Corporation's restricted stock unit plan; and (iii) compensation under the short-term incentive plan.
- *Providing a Mix of Equity and Cash Incentives.* The Corporation provides a mix of equity compensation, through participation in its stock option plan and restricted stock unit plan, and cash incentives designed to motivate executive officers to focus on achieving performance results that lead to sustainable long-term shareholder returns.

Independent Compensation Consultant

Under its mandate, the Compensation and Corporate Governance Committee has the sole authority to select, retain and terminate a compensation consultant and to approve the consultant's fees and other retention terms. The Compensation and Corporate Governance Committee is also entitled to the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants. In each of fiscal 2016, 2017 and 2018, the Compensation and Corporate Governance Committee did not engage any independent consultants having regard to the Corporation's ongoing cost reduction initiatives. The Compensation and Corporate Governance Committee may engage one or more such independent consultants in fiscal 2019.

Recommendations of Management

In general, the Compensation and Corporate Governance Committee develops pay strategies and recommendations for the CEO. The Compensation and Corporate Governance Committee is responsible for the initial review and discussion regarding all matters involving the CEO's compensation. After this review, the Compensation and Corporate Governance Committee prepares its recommendation for the Board to review and discuss. The independent members of the Board have the sole authority to approve compensation decisions made with respect to the CEO.

With respect to the Corporation's other senior management and employees, it is the CEO who develops the pay strategies and recommendations, which the Compensation and Corporate Governance Committee then reviews and discusses. However, the authority to approve those strategies and recommendations resides with different parties according to the employee's level. For senior management, decisions must be approved by the CEO, subject to the Compensation and Corporate Governance Committee's overall review and acceptance. For employees below the level of senior management, the CEO and his designees have

the authority to approve pay actions. However, the Compensation and Corporate Governance Committee is responsible for approving actions related to other aspects of these employees' compensation, such as any grant of options and, if appropriate, the amount of any bonus pool.

The Determination of Each Element

The Compensation and Corporate Governance Committee's processes for establishing and overseeing NEO compensation include:

- *Meetings:* The Compensation and Corporate Governance Committee meets to consider the Corporation's executive compensation, benefit plans and policies; and
- *Role of Executive Officers and Management:* Each year, the CEO provides the Compensation and Corporate Governance Committee with an individual performance assessment for each of the other NEOs, his or her direct reports and other executive officers, along with compensation recommendations for each group. The Committee reviews and discusses these recommendations with the CEO and has full discretion over all recommended compensation actions.

When determining compensation policies and individual compensation levels for the NEOs, the Compensation and Corporate Governance Committee takes into consideration a variety of factors. These factors include: (i) overall financial and operating performance of the Corporation; and (ii) the Compensation and Corporate Governance Committee's and the Board's overall assessment of each executive's individual performance and contribution towards meeting corporate objectives, levels of responsibility, and length of service.

- *Salary:* The base salary for each NEO is determined based on his or her responsibilities, individual performance factors, overall corporate performance, and the assessment of such individual as presented by management to the Board and the Compensation and Corporate Governance Committee. The base salaries of executive officers are reviewed annually.
- *Stock Options:* NEOs benefit from the improved performance of the Corporation through their participation in the Corporation's stock option plan (the "**Option Plan**"). The Compensation and Corporate Governance Committee may from time to time recommend the grant of stock options to the Corporation's executive officers under the Option Plan. All grants of options are reviewed and approved by the Board. Grants of stock options are intended to emphasize the executive officers' commitment to the Corporation's growth and the enhancement of share value and to reward executive officers for the Corporation's performance through appreciation in equity values. The grant of stock options, as a key component of the executive compensation package, enables the Corporation to attract and retain qualified executives. The Compensation and Corporate Governance Committee reviews option balances annually and recommends grants to newly hired executive officers at the commencement of their initial employment. The amount and terms of outstanding options held by an executive officer are taken into account when determining whether and how new option grants should be made to the executive. The number of Common Shares which may be subject to option in favour of any one individual is limited under the terms of the Option Plan, and the limit cannot be increased without Shareholder or regulatory approval.
- *Restricted Stock Units:* NEOs also benefit from the improved performance of the Corporation through their participation in the Corporation's restricted stock unit plan (the "**RSU Plan**"). The Board believes that the RSU Plan will secure for the Corporation and its shareholders the benefits of the incentives inherent in share ownership by the senior officers, directors, employees and consultants of the Corporation and its subsidiaries. The Compensation and Corporate Governance Committee has the power, subject to the limits imposed by the RSU Plan, to: (i) award RSUs; (ii) determine the terms under which RSUs are granted; (iii) cancel, amend, adjust or otherwise change any grant of RSUs; (iv)

interpret the RSU Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the RSU Plan; and (v) make all other determinations and take all other actions in connection with the implementation and administration of the RSU Plan. Subject to any adjustments provided for in the RSU Plan and any subsequent amendment to the RSU Plan, the aggregate number of Common Shares reserved for issuance pursuant to the RSU Plan will not exceed 500,000 Common Shares.

- *Perquisites and Benefits:* The Compensation and Corporate Governance Committee also determines perquisites for each NEO. Executive officers also participate in the Corporation's employee health insurance benefit plans.
- *Short-term Incentive Plan:* NEOs also benefit from the improved performance of the Corporation from time to time by the receipt of cash bonuses, awarded at the discretion of the Compensation and Corporate Governance Committee based on bonus targets set in conjunction with the annual financial budget. Cash bonuses are typically paid once per year in the first quarter and reflect a performance assessment from the immediately preceding financial year.

Compensation and Corporate Governance Committee

The Compensation and Corporate Governance Committee currently consists of Thomas J. Bitove (Chair), George Duguay and Jeffrey MacDonald, all of whom are independent directors. The Chair of the Compensation and Corporate Governance Committee has experience that is relevant to his responsibilities in executive compensation inclusive of his former role as a chief executive officer that enables the Compensation and Corporate Governance Committee to make decisions on the suitability of the Corporation's compensation policies and practices. The Compensation and Corporate Governance Committee undertakes to set and review the compensation policies and practices on a periodic basis, which policies and practices are subject to approval by the Corporation's Board. The Compensation and Corporate Governance Committee meets periodically during each fiscal year to perform such duties. As Thomas J. Bitove is not standing for re-election at the Meeting, the Board will appoint a replacement Chair of the Compensation and Corporate Governance Committee following the Meeting.

Compensation paid to NEOs in 2018

There were no material differences in the Corporation's compensation policies with respect to any of the NEOs for fiscal 2018. Each employment contract between the Corporation and an NEO sets out the parameters for that individual's short-term incentive payment entitlement, as follows:

Name and Principal Position	Incentive Target
Tracy Rees Chief Executive Officer and President	\$100,000 USD
George Reznik Chief Financial Officer and Secretary	25% of base salary (base salary is \$239,200 CAD)
Clifford Morton Vice President, Client Solutions	20% of base salary (base salary is \$165,240 CAD)
Victor Gonzalez Vice President, Engineering	Corporate Performance Objectives subject to Board of Director approval
Mark Waldenberg Vice President, Global Sales	Corporate Performance Objectives subject to Board of Director approval

Below are the specific compensation actions for each of the Corporation's NEOs in fiscal 2018. See also the Summary Compensation Table under the heading "Compensation of Named Executive Officers".

Base Salaries

Name and Principal Position	Base Salary
Tracy Rees Chief Executive Officer and President	\$260,000 USD
George Reznik Chief Financial Officer and Secretary	\$239,200 CAD
Clifford Morton Vice President, Client Solutions	\$165,240 CAD
Victor Gonzalez Vice President, Engineering	\$164,505 CAD
Mark Waldenberg Vice President, Global Sales	\$135,200 USD

Actual Short-Term Annual Incentive Compensation

In accordance with the Corporation's plan for fiscal 2018, the Board established corporate performance objectives for the 2018 short-term incentive plan. These objectives are based on the achievement of certain financial and operational objectives contained in the Board-approved financial budget for fiscal 2018 with a corporate bonus of \$300,000, in the aggregate, payable to the Corporation's NEOs or such other members of the Corporation's management as determined by the Board based solely on the achievement of certain performance targets (based on revenue and EBITDA) being achieved by the Corporation in fiscal 2018. Revenue and EBITDA are each equally weighted at fifty percent (50%), subject to the Corporation achieving sufficient EBITDA to fund payment of the corporate bonus. The Corporation also has an incremental short-term incentive plan in addition to the above base bonus plan which is payable upon the achievement of incremental performance target of EBITDA by an amount of incremental EBITDA over the fiscal 2018 plan achieved for the fiscal year 2018. EBITDA referenced here relates to operating income (loss) inclusive of revenue reclassified as interest income less other operating expenses.

The following table summarizes the Corporation's performance goals and results for fiscal 2018:

2018 Corporate Performance Objective	Weighting of Performance Target	Performance Target	Actual Result
Annual Revenue	50%	\$25.4 million	\$25.7 million
Annual EBITDA	50%	\$0.7 million	\$1.9 million

The Corporation achieved both the Annual Revenue and Annual EBITDA performance targets in the year ended December 31, 2018 resulting in short-term annual incentive compensation of \$300,000 being paid by the Corporation in addition to twenty percent (20%) of the excess EBITDA over the fiscal 2018 plan of \$0.7 million.

Compensation Plan Changes for 2019

The corporate performance objectives for the 2019 short-term incentive plan are based on the achievement of certain financial and operational objectives contained in the Board-approved financial budget for fiscal 2019 with a corporate bonus payable to the Corporation's NEOs or such other members of the Corporation's management as determined by the Board based solely on the achievement of a certain

performance target of EBITDA. The short term incentive compensation for fiscal year 2019 will be an amount equal to twenty percent (20%) of the Corporation's EBITDA being achieved by the Corporation in fiscal 2019 adjusted as follows of which seventy five percent (75%) will be payable to the Corporation's executive management team with the remaining twenty five percent (25%) payable to the Corporation's other key employees in a manner subject to approval by its board of directors.

Stock Options

All of the NEOs who are currently employed by the Corporation received in aggregate a grant of 133,000 stock options in fiscal 2018 year in accordance with the Option Plan.

RSU Plan

All of the NEOs who are currently employed by the Corporation did not receive any grant of restricted stock units in fiscal 2018 year in accordance with the Corporation's RSU Plan.

Perquisites

The Corporation made company contributions to the Corporation's RRSP and Savings Incentive Match Plan for Employees Individual Retirement Account Plan (*SIMPLE IRA*) on behalf of employees in fiscal 2019.

Risks Associated with Compensation Policies

In carrying out its mandate, the Board and the Compensation and Corporate Governance Committee have considered the implications of the risks associated with the Corporation's compensation policies and practices. The Board and the Compensation and Corporate Governance Committee do not believe that the Corporation's compensation programs encourage the Corporation's executive officers to take inappropriate or excessive risks. This assessment is based on a number of considerations including, without limitation, the following: (i) the Corporation's compensation policies and practices are uniform throughout its organization and there are no significant differences in compensation structure among the senior executives; (ii) the overall compensation program is market based and aligned with the Corporation's business plan and long-term strategies; (iii) the compensation packages for executive officers consist of fixed (base salary and perquisites) and variable elements (cash bonuses and options) which are designed to balance short term goals and the long-term interests of the Corporation and are aimed at creating sustainable value for the Shareholders; (iv) in exercising its discretion under option grants, the Board reviews individual and corporate performance taking into account the long-term interests of the Corporation; (v) options granted under the Option Plan generally vest over a three year period which further mitigates any short-term risk taking potential; and (vi) the Corporation has established financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk taking that could affect compensation.

Compensation of Named Executive Officers

The following table sets out all compensation paid, payable, awarded or granted by the Corporation for the three most recently completed financial years of the Corporation ended December 31, 2018, December 31, 2017 and December 31, 2016 in respect of the Corporation's NEOs.

Summary Compensation Table

Name and Principal Position of Named Executive Officer	Year	Salary (US\$)	Share-based Awards (US\$) ⁽¹¹⁾	Option-based Awards ⁽⁷⁾ (US\$)	Non-equity incentive plan compensation		Pension value (US\$)	All Other Compensation (US\$)	Total Compensation (US\$)
					Annual Incentive Plans ⁽⁸⁾ (US\$)	Long-term Incentive Plans ⁽⁹⁾ (US\$)			
Tracy Rees,⁽¹⁾ Chief Executive Officer and President	2018	\$257,500	Nil	\$18,065	\$159,000	N/A	N/A	Nil	\$434,565
	2017	\$250,000	\$38,496	\$44,262	\$30,000	N/A	N/A	Nil	\$362,758
	2016	\$250,000	Nil	Nil	Nil	N/A	N/A	Nil	\$250,000
George Reznik,⁽²⁾⁽⁶⁾ Chief Financial Officer and Secretary	2018	\$182,910	Nil	\$10,949	\$98,000	N/A	N/A	Nil	\$291,859
	2017	\$177,100	\$21,873	\$24,935	\$22,000	N/A	N/A	Nil	\$245,908
	2016	\$173,650	Nil	Nil	Nil	N/A	N/A	Nil	\$173,650
Clifford Morton,⁽³⁾⁽⁶⁾ Vice President, Client Solutions	2018	\$126,956	Nil	\$10,949	\$90,000	N/A	N/A	Nil	\$227,905
	2017	\$120,136	\$21,873	\$24,935	\$19,000	N/A	N/A	Nil	\$185,944
	2016	\$113,250	Nil	Nil	Nil	N/A	N/A	Nil	\$113,250
Victor Gonzalez,⁽⁴⁾⁽⁶⁾ Vice President, Engineering	2018	\$126,392	Nil	\$10,949	\$90,000	N/A	N/A	Nil	\$227,341
	2017	\$117,548	\$21,873	\$24,935	\$19,000	N/A	N/A	Nil	\$183,356
	2016	\$108,720	Nil	Nil	Nil	N/A	N/A	Nil	\$108,720
Mark Waldenberg,⁽⁵⁾ Vice President, Global Sales	2018	\$133,900	Nil	\$10,949	Nil	N/A	N/A	\$100,814 ⁽¹⁰⁾	\$245,663
	2017	\$130,000	\$21,873	\$26,247	Nil	N/A	N/A	\$94,314 ⁽¹⁰⁾	\$272,434
	2016	\$130,000	Nil	Nil	Nil	N/A	N/A	\$100,063 ⁽¹⁰⁾	\$230,063

Notes:

(1) Mr. Tracy Rees was appointed President and Chief Executive Officer on June 4, 2009. Prior to that date, Mr. Rees served as the Corporation's Interim Chief Executive Officer from November 12, 2008 to June 4, 2009. Prior to such appointment, Mr. Rees served as Chief Operating Officer from September 22, 2008 to November 12, 2008 and Vice President & General Manager, Global Engineering Services, prior to such date. Prior to 2008, Mr. Rees was an independent contractor providing services to the Corporation. Mr. Rees served as a director of the Corporation from June 28, 2010 to April 17, 2013 and from June 13, 2017 until present. Mr. Rees was not paid any incremental compensation for his services as a director during this time.

(2) Mr. George Reznik joined the Corporation as Chief Financial Officer on April 15, 2008. Mr. Reznik was appointed Secretary on April 1, 2009. All compensation for Mr. Reznik was paid in Canadian dollars.

(3) Mr. Clifford Morton was appointed Vice President, Client Solutions on August 6, 2015 and was paid in Canadian dollars.

(4) Mr. Victor Gonzalez was appointed Vice President, Engineering on August 6, 2015 and was paid in Canadian dollars.

(5) Mr. Mark Waldenberg was appointed to Vice President, Global Sales on August 6, 2015. From April 2, 2015 to September 30, 2015, the Corporation engaged Mr. Waldenberg as a contractor who was paid on a variable compensation basis only. On October 1, 2015, Mr. Waldenberg transitioned to a full time employee.

(6) The amounts paid to Mr. Victor Gonzalez, Mr. Clifford Morton and Mr. George Reznik were paid in Canadian dollars and were converted to U.S. dollars using the Bank of Canada's average Canadian to U.S. dollar exchange rates as follows:

2018	\$0.7721
2017	\$0.7701
2016	\$0.7550

(7) The value of the Option-based awards was determined using the Black Scholes valuation methodology.

(8) Represents the cash bonus awards to be paid to the NEOs. Bonuses earned are attributable to the noted financial year and are paid in the first quarter following the completion of the financial year.

(9) A long-term incentive plan is a plan providing compensation intended to motivate performance over a period greater than one financial year and does not include option or stock appreciation rights plans or plans for compensation through shares or units that are subject to restrictions on resale. The Corporation did not have any long-term incentive plan in place at the end of the financial year ended December 31, 2018.

(10) Other compensation for Mr. Mark Waldenberg relates to commissions.

(11) The value of the RSU based awards was determined using the Intrinsic valuation methodology.

Hedging

The Corporation's treasury management policy prohibits any NEO or director from purchasing non-policy financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by any NEO or director.

Incentive Plan Awards

The Corporation adopted a stock option plan which was approved by the Corporation's Shareholders on May 14, 2016 pursuant to the rules of the TSX. The Corporation is seeking approval at the Meeting of the Amended and Restated Plan.

The Corporation adopted the RSU Plan which was approved by the Corporation's Shareholders at the annual general and special meeting of shareholders held on May 16, 2017 pursuant to the rules of the TSX.

Summary of the Terms of the Option Plan

The Compensation and Corporate Governance Committee may determine, in its sole discretion, the vesting schedule applicable to each stock option, which vesting schedule will be set out in an option agreement whereby the Corporation grants a stock option to a person entitled to receive such stock option (the "**Option Agreement**"), and which will determine when a stock option becomes exercisable by the stock option holder. The current practice is to grant employee stock options with a life of five years from the date of grant, and vesting one-third (1/3) after the first year and one-twelfth (1/12) every quarter thereafter. These stock options are priced based on the closing price of the Common Shares on the trading day before grant.

The Option Plan reserves for issuance pursuant to stock options a maximum number of Common Shares equal to the lower of: (a) a rolling number equal to 10% of the issued and outstanding Common Shares on the date of grant, less one Common Share, and (b) 3,750,000 Common Shares. The maximum number of Common Shares issuable pursuant to the Option Plan is required in order for the options to qualify as an incentive stock option for U.S. tax purposes. In addition, any exercises of options will make new grants available under the Option Plan, effectively resulting in a re-loading of the number of options available to grant under the Option Plan.

The number of Common Shares issuable to any one person, other than non-employee directors, entitled to receive stock options issued pursuant to all share compensation arrangements shall not exceed 5% of the total number of issued and outstanding Common Shares. The number of Common Shares reserved for issuance to non-employee directors shall not exceed 1% of the total number of issued and outstanding Common Shares. The number of Common Shares reserved for issuance to insiders at any time and the number of Common Shares issued to all insiders within a one year period under the incentive plans shall not exceed 10% less one Common Share of the issued and outstanding Common Shares. In addition, within any one-year period, no Insider and such Insider's associates may receive Common Shares issued pursuant to all share compensation arrangements exceeding 5% of the outstanding Shares.

In the event of an option holder's death, disability or retirement, the stock options held by such person shall be exercisable to acquire vested but unexercised options at any time prior to the earlier of the expiry date of the stock options and 365 days from the date of such death, disability or retirement. If the option holder is terminated for cause, any outstanding stock option held by such option holder on the date of termination, whether in respect of Common Shares under the option that are vested or not, shall be cancelled as of that date. If the option holder ceases to be a director, officer or service provider of the Corporation as a result of early retirement, voluntary resignation, or termination other than for cause, the stock options held by such person shall be exercisable to acquire vested but unexercised options at any time prior to the earlier of the expiry date of the stock options and 30 days from the date such option holder ceased to be a director, officer or service provider, subject to (i) a short extension in the case the expiry date falls during a blackout period, or (ii) extension in the sole discretion of the Compensation and Corporate Governance Committee so long as such extension does not go past the expiry date of the options. Options that have not vested at that time shall not be exercisable and shall be cancelled.

Subject to the provisions of the CBCA and, if required, subject to prior acceptance of the TSX, the Board may at any time or from time to time authorize the Corporation to provide financial assistance to an option holder, on such terms and conditions as the Board may determine, to assist such option holder in exercising his or her stock options, said financial assistance to be repayable with full recourse.

An option holder may not assign any of his or her rights under the Option Plan.

The price for Common Shares under each option shall not be less than the market price, being the closing price per Common Share on the applicable exchange for the last market trading day prior to the date it was determined to grant said stock option. The term for each option shall be set by the Board at the time of issue of the stock option but in any case shall not exceed 10 years after the date the option is granted, subject to a short extension in the case the expiry date falls during a blackout period.

In addition, under the Option Plan, the Board may also issue Common Shares or reserve Common Shares for issuance under a bonus share plan as a discretionary bonus to certain persons, subject to such restrictions as the Board may determine and subject to all necessary approvals of any securities regulatory authority having jurisdiction over the Shares. In addition to the limitations described above in terms of the number of Common Shares that may be issued under the Option Plan, (a) the number of Common Shares issuable under the share bonus plan to any one optionee that is employed by the Corporation in an investor relations capacity shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis, and (b) Common Shares may not be issued to non-employee directors under the Common Share Bonus Plan. The aggregate maximum number of Common Shares issued under the Common Share Bonus Plan in each calendar quarter shall not exceed the lesser of 18,750 and such number of Common Shares as has an aggregate value of not more than \$50,000 based on the market price of the Common Shares as at the end of that quarter. Notwithstanding the preceding sentence, the aggregate maximum number of Common Shares issued under the share bonus plan shall not exceed 31,250 Shares.

The Board may at any time and from time to time and without Shareholder approval, either prospectively or retrospectively, amend, suspend or terminate the Option Plan or any option granted under the Option Plan, including, without limiting the generality of the foregoing, changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in the Option Plan, changes regarding the right to exercise options after termination and changes regarding the vesting of options; provided however that:

- (a) such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Common Shares are listed;
- (b) no such amendment, suspension or termination shall be made at any time to the extent such action would materially adversely affect the existing rights of an option holder with respect to any then outstanding option, as determined by the directors acting in good faith, without his or her consent in writing;
- (c) notwithstanding the foregoing the Board shall obtain Shareholder approval of:
 - (i) any amendment to the maximum number of Common Shares in respect of which options may be granted under the Option Plan;
 - (ii) any amendment that would reduce the exercise price of an outstanding option;
 - (iii) any amendment that would extend the term of any option granted under the Option Plan beyond the expiry date;
 - (iv) any cancellation and re-issue of options;
 - (v) any amendments to eligible participants that may permit the introduction or reintroduction of non-employee directors on a discretionary basis or amendments that increase limits previously imposed on non-executive director participation;

- (vi) any amendment which would permit options granted under the Option Plan to be transferable or assignable other than for normal estate settlement purposes; and
- (vii) any amendment to the amending provision of the Option Plan.

Outstanding Share-Based and Option-Based Awards

The following table sets out, for each NEO who was employed by the Corporation as at December 31, 2018, information concerning all option-based and share-based awards outstanding as of December 31, 2018. This includes awards granted before the end of the financial year ended December 31, 2018.

Option-based Awards					Share-based Awards		
Name of Named Executive Officer	Number of Securities underlying Unexercised Options (#)	Option Exercise Price (CAD\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾ (CAD\$)	Number of Securities underlying RSUs (#)	Market or payout value of share-based awards that have not vested (\$) ⁽²⁾	Market or payout value of vested share-based awards not paid out or distributed (\$)
Tracy Rees	62,500	\$0.80	May 20, 2019	\$36,250	44,000	\$40,480	\$20,240
	61,250	\$0.89	June 2, 2020	\$30,013			
	47,950	\$2.04	June 12, 2022	N/A			
	33,000	\$1.34	March 12, 2023	\$1,320			
George Reznik	43,750	\$0.80	May 20, 2019	\$25,375	25,000	\$23,000	\$11,500
	37,500	\$0.89	June 2, 2020	\$18,375			
	28,500	\$2.04	June 12, 2022	N/A			
	20,000	\$1.34	March 12, 2023	\$800			
Clifford Morton	6,668	\$0.89	June 2, 2020	\$3,267	25,000	\$23,000	\$11,500
	28,500	\$2.04	June 12, 2022	N/A			
	20,000	\$1.34	March 12, 2023	\$800			
Victor Gonzalez	12,500	\$0.80	May 20, 2019	\$7,250	25,000	\$23,000	\$11,500
	13,000	\$0.89	June 2, 2020	\$6,370			
	28,500	\$2.04	June 12, 2022	N/A			
	20,000	\$1.34	March 12, 2023	\$800			
Mark Waldenberg	50,000	\$0.82	October 1, 2019	\$28,000	25,000	\$23,000	\$11,500
	27,000	\$0.89	June 2, 2020	\$13,230			
	30,000	\$2.04	June 12, 2022	N/A			
	20,000	\$1.34	March 12, 2023	\$800			

Notes:

(1) Represents the aggregate dollar amount of in-the-money unexercised options held as of December 31, 2018. Based on the closing market price of the Common Shares on the Toronto Stock Exchange on December 31, 2018 of CAD\$1.38.

(2) Represents the aggregate dollar amount of the RSUs held as of December 31, 2018 based on the closing market price of the Common Shares on the Toronto Stock Exchange on December 31, 2018 of CAD\$1.38.

Value Vested or Earned During the Year

The following table sets out for each NEO, information concerning the value of incentive plan awards (option-based as well as non-equity incentive plan compensation) vested or earned during the financial year ended December 31, 2018.

INCENTIVE AWARD PLAN - VALUE VESTED OR EARNED DURING FINANCIAL YEAR ENDED DECEMBER 31, 2018			
Name of Named Executive Officer	Option-based Awards – Value vested during the year (US\$) ⁽¹⁾	Share-based Awards – Value vested during the year (US\$) ⁽²⁾	Non-equity Incentive Plan Compensation – Value earned during the year (US\$)
Tracy Rees ⁽¹⁾	\$3,626	Nil	Nil
George Reznik ⁽¹⁾	\$2,220	Nil	Nil
Clifford Morton ⁽¹⁾	\$1,184	Nil	Nil
Victor Gonzalez ⁽¹⁾	\$770	Nil	Nil
Mark Waldenberg ⁽¹⁾	\$1,598	Nil	Nil

Notes:

(1) All option-based awards were calculated in Canadian dollars. The amounts above were converted to U.S. dollars using the average Bank of Canada's Canadian to U.S. dollar exchange rate for 2018 of \$0.7721.

(2) All vested RSU-based awards were calculated in Canadian dollars.

Summary of the Terms of the RSU Plan

The principal purpose of the RSU Plan is to provide incentives to attract, retain and motivate high calibre personnel, including senior officers, directors, employees and consultants, whose contributions are important to the success of the Corporation. The Board believes that the RSU Plan will secure for the Corporation and its shareholders the benefits of the incentives inherent in share ownership by the senior officers, directors, employees and consultants of the Corporation and its subsidiaries.

Under the RSU Plan, restricted stock units (“**RSUs**”) may be granted to Participants by the Compensation and Corporate Governance Committee as discretionary payments with time-based or performance-based vesting conditions. The maximum number of Common Shares reserved for issuance pursuant to RSUs is 500,000 Common Shares, representing 2.4% of the Corporation’s issued and outstanding Common Shares as of the date of this Circular.

- *Administration.* The RSU Plan is administered by a plan administrator (the “**Plan Administrator**”) (which is initially the Compensation and Corporate Governance Committee) which has the power, subject to the limits imposed by the RSU Plan, to: (i) award RSUs; (ii) determine the terms under which RSUs are granted; (iii) cancel, amend, adjust or otherwise change any grant of RSUs; (iv) interpret the RSU Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the RSU Plan; and (v) make all other determinations and take all other actions in connection with the implementation and administration of the RSU Plan.
- *Total Shares Subject to RSUs.* Subject to any adjustments provided for in the RSU Plan and any subsequent amendment to the RSU Plan, the aggregate number of Common Shares reserved for issuance pursuant to the RSU Plan will not exceed 500,000 Common Shares. RSUs that terminate or are cancelled will again become available for issuance under the RSU Plan.
- *Participants.* All officers, directors, employees and consultants of the Corporation or a subsidiary (each such individual, a “**Participant**”) are eligible to receive RSUs under the RSU Plan. The Board or the Committee reserves the right to restrict eligibility or otherwise limit the number or category of Persons eligible for participation in the RSU Plan at any time.
- *Limits on Participation.* In addition to the limit on the number of Common Shares available for issuance, the RSU Plan provides for the following limitations:
 - The number of Common Shares issuable to any one Participant under all Incentive Plans may not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis;

- The number of Common Shares which may be issuable within a one year period to any one Participant who is an Insider or an Associate of such Insider under all Incentive Plans may not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis;
- The number of Common Shares issuable to Insiders under all Incentive Plans at any time, and the number of Common Shares issued to all Insiders within any one year period, may not exceed 10% less one Common Share of the total number of issued and outstanding Common Shares on a non-diluted basis; and
- The number of Common Shares reserved for issuance to non-employee directors under all Incentive Plans at any time may not exceed 1% of the total number of issued and outstanding Common Shares on a non-diluted basis, and the aggregate value of any grant under all Incentive Plans to any one non-employee director in any calendar year may not exceed \$100,000 (based on the grant date fair value of the Common Shares underlying the RSUs).
- *Vesting.* RSUs may be subject to vesting conditions, including time-based or performance-based criteria. Any vesting requirements will be set out in the Award Notice. Any RSUs that remains unvested on December 31st of the third calendar year following the year in which the RSU was granted, shall expire and be cancelled.
- *Dividend Equivalent.* In the event a cash dividend is paid to the shareholders of the Corporation on the Common Shares while an RSU is outstanding, the Plan Administrator may, in its sole discretion, elect to credit each Participant with additional RSUs equal to the aggregate amount of dividends that would have been paid to the Participant if the RSUs had been Common Shares divided by the closing price of the Common Shares on the date on which the dividends were paid by the Corporation.
- *Termination.* The RSU Plan addresses how RSUs are handled in the event of the Participant's death, disability, termination of employment with or without cause, resignation and retirement.
- *No Assignment.* The RSUs are not transferable.
- *RSU Settlement.* As soon as practicable after the vesting of the RSUs, the Corporation shall, at its sole election and option, either (i) issue to the Participant Common Shares equal to the vested number of RSU, or (ii) pay to the Participant a lump sum payment in cash equal to the number of vested RSUs in the Participant's account multiplied by the price of the Common Shares on the date of payment. All outstanding unvested RSUs may be accelerated and be fully vested upon the occurrence of a change of control at the discretion of the Plan Administrator.
- *Plan Amendment.* The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares in the capital of the Corporation, amend, modify, change, suspend or terminate the RSU Plan or any RSUs granted pursuant to the RSU Plan as it, in its discretion, determines appropriate, provided, however, that:
 - no such amendment, modification, change, suspension or termination may materially impair any rights of a Participant or materially increase any obligations of a Participant under the RSU Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements;
 - approval of the holders of voting shares in the capital of the Corporation (in accordance with the rules of the exchange upon which the Common Shares may be listed) shall be required for any amendment, modification or change that:
 - increases the number of Common Shares reserved for issuance under the RSU Plan, except pursuant to the provisions in the RSU Plan which permit the Plan

Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

- permit RSUs to be transferred other than for normal estate settlement purposes;
- change the Insider participation limits; and
- deletes or reduces the range of amendments which require approval of the holders of voting shares in the capital of the Corporation.

Option Plan and RSU Plan Burn Rate

The following table sets forth the burn rate for each of the Option Plan and RSU Plan for each of the fiscal years ended December 31, 2018, 2017 and 2016, expressed as the number of securities granted under the Option Plan and RSU Plan for the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year:

Burn Rate⁽¹⁾		
	Option Plan	RSU Plan
2018	2.20%	N/A
2017	2.05%	1.04%
2016	0.59%	N/A ⁽²⁾

Notes:

(1) The burn rate is calculated by dividing the number of stock options and RSUs granted under the Option Plan and RSU Plan during the relevant financial year by the weighted average number of common share outstanding for the applicable financial year.

(2) The RSU Plan was adopted by the Company at its AGM on May 16, 2017 and accordingly was not in effect during FY2016.

Equity Compensation Plan Information

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others.

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights (as at December 31, 2018) (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights (as at December 31, 2018) (CAD\$) (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in (a)) (as at December 31, 2018) (c)
Equity Compensation Plans Approved by Securityholders	1,523,316	\$1.32	505,370
Equity Compensation Plans Not Approved by Securityholders	Nil	Nil	Nil
Total	1,523,316	\$1.32	505,370

As of April 12, 2019, the Corporation had 1,676,306 options issued and outstanding under the Option Plan and had granted 316,895 RSUs under the RSU Plan.

Pension Plan Benefits

The Corporation does not have defined benefit or defined contribution pension plans in place, whether determined primarily by final compensation and years of service or not.

Termination and Change of Control Benefits

NEO Employment Agreements

The Corporation entered into an employment agreement with Tracy Rees made effective September 22, 2008 pursuant to which he served as the Corporation's Chief Operating Officer. On November 12, 2008, Mr. Rees was appointed to the position of Interim Chief Executive Officer and on June 4, 2009 he was appointed Chief Executive Officer and President. Mr. Rees currently receives an annual base salary of \$260,000 and is also entitled to receive a performance bonus of up to \$100,000 based on the achievement of specific objectives. A performance bonus of \$119,250 was paid to Mr. Rees during 2019 in respect of the 2018 financial year in addition to the grant of 35,619 units under the RSU Plan. If Mr. Rees' employment is terminated without cause, including termination without cause subsequent to a "change of control" (as defined in the Option Plan), the Corporation will pay him six (6) months' base salary, plus two (2) months' base salary per year of service (prorated for partial years), to a maximum of twelve (12) months of his base annual salary and Mr. Rees' employee benefits will continue for six (6) months following the termination, in lieu of notice of termination of employment. In the event of a "change of control" of the Corporation and subsequent termination in the period between the "change of control" and 180 days thereafter, all of Mr. Rees' stock options will automatically vest and become exercisable for 30 days after the termination. All payments and continuation of benefits in the event of a termination without cause or a "change of control" and subsequent termination are subject to Mr. Rees signing and not revoking a general release in favour of the Corporation.

The Corporation entered into an employment agreement with Mr. George Reznik effective April 15, 2008 pursuant to which he serves as the Corporation's Chief Financial Officer. Mr. Reznik currently receives an annual base salary of \$239,200 CAD and is also entitled to receive a performance bonus of up to \$59,800 CAD based on the achievement of specific objectives. A performance bonus of \$73,500 was paid to Mr. Reznik during 2019 in respect of the 2018 financial year in addition to the grant of 21,954 units under the RSU Plan. If Mr. Reznik's employment is terminated without cause, including termination without cause subsequent to a "change in control" (as defined in the Option Plan), the Corporation will pay him six (6) months' base salary, plus two (2) months' base salary per year of service (prorated for partial years) to a maximum of twelve (12) months of his base annual salary and Mr. Reznik's employee benefits will continue for six (6) months following the termination, in lieu of notice of termination of employment. In the event of a "change of control" of the Corporation and subsequent termination in the period between the "change of control" and 180 days thereafter, all of Mr. Reznik's stock options will automatically vest and become exercisable for thirty (30) days after the termination.

The Corporation entered into an employment agreement with Mr. Clifford Morton effective January 28, 2000 pursuant to which he serves as the Corporation's Vice President, Client Solutions. Mr. Morton currently receives an annual base salary of \$165,240 CAD and is also entitled to receive a performance bonus based on the achievement of specific objectives. A performance bonus of \$67,500 was paid to Mr. Morton during 2019 in respect of the 2018 financial year in addition to the grant of 20,162 units to Mr. Morton under the RSU Plan. If Mr. Morton's employment is terminated without cause, including termination without cause subsequent to a "change in control" (as defined in the Option Plan), the Corporation will pay him six (6) months' base compensation, in lieu of notice of termination of employment.

The Corporation entered into an employment agreement with Mr. Victor Gonzalez effective September 23, 2005 pursuant to which he serves as the Corporation's Vice President, Engineering. Mr. Gonzalez currently receives an annual base salary of \$164,505 CAD and is also entitled to receive a performance bonus based on the achievement of specific objectives. A performance bonus of \$67,500 was paid to Mr. Gonzalez during 2019 in respect of the 2018 financial year in addition to the grant of 20,162 units under the RSU Plan. If Mr. Gonzalez's employment is terminated without cause, the Corporation will pay him severance as required under the *Employment Standards Act* (British Columbia).

The Corporation entered into an employment agreement with Mr. Mark Waldenberg effective September 29, 2014 pursuant to which he serves as the Corporation's Vice President, Global Sales. Mr. Waldenberg currently receives an annual base salary of \$135,200 and is paid additional variable compensation based upon individual sales and corporate performance. Mr. Waldenberg received a grant of 25,000 units under the RSU Plan in respect of the 2018 financial year. Prior to his current employment with the Corporation, Mr. Waldenberg was a contractor to the Corporation providing sales and business development services from 2012 through 2014. If Mr. Waldenberg's employment is terminated without cause, including termination without cause subsequent to a "change in control" (as defined in the Option Plan), the Corporation will pay him six (6) months' base salary and Mr. Waldenberg's employee benefits will continue for six (6) months following the termination, in lieu of notice of termination of employment.

Below are the estimated incremental payments to NEOs as of December 31, 2018 under various termination scenarios. There are no incremental payments payable to the Corporation's NEOs in the case of termination for cause.

ESTIMATED BENEFITS AT DECEMBER 31, 2018 IN CONNECTION WITH A RETIREMENT OR VOLUNTARY RESIGNATION						
Name of Named Executive Officer	Salary (US\$)	Annual Incentive Bonus (US\$)	Benefits and Perquisites (US\$)	Options (US\$)⁽²⁾	RSUs (US\$)⁽³⁾	Total (US\$)
Tracy Rees	Nil	Nil	Nil	\$51,161	\$15,627	\$66,788
George Reznik ⁽¹⁾	Nil	Nil	Nil	\$33,779	\$8,879	\$42,658
Clifford Morton ⁽¹⁾	Nil	Nil	Nil	\$2,523	\$8,879	\$11,402
Victor Gonzalez ⁽¹⁾	Nil	Nil	Nil	\$10,516	\$8,879	\$19,395
Mark Waldenberg ⁽¹⁾	Nil	Nil	Nil	\$31,834	\$8,879	\$40,713

Notes:

(1) All compensation for Mr. Morton, Mr. Gonzalez, Mr. Waldenberg and Mr. Reznik would be paid in Canadian dollars. The amounts above were converted to U.S. dollars using the Bank of Canada's average Canadian to U.S. dollar exchange rate for 2018 of \$0.7721.

(2) Based on the vested options and the closing market price of the Common Shares on the Toronto Stock Exchange on December 31, 2018 of CAD\$1.38.

(3) Based on the vested RSU awards.

ESTIMATED BENEFITS AS AT DECEMBER 31, 2018 IN CONNECTION WITH (1) A TERMINATION WITHOUT CAUSE (INCLUDING CONSTRUCTIVE DISMISSAL) or (2) A TERMINATION WITHOUT CAUSE WITHIN 180 DAYS FOLLOWING A CHANGE OF CONTROL						
Name of Named Executive Officer	Salary (US\$)	Annual Incentive Bonus (US\$)	Benefits and Perquisites (US\$)	Options (US\$)⁽³⁾	RSUs (US\$)⁽⁴⁾	Total (US\$)
Tracy Rees	\$260,000	Nil	\$11,524	\$52,180	\$46,882	\$370,586
George Reznik ⁽¹⁾	\$184,686	Nil	\$1,565	\$34,397	\$26,637	\$247,285
Clifford Morton ⁽¹⁾	\$63,791	Nil	\$1,565	\$3,140	\$26,637	\$95,133
Victor Gonzalez ^{(1) (2)}	\$23,190	Nil	\$621	\$11,134	\$26,637	\$61,582
Mark Waldenberg ⁽¹⁾	\$67,600	Nil	\$4,761	\$32,451	\$26,637	\$131,449

Notes:

(1) All compensation for Mr. Reznik, Mr. Morton, Mr. Waldenberg and Mr. Gonzalez would be paid in Canadian dollars. The amounts above were converted to U.S. dollars using the Bank of Canada's average Canadian to U.S. dollar exchange rate for 2018 of 0.7721.

(2) Estimated severance payable to Mr. Gonzalez under the *Employment Standards Act* (British Columbia).

(3) Represents the aggregate dollar amount of in-the-money unexercised options held as of December 31, 2017 based on the closing market price of the Common Shares on the Toronto Stock Exchange on December 31, 2018 of CAD\$1.38 converted into U.S. dollars based upon the average rate during 2017 of 0.7721.

(4) Represents the aggregate dollar amount of the RSUs held as of December 31, 2018 based on the closing price of CAD\$1.38 of the Common Shares on the Toronto Stock Exchange on December 31, 2018 and converted into U.S. dollars based upon the average rate during 2018 of 0.7721.

Director Compensation

The Corporation pays its non-employee directors for serving on the Corporation's Board. In making recommendations to the Board relating to director compensation, the Compensation and Corporate Governance Committee considered directors' compensation offered by similar companies, its directors' time commitments and the risks and responsibilities that the directors of the Corporation assume. In fiscal 2007, the Compensation and Corporate Governance Committee engaged an independent compensation consultant who recommended changes to the Corporation's director compensation in relation to Lead Independent Director Compensation, which changes were approved by the Board upon the recommendation of the Compensation Committee in respect in fiscal 2008. On April 15, 2013, George Duguay was appointed Chair of the Board.

In respect of fiscal 2018, the Board resolved that, in addition to reimbursement for ordinary and necessary out-of-pocket expenses incurred in fulfillment of their duties, each non-executive director should receive an annual retainer of \$10,000 CAD paid quarterly, a meeting fee of \$1,500 CAD for each Board meeting attended in person, \$750 CAD for telephonic attendance at each Board meeting, and a meeting fee of \$750 CAD for committee meetings. The non-executive Chair received a fee for acting in that capacity of \$30,000 CAD per year, the Chair of the Audit Committee received an additional \$1,500 CAD per quarter and the Chair of the Compensation and Corporate Governance Committee received an additional \$750 CAD per quarter. Each member of the Corporation's Executive Committee received an additional \$1,000 CAD per month during fiscal 2018. Further, each director was compensated for additional activities performed at the direction of the Chair of the Board or CEO at a rate equal to \$1,500 CAD per day. Subsequent to fiscal 2018, the Board resolved that effective April 1, 2019, in addition to reimbursement for ordinary and necessary out-of-pocket expenses incurred in fulfillment of their duties, each non-executive director should receive an annual retainer of \$16,500 CAD paid quarterly, a meeting fee of \$1,500 CAD for each Board meeting attended in person, \$750 CAD for telephonic attendance at each Board meeting, and a meeting fee of \$750 CAD for committee meetings. The non-executive Chair received a fee for acting in that capacity of \$35,000 CAD per year, the Chair of the Audit Committee received an additional \$2,000 CAD per quarter and the Chair of the Compensation and Corporate Governance Committee received an additional \$2,000

CAD per quarter. The Corporation disbanded the Executive Committee on January 31, 2019. The Corporation established a Special Committee on February 1, 2019 comprised of Daniel S. Marks (Chair), Howard “Skip” Speaks and George A. Duguay. The members of the Special Committee will receive an additional \$5,000 CAD per month with the Chair of the Special Committee receiving an additional \$7,500 CAD per month. Further, each director was compensated for additional activities performed at the direction of the Chair of the Board or CEO at a rate equal to \$1,500 CAD per day.

The Corporation instituted a guideline on December 18, 2008, whereby all directors are expected to have purchased a minimum of \$10,000 CAD worth of the Common Shares within three (3) years thereafter, and within three (3) years following the appointment of new directors. This guideline is intended to encourage share ownership by Directors in the Corporation, thereby better aligning the interests of the Directors with those of the Shareholders.

The non-executive members of the Board have received and may receive incentive stock options in accordance with the policies of the Toronto Stock Exchange and the Option Plan. Currently, new non-executive directors receive 12,500 stock options upon their initial appointment that vest as to one-third (1/3) on the date of issue, one-third (1/3) on the first anniversary and one-third (1/3) on the second anniversary. Existing non-executive directors typically receive an additional 12,500 stock options per year or on a pro rata basis based on the period served in the preceding year, vesting as to one-twelfth (1/12) per month from the date of issue.

During fiscal 2018, the Corporation issued a total of 72,000 options to its directors.

DIRECTOR COMPENSATION TABLE FOR FINANCIAL YEAR ENDED DECEMBER 31, 2018							
Name of Director	Fees Earned (US\$)	Share-based Awards (US\$)⁽²⁾	Option-based Awards (US\$)⁽³⁾	Non-equity incentive plan compensation	Pension value (US\$)	All other compensation (US\$)	Totals (US\$)
Michael W. Bird⁽¹⁾	\$19,882	Nil	\$6,569	N/A	N/A	Nil	\$26,451
Thomas J. Bitove⁽¹⁾	\$16,407	Nil	\$6,569	N/A	N/A	Nil	\$22,976
George A. Duguay⁽¹⁾	\$39,570	Nil	\$6,569	N/A	N/A	Nil	\$46,139
Jeffrey MacDonald⁽¹⁾	\$14,094	Nil	\$6,569	N/A	N/A	Nil	\$20,663
Daniel S. Marks⁽¹⁾	\$22,198	Nil	\$6,569	N/A	N/A	Nil	\$28,767
Howard “Skip” Speaks	\$24,514	Nil	\$6,569	N/A	N/A	Nil	\$31,083

Notes:

(1) All compensation for Messrs. Bird, Bitove, Duguay, MacDonald and Marks was paid in Canadian dollars. The amounts above were converted to U.S. dollars using the average Bank of Canada’s Canadian to U.S. dollar exchange rate for 2018 of \$0.7721.

(2) The value of the RSUs based awards was determined using the intrinsic valuation methodology.

(3) The value of the option based awards was determined using the Black Scholes valuation methodology.

Director Incentive Plan Awards

Outstanding Option-Based and Share-Sased Awards

The following table sets out information concerning all option and share based awards outstanding as of December 31, 2018 for each independent director. This includes awards granted before the end of the financial year ended December 31, 2018.

Director Option-based Awards					Director Share-based Awards		
Name of Director	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CAD\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾ (CAD\$)	Number of Securities underlying RSUs (#)	Market or payout value of share-based awards that have not vested (\$) ⁽¹⁾	Market or payout value of vested share-based awards not paid out or distributed (\$)
Michael W. Bird	6,250	\$0.80	August 20, 2019	\$3,625	10,000	\$9,200	\$4,600
	25,000	\$0.89	June 1, 2020	\$12,250			
	12,500	\$2.04	June 12, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			
Thomas J. Bitove	6,250	\$0.80	May 20, 2019	\$3,625	10,000	\$9,200	\$4,600
	25,000	\$0.89	June 1, 2020	\$12,250			
	12,500	\$2.04	June 12, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			
George A. Duguay	6,250	\$0.80	May 20, 2019	\$3,625	10,000	\$9,200	\$4,600
	25,000	\$0.89	June 1, 2020	\$12,250			
	12,500	\$2.04	June 12, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			
Jeffrey MacDonald	12,500	\$2.29	May 15, 2022	N/A	5,000	\$4,600	\$2,300
	12,500	\$2.04	June 13, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			
Daniel S. Marks	6,250	\$0.80	August 20, 2019	\$3,625	10,000	\$9,200	\$4,600
	25,000	\$0.89	June 1, 2020	\$12,250			
	12,500	\$2.04	June 12, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			
Howard "Skip" Speaks	6,250	\$0.80	May 20, 2019	\$3,625	10,000	\$9,200	\$4,600
	25,000	\$0.89	June 1, 2020	\$12,250			
	12,500	\$2.04	June 12, 2022	N/A			
	12,000	\$1.34	March 12, 2023	\$480			

Notes:

(1) Based on the closing market price of the Common Shares on the Toronto Stock Exchange on December 31, 2018 of CAD\$1.38.

Value Vested or Earned During the Year

The following table sets out, for each independent director, information concerning the value of incentive plan awards, namely option-based awards as well as non-equity incentive plan compensation, vested or earned during the financial year ended December 31, 2018.

Name of Director	INCENTIVE AWARD PLANS – VALUE VESTED OR EARNED DURING FINANCIAL YEAR ENDED DECEMBER 31, 2018		
	Option-based Awards – Value vested during the year (US\$) ⁽¹⁾	Share-based Awards – Value vested during the year (US\$) ⁽²⁾	Non-equity Incentive Plan Compensation – Value earned during the year (US\$)
Michael W. Bird	\$757	\$Nil	\$Nil
Thomas J. Bitove	\$757	\$Nil	\$Nil
George A. Duguay	\$757	\$Nil	\$Nil
Daniel S. Marks	\$757	\$Nil	\$Nil
Howard “Skip” Speaks	\$757	\$Nil	\$Nil
Jeffrey MacDonald	\$757	\$Nil	\$Nil

Notes:

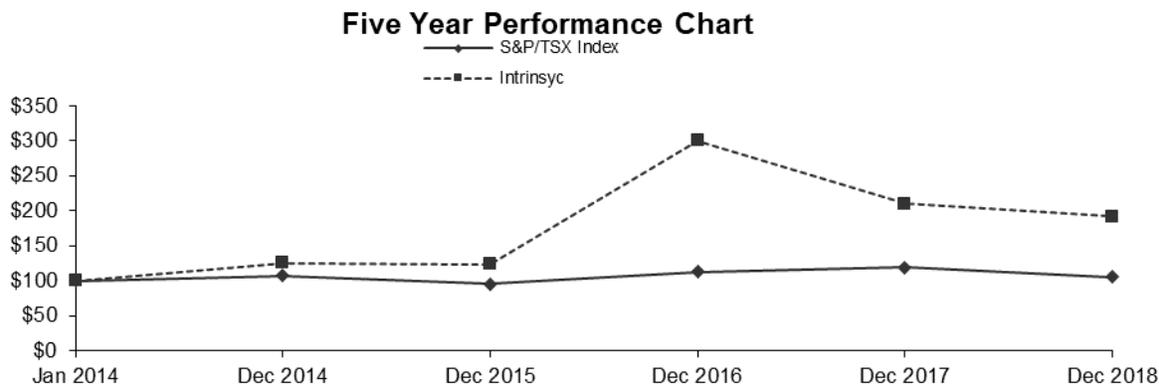
(1) All option-based awards were calculated in Canadian dollars. The amounts above were converted to U.S. dollars using the average Bank of Canada’s Canadian to U.S. dollar exchange rate for 2018 of \$0.7721.

(2) All share-based awards (RSUs) were calculated in Canadian dollars. The amounts above were converted to U.S. dollars using the average Bank of Canada’s Canadian to U.S. dollar exchange rate for 2018 of \$0.7721.

Performance Graph

The Common Shares currently trade on the Toronto Stock Exchange under the symbol “ITC”.

The following chart compares the total cumulative shareholder return for CDN\$100 invested in Common Shares on January 1, 2014 with the cumulative total return of the S&P/TSX Composite Index for the period from December January 1, 2014 to December 31, 2018. The Common Share performance as set out in the graph does not necessarily indicate future price performance.



	1 Jan. '14	31 Dec. '14	31 Dec. '15	31 Dec. '16	31 Dec. '17	31 Dec. '18
Intrinsyc's Common Shares	\$100.00	\$125.00	\$123.61	\$300.00	\$209.72	\$191.67
S&P/TSX Composite Index	\$100.00	\$107.42	\$95.51	\$112.23	\$119.00	\$105.15

The NEOs are compensated in large part based on their achievement of corporate performance objectives, as opposed to on the basis of stock price performance.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee of the Corporation or any proposed management nominee for election as director, or any associate of such director, executive officer or proposed nominee, has been indebted to the Corporation at any time during the financial year ended December 31, 2018.

INTEREST OF CERTAIN PERSONS IN MATERIAL TRANSACTIONS

No director, proposed management nominee for election as director, executive officer or principal shareholder of the Corporation, or any associate or affiliate of such person, has any material interest, direct or indirect, in any material transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or executive officer of the Corporation at any time since the beginning of the last financial year of the Corporation, or any proposed management nominee for election as director, or any associate or affiliate thereto, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

MANAGEMENT CONTRACTS

The management functions of the Corporation are performed by the Corporation's directors and executive officers and the Corporation has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Corporation.

AUDIT COMMITTEE

The information regarding the Audit Committee required to be disclosed by Multilateral Instrument 52-110 – Audit Committees is detailed in the Corporation's 2018 Annual Information Form filed and available on SEDAR.

CORPORATE GOVERNANCE

The Board and executive officers of the Corporation consider good corporate governance to be central to the effective operation of the Corporation. As part of the Corporation's commitment to effective corporate governance, the Board, with the assistance of the Compensation and Corporate Governance Committee, monitors changes in legal requirements and best practices.

The Board and the Corporation annually reviews the Corporation's system of corporate governance including its Corporate Governance Manual (the "**Manual**") to ensure its practices meet or exceed applicable legal and stock exchange requirements.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires the Corporation to disclose certain corporate governance information as is set out in Form 58-101F1 Corporate Governance

Disclosure, which came into effect on June 30, 2005. A description of the Corporation's approach to corporate governance, in response to the Form 58-101F1 Corporate Governance Disclosure, is set out in Schedule "A" to this Circular.

OTHER MATTERS

Management of the Corporation is not aware of any other matters to come before the Meeting other than as set forth in the Notice of the Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

DEADLINE FOR SHAREHOLDER PROPOSALS

If any person entitled to vote at an annual meeting of the Corporation's shareholders wishes to propose any matter for consideration at the next annual meeting, in order for such proposal to be considered for inclusion in the materials mailed to shareholders in respect of such meeting, such proposal must be received by the Corporation no later than 90 days before the anniversary date of the Meeting.

ADVANCE NOTICE REQUIREMENT FOR DIRECTOR NOMINATIONS

The Corporation's By-Law One contains an advance notice requirement in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (a) a requisition of a meeting made pursuant to the provisions of the CBCA; or (b) a shareholder proposal made pursuant to the provisions of the CBCA (the "**Advance Notice Requirement**"). In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 nor more than 65 days prior to the date of the annual meeting; provided, however that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made. In addition, the Advance Notice Requirement sets forth the information that a Shareholder must include in the notice for it to be valid, including, among other things, identification and shareholding information about the nominee, as well as any proxy, contract, arrangement, understanding or relationship pursuant to which the nominating Shareholder has a right to vote any shares of the Corporation. The Corporation's By-Law One is available on the SEDAR website at www.sedar.com.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Shareholders may contact the Corporation at #380 – 885 Dunsmuir Street, Vancouver, British Columbia, V6C 1N5, Attention: Corporate Secretary, to request copies of the Corporation's financial statements and Management's Discussion and Analysis for the financial year 2018. Information about the Corporation can also be found on its web site at www.intrinsyc.com. Financial information is provided in the Corporation's comparative consolidated financial statements and Management's Discussion and Analysis for the financial year ended December 31, 2018.

BOARD APPROVAL AND STATEMENT OF DIRECTORS

This Circular contains information as at April 12, 2019, except where another date is specified. The contents of this Circular have been approved and its mailing to each Shareholder of the Corporation entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

BY ORDER OF THE BOARD

Tracy Rees
Chief Executive Officer and President
Intrinsyc Technologies Corporation

**SCHEDULE “A”
CORPORATE GOVERNANCE DISCLOSURE**

1. Board

National Policy 58-201 – Corporate Governance Guidelines recommends that boards of directors of reporting issuers be composed of a majority of independent directors. With six of the current directors considered independent, the Board is currently composed of a majority of independent directors. The six independent directors are: Thomas Bitove, George Duguay, Howard “Skip” Speaks, Daniel S. Marks, Jeffrey MacDonald and Michael W. Bird. The Corporation has determined that none of these individuals has a material relationship to the Corporation. Tracy Rees is a non-independent director, as he is the Chief Executive Officer and President of the Corporation.

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management. The directors may hold regularly scheduled meetings at least four times per year at which non-independent directors are not in attendance. Alternatively, the independent directors may meet during a portion of regularly scheduled Board meetings, provided that time is specifically scheduled and devoted to meeting without non-independent directors. From January 1, 2018 to December 31, 2018, six (6) meetings of the independent directors were held, inclusive of regularly scheduled Board meetings. The independent directors meet on a regular basis and have an in camera session without any employees or non-independent directors as part of the Corporation’s regular quarterly Board meetings. In addition, the Chair maintains an open dialogue with all independent directors to provide an appropriate forum for any potential issues which may arise to be addressed accordingly by the Board.

The Corporation has appointed Mr. George Duguay as Chair and Lead Independent Director. As Lead Independent Director, Mr. Duguay’s role is to oversee and ensure the independence of and separation between management and the Board. Mr. Duguay’s roles and responsibilities include: (i) approving information submitted by management to the Board; (ii) approving the agenda for Board meetings; (iii) leading meetings of the independent directors and the Board; (iv) serving as a liaison between the independent directors and the Chief Executive Officer; (v) being able to call, with due notice, a meeting of the Board and/or an executive session of the Board consisting exclusively of independent directors; (vi) assisting the independent directors with fulfilling their governance responsibilities and to oversee the governance obligations of the Board and its committees generally; and (vii) overseeing the quality of the information sent to directors and reviewing any comments or requests made by an independent director.

The Corporation and the Board recognize the significant commitment involved in being a member of the Board. Accordingly, the Corporation’s Governance Manual requires directors to report to the Chair of the Compensation and Corporate Governance Committee all other directorships held and any other interest in or relationship with outside entities that could result in potential conflicts of interest.

The following table sets forth the number of meetings and director attendance at such meetings of the Board and its committees from January 1, 2018 to December 31, 2018:

Director	Board Meetings	Audit Committee	Compensation and Corporate Governance Committee	Executive Committee
Michael W. Bird	6/6	4/4	N/A	N/A
Thomas J. Bitove	6/6	N/A	3/3	N/A
George A. Duguay	6/6	4/4	3/3	N/A

Director	Board Meetings	Audit Committee	Compensation and Corporate Governance Committee	Executive Committee
Jeffrey MacDonald	6/6	N/A	3/3	N/A
Daniel S. Marks	6/6	4/4	N/A	See below ⁽¹⁾
Tracy Rees	6/6	N/A	N/A	N/A
Howard "Skip" Speaks	6/6	4/4	N/A	See below ⁽¹⁾

Notes:

(1) Mr. Daniel Marks was the Chairman of the Corporation's Executive Committee until it was disbanded on January 31, 2019. He was appointed the Chairman of the Corporation's Special Committee on February 1, 2019. Mr. Howard "Skip" Speaks was a member of the Executive Committee. The Executive Committee met as required on an informal basis during 2018.

2. Board Mandate

The Board is responsible for the overall stewardship of the Corporation. The Board discharges this responsibility directly and through the delegation of specific responsibilities to committees of the Board.

The Mandate of the Board, which is attached hereto as Appendix "A", falls into the following seven categories: selection of management, strategic planning, risk identification, communications, succession planning, internal controls and corporate governance, all as more particularly described in Section B of the Mandate.

3. Position Descriptions

The Board has developed position descriptions for the Chair, the Lead Independent Director and the Chair of each committee of the Board. The Board has also approved a position description for the Chief Executive Officer.

4. Orientation and Continuing Education

Responsibility for orientation and education programs for new directors is assigned to the Compensation and Corporate Governance Committee. The Compensation and Corporate Governance Committee ensures that all new directors receive a comprehensive orientation so that each new director fully understands the role of the Board and its committees, as well as the contribution individual directors are expected to make. The Board has adopted a policy for orientation of new directors.

The Chair meets with each independent director on a periodic basis and at least quarterly to provide a confidential forum for feedback regarding the Corporation and its Board. The Chair will meet with new directors upon their appointment to provide them with guidance and support regarding their new role.

All directors, including new directors, are provided the opportunity to ask questions regarding the role of the Board, its committees and its directors, and about the nature of the Corporation and its operations. Such questions may be asked directly to the Chair or in an in camera session with all independent directors which are held periodically and on a minimum quarterly basis.

New directors are provided with copies of the Corporation's key documents, including the Corporation's Corporate Governance Manual, code of business conduct and ethics, insider trading and continuous disclosure policies, and Board and committee mandates and charters.

The Chair provides all new directors with an orientation session to familiarize new directors with the Corporation, its business, industry, senior management team and the contribution individual directors are expected to make.

New directors are informed of the legal duties and obligations required of a director of a publicly-held entity.

All directors, including new directors, are provided with up-to-date information on the Corporation's corporate organization, operations and strategy, its current year business plan and financial information.

The Corporation hosts periodic meetings of its Board at its corporate headquarters and main facilities and encourages site visits by its directors to review its operations.

The Compensation and Corporate Governance Committee is also responsible for arranging continuing education for directors in order to ensure that directors maintain and enhance the skill and knowledge necessary to meet their obligations as directors, as well as to ensure knowledge and understanding of the Corporation's business remains current. The Board has adopted a policy for continuing education for directors.

The Corporation has a continuing education program for its directors. The program was developed to help directors maintain or enhance their skills and abilities, and update their knowledge and understanding of the Corporation and its industry. Directors are briefed regularly (and at least on a quarterly basis) on strategic issues affecting the Corporation, and these briefings include reviews of the competitive environment, the Corporation's performance relative to its peers, and any other developments that could materially affect the Corporation's business. The briefings are conducted by the CEO, CFO and other members of the executive management team, as well as external advisors to the Corporation.

Directors also participate in external education seminars at the Corporation's expense that are relevant to their role on the Board.

5. Ethical Business Conduct

The Board has created a Code of Business Conduct (the "**Code**") for the Corporation's directors, officers and employees. Directors, officers and employees are expected to act with honesty and integrity in all interactions with customers, suppliers, competitors, employees and others. A copy of the Code may be obtained by contacting the Corporation at the address given under "Additional Information" in this Circular.

The Audit Committee is responsible for reviewing the Code as well as programs that management has established to monitor compliance with the Code. In addition, the Compensation and Corporate Governance Committee is responsible for ensuring that standards of ethical conduct are developed and maintained.

The Board and the Audit Committee have also established a Whistleblower Policy to encourage employees, officers and directors to raise concerns regarding matters covered by the Code (including but not limited to accounting, internal controls or auditing matters) on a confidential basis free from discrimination, retaliation or harassment. The Chair is an independent director and is available to any party who may want to report any issues.

The officers of the Corporation provide the Board with a certification on a quarterly basis regarding illegal acts, liabilities and other potential issues which may impact the Corporation. Management also performs a review of the Corporation's internal controls, which is reported to the Audit Committee.

The Corporation requires its directors, officers and employees on a periodic basis to complete an acknowledgement whereby they confirm they have read the Code and agree to follow its terms and fully and in compliance with such Code and corporate policies.

In addition, in order to ensure independent judgment in considering transactions/agreements in which a director/officer has a material interest, all related party transactions are reviewed and approved by the Audit Committee.

6. Nomination of Directors

The Compensation and Corporate Governance Committee is currently comprised of Thomas Bitove (Chair), George Duguay and Jeffrey MacDonald, all of whom are independent.

The Compensation and Corporate Governance Committee is responsible for, among other things:

- (a) developing and recommending to the Board a set of corporate governance principles applicable to the Corporation;
- (b) identifying individuals qualified to become new members of the Board and recommending to the Board new director nominees from time to time; and
- (c) assisting the Chair in overseeing the process of evaluation of the Board, its committees and individual directors.

As described in its charter, the Compensation and Corporate Governance Committee is responsible for, among other things, identifying and evaluating candidates for the Board.

The Chair of the Compensation and Corporate Governance Committee leads the candidate selection process with this committee whose mandate is to identify and recruit potential directors with the appropriate industry and other relevant experience to complement the composition of the Corporation's Board. The Compensation and Corporate Governance Committee reports and is accountable to the Corporation's Board. The Compensation and Corporate Governance Committee leads an annual assessment and evaluation process of the Board to identify any potential gaps in the Board's composition or expertise. The Compensation and Corporate Governance Committee is responsible for the nomination process and invites suggestions for potential candidates from other directors, management, shareholders and external sources.

The Corporation's CEO also participates in the nomination process as an observer to the Compensation and Corporate Governance Committee to provide relevant input in the selection of director candidates.

The Compensation and Corporate Governance Committee reviews the appropriate size of the Board with a view to facilitating effective decision making and appropriate composition of relevant skillsets and experience. The Compensation and Corporate Governance Committee considers diversity of experience, background and views when considering a candidate for appointment or election to the Board. Further, the Compensation and Corporate Governance Committee considers the following criteria when considering a candidate for appointment or election to the Board:

- the specific skill set and experience required on the Board at a given time taking into account the skill sets of the other directors;
- the ability of the candidate to bring an objective appraisal of management's plans;
- potential conflicts that could arise;
- personal characteristics and other considerations;
- the integrity of the candidate; and
- the ability of the candidate to devote sufficient time and resources to his or her duties as a member of the Board.

7. Compensation

When determining compensation policies and individual compensation levels, the Compensation and Corporate Governance Committee, which consists entirely of independent directors, takes into consideration a variety of factors. These factors include: (i) overall financial and operating performance of the Corporation; and (ii) the Compensation and Corporate Governance Committee's and the Board's overall assessment of each executive's individual performance and contribution towards meeting corporate objectives, levels of responsibility, and length of service.

The Corporation's Board performs periodic reviews of the compensation structure for the directors based on compensation to directors paid by other comparable companies. The Board also reviews the compensation of the Corporation's management on a periodic basis which factors in relevant comparable market information.

The Compensation and Corporate Governance Committee is responsible for:

- (a) reviewing and approving the corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining (or make recommendations to the Board with respect to) the CEO's compensation level based on this evaluation;
- (b) making recommendations to the Board with respect to non-CEO officer extraordinary bonuses, director compensation, incentive compensation plans and equity-based plans; and
- (c) reviewing executive compensation disclosure before the Corporation publicly discloses this information.

8. Other Board Committees

During fiscal 2018, the Corporation's Board had no committees other than the Compensation and Corporate Governance Committee, the Audit Committee and the Executive Committee.

The Executive Committee was established on May 12, 2015 by the Board to assist the management team with an effort to rapidly accelerate the Corporation's revenue growth. In order to accomplish this mandate, the Executive Committee independently and objectively addressed the following areas: (i) the organic sales, marketing and business development capabilities of the Corporation; (ii) expansion of the Corporation's technology and product strategies; and (iii) identification of strategic initiatives and alternatives, including but not limited to acquisitions, divestitures, joint ventures, strategic alliances and capital raising opportunities. In addition, the Executive Committee will also address operational matters related to these areas where necessary. In particular, this includes, at a minimum, an assessment of management and board compensation structure and optimal deployment of the resources of the Corporation. The Executive Committee was disbanded as of January 31, 2019. On February 1, 2019, the Board formed a Special Committee consisting of Daniel S. Marks (Chair), Howard "Skip" Speaks and George A. Duguay. The Special Committee's mandate is to accelerate strategic growth opportunities for the Corporation.

9. Assessments

The Board has adopted a Board review process which: (a) provides directors with an opportunity once each year to evaluate the Board's and each Committee's performance and to make suggestions for its improvement; (b) provides an opportunity for the Board to comment on the Chair's and the Lead Independent Director's leadership; and (c) provides an opportunity for the Lead Independent Director to evaluate each director's individual performance and to make suggestions for improvement. The review process relates directly to the description of the roles and responsibilities of the Board, each of its committees, the Chair and each individual director.

As part of the above assessment process of the Board, each director is required to perform an annual comprehensive questionnaire and assessment of the Board regarding its performance, effectiveness,

composition and other factors. This individual assessment is reported to the Chair of the Compensation and Corporate Governance Committee in a confidential manner who subsequently reports to the Board regarding any key findings and areas to be addressed, if identified.

The Board annually reviews and assesses the performance of the CEO. The Board performs an annual performance assessment of the Corporation's CEO which factors in the Corporation's performance relative to its plans and the impact of industry and general economic factors. This annual review and assessment is communicated by the Chair to the CEO accordingly.

10. Director Term Limits and Other Mechanisms of Board Renewal

The Corporation has not adopted term limits for directors of the Corporation because the Board believes the imposition of arbitrary term limits may result in an effective director of the Corporation being disqualified, and discounts the value of experience and continuity. The Compensation and Corporate Governance Committee, as noted in Item 9 above under the heading "Assessments", is responsible for assessing the effectiveness of the Board and board renewal is one of the factors the Compensation and Corporate Governance Committee utilizes in its evaluation.

11. Board and Senior Management Diversity

The Corporation has not adopted a written policy relating to the identification and nomination of women directors. The Board is committed to selecting highly qualified individuals to fulfill senior management roles and directorships on the Board. In doing so, the Board considers the qualities and experiences of candidates, including their educational background, business experience, expertise and integrity, in the selection and recruitment of its executive officers and directors. The Compensation and Corporate Governance Committee looks for the most qualified candidates based on the skill sets the Corporation possesses and its needs and it does not discriminate based on gender, age, ethnicity or cultural background. The Board has not adopted a target regarding women in senior management roles or as directors but does consider the level of representation of women when making such appointments having regard to the selection criteria noted above. While women have in the past occupied executive officer and Board positions within the Corporation, presently there are no women that are executive officers or on the Board. Tia Cassett is a management nominee for election as a director of the Meeting. In the event that Tia Cassett is elected to the Board at the Meeting, the Board will consist of six (6) male directors and one (1) female director.

APPENDIX A
OBLIGATIONS, DUTIES AND ROLES OF THE BOARD OF
INTRINSYC TECHNOLOGIES CORPORATION

A. OBLIGATIONS

1. The Board (the “**Board**”) shall assume the responsibility for the stewardship of the Corporation and shall:
 - (a) supervise the management of the business and affairs of the Corporation; and
 - (b) act in accordance with the Corporation’s obligations contained in the Canada Business Corporations Act (the “**CBCA**”), the Securities Act of each province and territory of Canada and the various related rules, policies and instruments, the Toronto Stock Exchange’s governance guidelines, other applicable laws and the Corporation’s Articles and By-Laws (collectively, “**Applicable Laws**”).
2. The Board may delegate any matter to a committee of directors in compliance with Applicable Laws.

B. BOARD MANDATE

Introduction

In meeting its obligations, the Board shall act as a whole or as permitted by Applicable Laws through a committee of the Board. The Board’s mandate falls into the following seven categories:

1. Selection of Management

The Board has the responsibility for:

- (a) appointing, monitoring and reviewing the performance of, approving the remuneration for, providing counsel and advice to and replacing the CEO;
- (b) approving the appointment of all executive officers, taking into account the advice of the CEO; and
- (c) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

2. Strategic Planning

The Board has the responsibility for:

- (a) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan that takes into account, among other things, the opportunities and risks of the Corporation’s business;
- (b) monitoring the Corporation’s progress towards its goals, and to revise and alter its direction in light of changing circumstances; and
- (c) taking action when the Corporation’s performance falls short of its goals or in other special circumstances (for example, mergers and acquisitions or changes in control).

3. Risk Identification

The Board has the responsibility for identifying principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage those risks.

4. Communications

The Board has the responsibility for:

- (a) ensuring that the financial results of the Corporation are reported fairly and in accordance with Applicable Laws;
- (b) ensuring the timely reporting of material information in compliance with Applicable Laws; and
- (c) adopting a communications policy to ensure that communications to the public regarding the Corporation are timely, factual, accurate and broadly disseminated in accordance with Applicable Laws.

5. Succession Planning

The Board has the responsibility for:

- (a) planning for the succession of senior management, including appointing, training and monitoring; and
- (b) planning for the succession of the directors.

6. Internal Controls

The Board has the responsibility for ensuring that internal control and information management systems are implemented and maintained.

7. Corporate Governance

The Board has the responsibility for:

- (a) developing the Corporation's approach to corporate governance, including reviewing and amending as appropriate the Governance Manual;
- (b) monitoring compliance with the corporate governance guidelines established in the Governance Manual; and
- (c) confirming that the Corporation operates at all times in compliance with Applicable Laws and in accordance with high ethical and moral standards established by the Board from time to time.

C. CONSTITUTION AND ROLE OF THE BOARD

1. Board Composition

- (a) Constitution of the Board

The Board shall be constituted with a majority of individuals who qualify as independent directors (as defined below).

If the Corporation has a significant shareholder, the Board shall include, at a minimum, a proportion of independent directors that fairly represents the investment in the Corporation by shareholders other than the significant shareholder. For these purposes, "significant shareholder" has the meaning set out for "significant security holder" in National Instrument 58-101.

(b) Board Membership

The Board is responsible for selecting nominees for appointment or election to the Board. On an annual basis in advance of the Corporation's making nominations for election of directors at the Corporation's annual shareholders meetings, the Board shall: (i) consider what competencies and skills the Board, as a whole, should possess; and (ii) assess what competencies and skills each existing director possesses. The Board delegates the nomination process to the Compensation and Corporate Governance Committee with the input from the Lead Independent Director (if any) and the CEO but the Board reserves for itself the responsibility for selecting the final nominees.

(c) Board Size

Under Applicable Laws, the Board shall consist of not less than three directors and the number of directors may be fixed or changed from time to time by the Corporation's shareholders by an ordinary resolution. The Board will annually consider its size and will increase or decrease the number of directors to facilitate more effective leadership and decision-making. The Board delegates such annual consideration to the Compensation and Corporate Governance Committee but the Board reserves for itself the responsibility for recommending to shareholders the size of the Board.

(d) Independent Directors

A director is considered "independent" for the purposes of its Governance Manual if such director meets the meaning of independence set forth under paragraph (A) under the heading "Audit Committee Independent Directors".

Under Applicable Laws, an "inside" director is a director who is an officer or employee of the Corporation or of any of its affiliates. The Corporation's only inside directors shall be the CEO and the President. An "outside" director is a director who is not a member of management. Under Applicable Laws, an "unrelated" director is a director who is independent of management and is free from any business or other relationship, other than interests and relationships arising from shareholding, which could, or could be perceived to, materially interfere with the director's ability to act in the Corporation's best interest.

If a shareholder is in a position to control or influence control of the Corporation, that person is a "significant" shareholder. For purposes of assessing "relatedness", a director who is a significant shareholder, or is a director with interests in or relationships with the significant shareholder is not considered a related director under Applicable Laws.

(e) Audit Committee Independent Directors

Under Applicable Laws, a director shall be considered independent for the purposes of the Audit Committee if he or she meets the following requirements:

(A) Meaning of Independence

- (1) An Audit Committee member is independent if he or she has no direct or indirect material relationship with the Corporation.

- (2) For the purposes of subsection (1), a “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with the Corporation:
- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Corporation;
 - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Corporation;
 - (c) an individual who:
 - (i) is a partner of a firm that is the Corporation’s internal or external auditor,
 - (ii) is an employee of that firm, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation’s audit within that time;
 - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the Corporation’s internal or external auditor,
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation’s audit within that time;
 - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Corporation’s current executive officers serves or served at that same time on the entity’s compensation committee; and
 - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Corporation received, more than \$75,000 in direct compensation from the Corporation during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the Corporation solely because:
- (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
 - (b) he or she had a

relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.

- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
 - (a) remuneration for acting as a member of the board of directors or of any board committee of the Corporation, and
 - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Corporation if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the Corporation solely because the individual or his or her immediate family member:
 - (a) has previously acted as an interim chief executive officer of the Corporation, or
 - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the Corporation on a part-time basis.
- (8) For the purpose of section (A), the Corporation includes a subsidiary entity of the Corporation and a parent of the Corporation.

(B) Additional Independence Requirements

- (1) Despite any determination made under section (A), an individual who:
 - (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
 - (b) is an affiliated entity of the issuer or any of its subsidiary entities,is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by:

- (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
 - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

"Prescribed period" means the period prescribed by law and currently under the Multilateral Instrument 52-110 – Audit Committees it is the shorter of: (i) the period commencing on March 30, 2004 and ending immediately prior to the determination of independence; and (ii) the three year period ending immediately prior to the determination of independence.

2. Resignation or Withdrawal - Directors Who Change their Employment Responsibility

Any director who changes the responsibility he or she held when elected or appointed to the Board should offer to resign from the Board. This will provide an opportunity for the Board to review and consider the continued appropriateness of that person's Board membership under the changed circumstances. In carrying out this function, the Board shall consider the advice and input of the Compensation and Corporate Governance Committee.

3. Relationship with Management

The Board functions independently of management. The role of the Chair is to effectively provide leadership to the Board while the role of the CEO is to provide the day-to-day leadership and management of the Corporation. The role of the Lead Independent Director is to oversee and ensure the independence, and separation from management, of the Board.

4. Strategic Plan

As noted in the Board's mandate, the Board is ultimately responsible for adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business. However, the initiative for developing and modifying the strategic plan and strategies to achieve these goals and objectives must come from the CEO and management. The Board may assist in the development of the strategies, act as a resource and contribute ideas but the CEO and management will lead this process.

5. Performance Evaluation

(a) CEO Evaluation

One of the most important aspects of effective governance is the relationship between the CEO and the Board. It is crucial that the Board is fully informed and that the CEO has a forum for drawing on the wisdom and experience that exists within the Board. While it is expected that full and frank dialogue will exist between the CEO and the Board, a CEO review process occurs at least once a year to ensure that this communication takes place.

This allows for a full and healthy dialogue between the Board and the CEO regarding corporate and individual performance.

(b) Board, Committees and Individual Directors Evaluation

The Board is committed to evaluating its own performance and the performance of its Committees and individual directors on an annual basis. The review process is also an opportunity to provide input to each of the Chair of the Board, the Lead Independent Director (if any) and the Chair of each Committee on his or her performance.

6. Meetings

(a) Number of Meetings

The Board will meet on a scheduled basis four times per year and more frequently if required.

(b) Agenda

The Chair, with the assistance of the Lead Independent Director (if any) and the CEO, will be responsible for establishing the agenda for Board meetings. The Chair shall solicit from the members of the Board recommendations as to matters to be brought before the Board and shall ensure that such matters receive a fair hearing. A significant portion of each regularly scheduled Board meeting will be spent examining future plans and strategies and for this purpose, "future plans and strategies" is intended to be broader than strategic planning and includes without limitation future financial performance, future business operations and corporate development opportunities.

(c) Guests at Board Meetings

Guests may be invited by the Board and CEO to make presentations to the Board. Should the CEO wish to invite other people as attendees on a regular basis, the CEO should first seek the concurrence of the Board.

(d) Access to Senior Management

The Board encourages the CEO to bring into Board meetings employees who can provide additional insight into the items being discussed and/or who have potential in terms of management succession and should be given exposure to the Board.

(e) Board Information - Regularly Scheduled Meetings

Not less than five business days prior to each regularly scheduled Board meeting, the Board receives the following information from the Chair and management: (i) an Agenda; (ii) a memo from the CEO outlining major accomplishments and issues; (iii) a summary of each agenda item that requires a thorough debate of various courses of action and concluding with management's recommendations and summary of the risks, provided that if any matter is too sensitive to put on paper, the matter and any presentations with respect thereto will be discussed at the meeting.

(f) Board Information - Non-Regularly Scheduled Meetings

Not less than two days prior to each non-regularly scheduled Board meeting, the Board shall receive from the Chair and management the following: (i) an Agenda; (ii) a summary of each agenda item that requires a thorough debate of various courses of action and concluding with management's recommendations and summary of the risks, provided that if any matter is too sensitive to put on paper, the matter and any presentations with respect

thereto will be discussed at the meeting. Notwithstanding the foregoing, the Board understands that in extraordinary circumstances the required delivery may be impractical, in which case the directors shall receive such materials sufficiently in advance of the meeting to enable the directors to fully and properly consider such materials.

7. Board Committees

The Board shall adopt for each Board committee a written charter that clearly establishes the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees) and manner of reporting to the Board.

Subject to Applicable Laws and any resolution of the Board, a committee may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. Where neither the Board nor the committee has determined the rules or procedures to be followed by the committee, the rules and procedures set out in Sections 4 and 5.02 of the Corporation's By-Law No. 1, shall apply with necessary modifications.

The following shall apply to each Board committee:

(a) Committee Membership

Committee members are appointed by the Board on the recommendation of the Compensation and Corporate Governance Committee in consultation with the Chair and the Lead Independent Director (if any) and with consideration of the desires of individual Board members.

Consideration will be given to rotating committee members periodically.

Committee Chairmen are selected by the Board on the recommendation of the Compensation and Corporate Governance Committee.

(b) Meeting Attendance

A director who is not a member of a committee may attend meetings of such committee with the consent of the Chair of the committee. A director who is not a member of a committee may not vote and may not be counted for the purposes of the quorum.

(c) Committee Meetings and Agendas

The committee Chair, after consultation with committee members to the extent practicable, will determine the location, frequency and length of the meetings of the committee, provided that the Audit Committee shall meet at least four times per year. All other committees shall meet at least annually. The Chair of the committee, in consultation with the CEO or the appropriate senior manager, will develop the committee's agenda.

(d) Committee Responsibilities

Committees shall analyze, consistent with their Charter, strategies and policies that are developed by management. Committees may make recommendations to the Board but, unless specifically mandated to do so, do not take action or make decisions on behalf of the Board.

A committee may, from time to time, request assistance of external advisors who the committee requires to research, investigate and report on matters within a committee's term of reference.

(e) Reporting

Each committee has a duty to report to the Board all matters that it considers to be important for Board consideration. All committee's minutes should be attached to the Board minutes and forwarded to each member of the Board by the Secretary in a timely manner.

8. Director Compensation

The Board shall establish the compensation of directors, after taking into account the recommendation of the Compensation and Corporate Governance Committee. The compensation should be generally in line with that paid by public companies of a similar size and type.

The Board encourages Board members to own shares in the belief that share ownership facilitates the directors' identification with the interests of the shareholders.

The Corporation shall maintain directors' and officers' liability insurance.

9. Corporate Standards of Conduct

The Board has the responsibility for ensuring that standards of conduct are established and monitored for compliance.

10. Access to Outside Advisors

Individual directors or a group of directors may engage an outside advisor at the expense of the Corporation in appropriate circumstances. The engagement of the outside advisor should be coordinated through the Chair or the Lead Independent Director (if any) and be subject to Board approval.

11. Meetings of Independent Directors

The independent directors shall hold regularly scheduled meetings at least four times per year at which members of management and non-independent directors are not in attendance. In lieu of such meetings, the independent directors may meet during a portion of regularly scheduled Board meetings, provided that time is specifically scheduled and devoted to meeting without members of management.

12. Orientation and Continuing Education of Directors

The Board shall develop and provide an orientation and education program for new directors and shall provide continuing education opportunities for all directors. The Board delegates the orientation and continuing education process to the Compensation and Corporate Governance Committee.

SCHEDULE "B"
AMENDED AND RESTATED INCENTIVE STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

This Amended and Restated Incentive Stock Option Plan has been established by the Company for directors, officers and Service Providers (as defined below) of the Company and its subsidiaries (collectively, the "**Eligible Persons**"). The purpose of this Plan is to provide long term incentives to attract, motivate and retain directors and key employees of the Company and its affiliates who, in the judgement of the Board, will be largely responsible for its future growth and success.

2. DEFINITIONS

In this Plan, the following terms have the following meanings:

2.1 "Applicable Laws" means the legal requirements relating to stock option plans, if any, pursuant to the Securities Acts and the regulations thereunder of each of the provinces of Canada, U.S. state corporate laws, U.S. federal and state and securities laws, the Code and the rules of any applicable Exchanges.

2.2 "Associate" means an associate as defined in the Securities Act.

2.3 "Board" means the Board of Directors of the Company.

2.4 "Business Day" means any day other than a Saturday, Sunday or a statutory holiday observed in the Province of British Columbia.

2.5 "Change of Control" means:

(a) any Person, or combination of Persons acting jointly or in concert, acquiring or becoming the beneficial owner of, directly or indirectly, more than 50% of the voting securities of the Company, whether through the acquisition of previously issued and outstanding voting securities of the Company or of voting securities of the Company that have not been previously issued, or any combination thereof or any other transaction having a similar effect; and

(b) amalgamation, merger or arrangement of the Company with or into another entity where the holders of Shares immediately prior to the transaction will hold less than 51% of the voting securities of the resulting entity upon completion of the transaction.

2.6 "Code" means the United States Internal Revenue Code of 1986, as amended.

2.7 "Company" means Intrinsic Technologies Corporation, its successors and assigns, and any reference in the Plan to action by the Company means action by or under the authority of the Board or any person or committee that has been designated for the purpose by the Company including, without limitation, the Human Resources/ Compensation Committee.

2.8 "Disability" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:

- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
 - (b) acting as a director or officer of the Company or its subsidiaries.
- 2.9 "Exchanges" means The Toronto Stock Exchange and any other stock exchange on which the Shares are listed.
- 2.10 "Expiry Date" means the date set by the Board under subsection 4.1 of the Plan, as the last date on which an Option may be exercised subject to section 5.1.
- 2.11 "Grant Date" means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.12 "Human Resources/Compensation Committee" means the committee, as constituted from time to time, which may be appointed by the Board to, among other things, interpret, administer and implement the Plan, and includes any successor committee appointed by the Board for such purposes.
- 2.13 "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of section 422 of the Code, as designated in the applicable Option Agreement.
- 2.14 "Insider" means an insider as defined in the Securities Act, as amended from time to time.
- 2.15 "Joint Actor" means a person acting jointly or in concert with an offeror, as such term is defined in the Securities Act.
- 2.16 "Market Price" means, as of any date, the value of the Shares, determined as follows:
 - (a) if the Shares are listed on the TSX Venture Exchange, the Market Price shall be the closing sales price for the Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the market trading day immediately prior to the date of determination less any discount permitted by the Canadian Venture Exchange;
 - (b) if the Shares are listed on The Toronto Stock Exchange, the Market Price shall be the closing price per Share on The Toronto Stock Exchange for the last market trading day prior to the time of determination or, for the last market trading day the Shares were traded prior to the date of determination;
 - (c) if the Shares are listed on an exchange other than the Canadian Venture Exchange or The Toronto Stock Exchange, the Market Price shall be the closing sales price of the Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the last market trading day prior to the time of determination; and
 - (d) if the Shares are not listed on an exchange, the Market Price shall be determined in good faith by the Board.
- 2.17 "Non-Qualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option, as designated in the applicable Option Agreement.

- 2.18 "Option" means an option to purchase Shares granted pursuant to this Plan.
- 2.19 "Option Agreement" means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option, or an agreement, in the form attached hereto as Schedule "B", whereby the Company grants to a U.S. Optionee an Option, as the case may be.
- 2.20 "Optionee" means each of the directors, officers and Service Providers granted an Option pursuant to this Plan and their heirs, executors and administrators and, subject to the policies of the Exchange, an Optionee may also be a corporation wholly owned by an individual eligible for an Option grant pursuant to this Plan.
- 2.21 "Option Price" means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 6.
- 2.22 "Option Shares" means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.23 "Person" has the meaning ascribed thereto in the Securities Act, as amended from time to time.
- 2.24 "Plan" means this Amended and Restated Incentive Stock Option Plan.
- 2.25 "Shares" means the common shares in the capital of the Company as constituted on the date of this agreement provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.26 "Securities Act" means the *Securities Act, R.S.B.C., c.418*, as amended.
- 2.27 "Service Provider" means:
- (a) an employee or Insider of the Company or any of its subsidiaries;
 - (b) any other person or company engaged to provide ongoing management or consulting services for the Company or for any entity controlled by the Company; and
 - (c) any person who is providing ongoing management or consulting services to the Company or to any entity controlled by the Company indirectly through a company that is a Service Provider under subsection 2.27(b).
- 2.28 "Share Bonus Plan" means the Share Bonus Plan established pursuant to Part 7 hereof
- 2.29 "Stock Option Plan" means the Stock Option Plan established pursuant to Part 4 hereof.
- 2.30 "U.S. Optionee" means an Optionee who is a United States citizen or resident within the meaning of the Code.
- 2.31 "U.S. Subsidiary" means a subsidiary of the Company within the meaning of section 424(f) of the Code or any successor provision.

2.32 "Unissued Option Shares" means the number of Shares, at a particular time, which have been allotted for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 6, such adjustments to be cumulative.

2.33 "Unvested Option" means an Option that has not become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

2.34 "Vested Option" means an Option that has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. **ADMINISTRATION OF THE PLAN**

3.1 The Plan shall be administered by the Board, or if the Board constitutes a Human Resources/Compensation Committee, by the Human Resources/Compensation Committee.

3.2 The Board, or if the Board constitutes a Human Resources/Compensation Committee, such committee of the Board, shall have the power, where consistent with the general purposes and intent of the Plan and subject to the specific provisions of the Plan and the policies of the Exchange from time to time in effect:

- (a) to establish policies and procedures for carrying out the purposes, provisions and administration of the Plan;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Option granted pursuant to the Plan, and any such interpretation, construction or termination made by the Board shall be final, binding and conclusive for all purposes;
- (c) to determine which eligible Persons are granted Options and to grant Options;
- (d) to determine the number of Shares covered by each Option;
- (e) to determine the Option Price;
- (f) to determine the time or times when Options will be granted, vest and be exercisable;
- (g) to determine if the Shares that are subject to an option will be subject to any restrictions upon the exercise of such Option; and
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of options.

3.3 A director of the Company to whom an Option may be granted shall not participate in the decision of the Board to grant such Option.

4. STOCK OPTION PLAN

4.1 Option Terms

The Board may from time to time authorize the issue of Options to directors, officers and Service Providers of the Company and its subsidiaries. The Option Price under each Option shall be not less than the Market Price. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option; provided, however, that if at any time the Expiry Date of an Option should be determined to occur either during a period in which the trading of Shares by the Optionee is restricted under the insider trading policy or other policy of the Company or within ten business days following such a period, such Expiry Date shall be deemed to be the date which is the tenth business day following the date of such expiry of such restriction. Subject to the forgoing, the Expiry Date shall not be more than 10 years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

4.2 Limits on Shares Issuable on Exercise of Options

Subject to adjustment as provided below and in Section 6, the maximum number of Shares which may be issued pursuant to the Plan shall be the lower of (a) a rolling number equal to 10% less one Share of the total issued and outstanding Shares from time to time and (b) 3,750,000 Shares. For purposes of the foregoing, any Shares issued upon exercise of Options shall not reduce the percentage of Shares which may be issuable pursuant to Options granted under the Plan. If any Option is terminated, cancelled or has expired without being fully exercised, any un-issued Shares which have been reserved to be issued upon the exercise of the Options shall become available to be issued upon the exercise of Options subsequently granted under the Plan.

In addition, the maximum number of Shares which may be issuable pursuant to the Stock Option Plan and the Share Bonus Plan together with all of the Company's established or proposed share compensation arrangements other than those share compensation arrangements which do not require shareholder approval and the Company's Restricted Share Unit Plan dated May 16, 2017 (collectively, the "**Incentive Plans**") shall not exceed a rolling number equal to 10% less one Share of the total issued and outstanding Shares from time to time, or such additional amount as may be approved from time to time by the shareholders of the Company.

Notwithstanding the foregoing, the following additional limitations apply:

- (a) the number of Shares issuable to any one Optionee under the Incentive Plans shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis;
- (b) the number of Shares which may be issuable under the Incentive Plans within a one year period to any one Optionee who is an Insider and any Associate of such Insider, shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis;
- (c) the number of Shares reserved for issuance to Insiders at any time, and the number of Shares issued to all Insiders within any one year period under the Incentive Plans, shall not exceed 10% less one Share of the total number of issued and outstanding Shares on a non-diluted basis; and
- (d) the number of Shares reserved for issuance to non-employee directors under the Plan at any time shall not exceed 1% of the total number of issued and outstanding Shares on a non-diluted basis, and the aggregate value of any

grant under this Plan to any one non-employee director in any calendar year shall not exceed \$100,000.

4.3 Option Agreement

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

5. **EXERCISE OF OPTION**

5.1 When Options May be Exercised

Subject to subsections 5.3 and 5.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 5:00 p.m. Vancouver time on the Expiry Date and shall not be exercisable thereafter; provided, however, that if at any time the Expiry Date should be determined to occur either during a period in which the trading of Shares by the Optionee is restricted under the insider trading policy or other policy of the Company or within 10 business days following such a period, such date shall be deemed to be the date that is the 10th business day following the date of expiry of such restriction.

5.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

5.3 Vesting Option Shares

The Board or the Human Resources/Compensation Committee may determine, in its sole discretion, the vesting schedule applicable to each Option, which vesting schedule will be set out in the Option Agreement. The Board or the Human Resources/Compensation Committee may, in its sole discretion, and in certain circumstances, amend, abridge, or otherwise eliminate any vesting schedule as it applies to any Option issued to directors, officers or Service Providers pursuant to the Plan, so that any such Option, whether Vested or Unvested, may have an amended vesting schedule or may immediately vest and become exercisable.

5.4 Termination of Employment

If an Optionee ceases to be a director, officer or Service Provider of the Company or one of the Company's subsidiaries, his or her Option shall be exercisable as follows:

(a) Death, Disability or Retirement

If the Optionee ceases to be a director, officer or Service Provider of the Company or subsidiary of the Company, due to his or her death, Disability or retirement in

accordance with the Company's retirement policy in force from time to time, or, in the case of an Optionee that is a company, the death, Disability or retirement of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death, Disability or retirement; and
- (ii) the Expiry Date.

(b) Termination for Cause

If the Optionee, or in the case of an Option granted to an Optionee who falls under the definition of Service Provider set out in subsection 2.27(c), the Optionee's employer, ceases to be a director, officer or Service Provider of the Company or a subsidiary of the Company as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of the Optionee who satisfies the definition of Service Provider set out in subsection 2.27(c) of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee, or in the case of an Option granted to an Optionee who falls under the definition of Service Provider set out in subsection 2.27, the Optionee's employer, ceases to be a director, officer or Service Provider of the Company or a subsidiary of the Company due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee as of the date of such retirement or resignation or date that the Optionee is notified or becomes aware of such termination shall be exercisable to acquire Vested Unissued Option Shares at any time prior to the earlier of the Expiry Date and the date which is 30 days from the date on which the Optionee or, in the case of an Option granted to an Optionee who falls under the definition of Service Provider set out in subsection 2.27, the Optionee's employer, ceases to be a director, officer or Service Provider of the Company or subsidiary of the Company; provided, however, if the end of such 30 day period occurs either during a period in which the trading of Shares by the Optionee is restricted under the insider trading policy or other policy of the Company or within 10 business days following such a period, the date determined under this subsection 5.4(c)(ii) shall be the date which is the 10th business day following the date of the expiry of such restriction.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this subsection 5.4 occurred, shall not be or become exercisable in respect to such Unissued Option Shares and shall be cancelled.

5.5 Effect of a Take Over Bid

If a *bona fide* offer (the "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer. The Board, or if applicable, the Human Resources/Compensation Committee will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule so that Option Shares subject to such Option will become Vested whereupon the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above the Option Shares that are not taken up and paid for, shall be returned by the Optionee to the Company and reinstated as authorized but Unissued and, if applicable, Unvested Option Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised on the terms for such Option Shares becoming Vested shall be reinstated pursuant to subsection 5.3. If any Option Shares are returned to the Company under this subsection 5.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

5.6 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan Vested and accelerate the Expiry Date for the exercise of all unexercised Options granted under the Plan so that all Options will either be exercised or expire prior to the date upon which Shares must be tendered pursuant to the Offer.

5.7 Effect of a Change of Control

If a Change of Control occurs, the Board, or if applicable, the Human Resources/Compensation Committee will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule so that Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee.

5.8 Exclusion From Severance Allowance Retirement Allowance or Termination Settlement

If the Optionee, or in the case of an Option granted to an Optionee who falls under the definition of Service Provider set out in subsection 2.27(c), the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested

at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor from any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

5.9 Financial Assistance

Subject to the provisions of the *Canada Business Corporations Act* and, if required, subject to prior acceptance of the Exchanges, the Board may at any time or from time to time authorize the Company to provide financial assistance to an Optionee, on such terms and conditions as the Board may determine, to assist such Optionee in exercising his or her Options. Any financial assistance so provided will be repayable with full recourse.

5.10 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

6. **ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

6.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a “**Shares Reorganization**”) then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of
 - (i) the Option Price in effect immediately before that effective date or record; and
 - (ii) a fraction the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

6.2 Special Distribution

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of the Shares:

- (a) shares of the Company, other than the Shares;

- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the board of directors of the Company has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non excluded events being herein called a “**Special Distribution**”), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Shares as a result of such Special Distribution.

6.3 Corporate Reorganization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in subsections 6.1 or 6.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other share or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a “**Corporate Reorganization**”) the Optionee will have an option to purchase (at the times, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

6.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Shares Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Professional Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

6.5 Regulatory Approval

Any adjustment to the Option Price or the number of unissued Option Shares purchasable under the Plan pursuant to the operation of any one of subsections 6.1, 6.2 or 6.3 is subject to the approval of the Exchanges and any other governmental authority having jurisdiction.

7. **SHARE BONUS PLAN**

7.1 Participants

The Board shall have the right, subject to subsection 7.2, to issue or reserve for issuance, for no cash consideration, to any senior officer or employee of the Company or an affiliate of the Company or to an issuer, all of the voting securities of which are held by a director, senior officer or employee of the Company or an affiliate of the Company, any number of Shares as a discretionary bonus subject to such provisos and restrictions as the Board may determine. The price at which such Shares are issued shall be equal to (i) the Market Price or (ii) the Market Price less the applicable discount under the private placement rules of the Exchange, provided that if a discount is applied the Shares issued shall be subject to a 12 or 14 month hold period, whichever is applicable, as if the transaction had been structured as a private placement.

7.2 Number of Shares

Shares reserved for issuance and issued under the Share Bonus Plan shall be subject to the limitations set out in subsection 4.2. In addition to those limitations, (a) the number of Shares issuable under the Share Bonus Plan to any one Optionee that is employed by the Company in an investor relations capacity shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis, and (b) Shares may not be issued to non-employee directors under the Share Bonus Plan. The aggregate maximum number of Shares issued under the Share Bonus Plan in each calendar quarter shall not exceed the lesser of 18,750 and such number of Shares as has an aggregate value of not more than \$50,000 based on the Market Price as at the end of that quarter provided that the aggregate maximum number of Shares issued under the Share Bonus Plan shall not exceed 31,250 Shares.

7.3 Necessary Approvals

The obligation of the Company to issue and deliver any Shares pursuant to an award made under the Share Bonus Plan will be subject to all necessary approvals of any securities regulatory authority having jurisdiction over the Shares.

8. **AMENDMENT AND TERMINATION OF THE PLAN**

8.1 The Board shall have the power to, at any time and from time to time and without shareholder approval, either prospectively or retrospectively, amend, suspend or terminate the Plan or any Option granted under the Plan, including, without limiting the generality of the foregoing, changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in the Plan, changes regarding the right to exercise Options after termination in accordance with Section 5.4 and changes regarding the vesting of Options; provided however that:

- (a) such amendment, suspension or termination is in accordance with Applicable Laws;
- (b) no such amendment, suspension or termination shall be made at any time to the extent such action would materially adversely affect the existing rights of an Optionee with respect to any then outstanding Option, as determined by the Board, without his or her consent in writing;
- (c) the Board shall obtain shareholder approval of:
 - (i) any amendment to the maximum number of Shares specified in subsection 4.2 in respect of which Options may be granted under the Plan (other than pursuant to section 6);
 - (ii) any amendment that would reduce the exercise price of an outstanding Option (other than pursuant to section 6);
 - (iii) any amendment that would extend the term of any Option granted under the Plan beyond the Expiry Date;
 - (iv) any cancellation and re-issue of Options;
 - (v) any amendments to eligible participants that may permit the introduction or re-introduction of non-employee directors on a discretionary basis or amendments that increase limits previously imposed on non-employee director participation;
 - (vi) any amendment which would permit Options granted under the Plan to be transferable or assignable other than for normal estate settlement purposes; and
 - (vii) any amendment to this Section 8.1.

8.2 If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board shall remain able to make such amendments to the Plan or the Options as they would have been entitled to make if the Plan were still in effect.

9. **ADDITIONAL PROVISIONS CONCERNING U.S. OPTIONEES**

9.1 Options granted to a U.S. Optionee will generally be Incentive Stock Options, provided however, that the Board may, at its discretion, at the time of the grant of the Options, make a determination as to whether the Options will be deemed Incentive Stock Options or Non-Qualified Stock Options.

9.2 Options granted to an Optionee who is a United States citizen or resident within the meaning of the Code and who is not an employee of the Company or a U.S. Subsidiary will not be Incentive Stock Options. Any Option Agreement with such an Optionee for a grant of Options under the Plan will state that the Options granted thereunder are Non-Qualified Stock Options for U.S. income tax purposes.

9.3 In addition to the terms and conditions of Options granted under the Plan referred to in the preceding sections, Options granted to a U.S. Optionee that are granted by the Board as Incentive Stock Options will be subject to the following terms and conditions:

- (a) Options will be designated in the written Option Agreement, attached hereto as Schedule "B", between the Company and the U.S. Optionee as either Incentive Stock Options or Non-Qualified Stock Options;
- (b) If the U.S. Optionee is directly or indirectly the beneficial owner of more than 10% of the combined voting power of all classes of shares in the capital of the Company or a Subsidiary at the time an Option is granted to the U.S. Optionee, the exercise price of such Option will be equal to at least 110% of the Market Price of the shares, as defined in section 2, and the term of the Option shall be five years from the date of grant thereof or such shorter term as may be provided in the Option Agreement;
- (c) Options may not be transferred, assigned or pledged in any manner other than by will or applicable laws of descent and distribution and shall be exercisable during the Optionee's lifetime only by the Optionee;
- (d) No Options may be granted after the date immediately preceding the tenth anniversary of the earlier of the date this Plan was adopted or was approved by the Company's shareholders, except that if an amendment and restatement of this Plan has subsequently been approved by the Company's shareholders, no Options may be granted after the date immediately preceding the tenth anniversary of the date of such subsequent approval; and
- (e) notwithstanding any other provision of this Plan, such Option by its terms must not be exercisable after the expiry of 10 years from the date the Option is granted.

9.4 If a U.S. Optionee is granted Options under the Plan, the Option Agreement with the U.S. Employee will contain acknowledgements by the U.S. Employee that:

- (a) notwithstanding a designation of Options granted to a U.S. Optionee as Incentive Stock Options, to the extent that the aggregate fair market value, determined as of the date such Options were granted, of the Shares issuable on exercise of Options which are exercisable for the first time by any U.S. Optionee during any calendar year exceeds U.S. \$100,000, such excess Options shall not be treated as Incentive Stock Options; and
- (b) in order for Options granted under the Plan to be treated as Incentive Stock Options:
 - (i) Shares purchased on the exercise of an Option must not be sold or otherwise disposed of within 2 years from the date the Option was granted, or within 1 year from the date the Option was exercised;
 - (ii) if a U.S. Optionee's employment with the Company terminates for any reason other than total disability or death as provided in (iii) or (iv), the U.S. Optionee must maintain his status as an employee of the Company or Subsidiary at all times during the period beginning on the date the Option is granted and ending 3 months before the date an Option is exercised;

- (iii) if a U.S. Optionee's employment with the Company terminates because of "total disability," his or her Option must be exercised before the date 12 months after the date of termination. The term "total disability" means a medically determinable mental or physical impairment that is expected to result in death or has lasted or is expected to last for a continuous period of 12 months or more and that, in the opinion of the Company and two independent physicians, causes the Optionee to be unable to perform his or her duties as an employee, director, officer or consultant of the Employer and unable to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after two independent physicians have furnished their written opinion of total disability to the Company and the Company has reached an opinion of total disability; and
- (iv) if a U.S. Optionee dies while employed with the Company, his or her Option must be exercised within one year after the date of death.
- (c) The acknowledgement of the U.S. Optionee in (b)(ii) above does not confer upon the U.S. Optionee any right with respect to continuation of his employment relationship with the Company, nor will it interfere in any way with the Company's right to terminate his employment relationship at any time, with or without cause.

9.5 Unless and until Shares issuable upon the exercise of Options are registered under the United States Securities Act of 1933, Shares issued under this Plan to an Optionee who is a resident of the United States of America will contain the following legend, as amended or supplemented by applicable laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED OR ASSIGNED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT, IF AVAILABLE, OR (C) INSIDE THE UNITED STATES (1) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (2) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (C)(2) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING, REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT.

9.6 Unless otherwise determined by the Board, if a U.S. Employee of the Company or any parent or subsidiary of the Company is a non-exempt employee subject to the overtime compensation provisions of Section 7 of the United States Fair Labor Standards Act (the "FLSA"), any option granted to that employee shall be subject to the following restrictions: (i) the option price shall be at least 85 percent of the Market Price of the Common Stock subject to the option on the date it is granted; and (ii) the option shall not be exercisable until at least six months after the date it is granted; provided, however, that this six month restriction on exercisability will cease to apply if the employee dies, becomes disabled or retires, there is a change in ownership of the

Company, or in other circumstances permitted by regulation, all as prescribed in Section 7(e)(8)(B) of the FLSA.

9.7 Notwithstanding this section 9, the Company does not assume responsibility for the income or other tax consequences for Optionees or U.S. Optionees under the Plan and they are advised to consult their own tax advisors.

10. **MISCELLANEOUS**

10.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

10.2 Necessary Approval

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by the Optionee to the Company shall be immediately refunded to the Optionee by the Company.

10.3 Administration of the Plan

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in subsection 6.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

10.4 Income Taxes

As a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan. If additional withholding is or becomes required (as a result of exercise of an option or as a result of disposition of shares acquired pursuant to exercise of an option) beyond any amount deposited before delivery of the certificates, the Optionee shall pay such amount, in cash or by check, to the Company on demand. If the Optionee fails to pay the amount demanded, the Company or the Employer may withhold that amount from other amounts payable to the Optionee, including salary, subject to applicable law.

10.5 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the Secretary of the Company.

10.6 No representation or Warranty

The Company makes nor representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

10.7 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

10.8 No Assignment

No Optionee may assign any of his or her rights under the Plan.

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Approved on April 4, 1997, amended on December 31, 1997, March 30, 1998, December 6, 2000, April 5, 2001, December 6, 2001, December 4, 2002, December 5, 2002, December 13, 2006, December 13, 2007, June 28, 2010, June 26, 2013, May 18, 2016, May 16, 2017 and May 14, 2019.