



Dealnet Capital

NOTICE OF ANNUAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

Dated August 25, 2016

Annual Meeting

to be held on October 13, 2016

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON OCTOBER 13, 2016**

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares of Dealnet Capital Corp. ("**Dealnet**" or the "**Corporation**") will be held at the offices of Gardiner Roberts LLP, Adelaide Centre, East Tower, 22 Adelaide Street West, Suite 3600, Toronto ON M5H 4E3 on October 13, 2016 at 8:00am (Toronto time), for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the year ended December 31, 2015, together with the report of the auditors thereon and related management's discussion and analysis;
2. to elect directors of the Corporation;
3. to re-appoint auditors and to authorize the directors to fix the auditors' remuneration;
4. to approve, with or without modification, the ordinary resolution approving the 10% rolling stock option plan of the Corporation for the ensuing year;
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Information Circular under the section "*Matters to be Acted Upon*" and at: www.dealnetcapital.com/2016AGM

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is August 24, 2016 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date are entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

Notice-and-Access

The Corporation is using the notice-and-access mechanism (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial Shareholders.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as the Information Circular and annual financial statements, ("**Proxy-Related Materials**") online, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Information Circular, financial statements of the Corporation for the year ended December 31, 2015 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for 2015 ("**MD&A**") may be found on the Corporation's SEDAR profile at www.sedar.com and also on the Corporation's website at www.dealnetcapital.com/2016AGM. The Corporation will not use procedures known as "stratification" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Information Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Information Circular nor the Financial Statements.

Obtaining Paper Copies of Materials

The Corporation anticipates that using the Notice-and-Access Provisions for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing Proxy-Related Materials. Shareholders with questions about notice-and-access can call the Corporation's transfer agent, Capital Transfer Agency ("**Capital**") at 121 Richmond St. West, Suite 401, Toronto, Ontario M5H 2K1, toll-free at 1-844-499-4482. Shareholders may also obtain paper copies of the Proxy Related Materials free of charge by contacting Capital toll-free at 1-844-499-4482 or upon request to the Corporation's Corporate Secretary.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital as applicable, by September 23, 2016 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries before October 11, 2016, at 8:00 a.m. local time, being the date that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

Voting

All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy.

FORM OF PROXY FOR REGISTERED SHAREHOLDERS

Completed proxies for Registered Shareholders must be returned to Capital, the Corporation's transfer agent: (i) by mail to Capital Transfer Agency at 121 Richmond St. West, Suite 401, Toronto, Ontario M5H 2K1; (ii) by facsimile at 416-350-5008; (iii) by email to info@capitaltransferagency.com; or (iv) by internet at www.capitaltransferagency.com, by 8:00 am (Eastern time) October 11, 2016 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) before the time any adjourned Meeting is reconvened or any postponed Meeting is convened (the "**Proxy Deadline**").

VOTING INSTRUCTION FORMS FOR NON-REGISTERED SHAREHOLDERS

Non-Registered Shareholders, who have not waived the right to receive the Proxy-Related Materials will either: (i) receive a voting instruction form; or (ii) be given a proxy, which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed.

Non-Registered Shareholders should carefully follow the instructions that accompany the voting instruction form or the proxy, including those indicating when and where the voting instruction form or the proxy is to be delivered. Voting instructions must be deposited by the Proxy Deadline; however, your voting instruction form may provide for an earlier date to process your votes in a timely manner. Voting instruction forms permit the completion of the voting instruction form online or by telephone. A Non-Registered Shareholder wishing to attend and vote at the Meeting in person should follow the corresponding instructions on the voting instruction form or, in the case of a proxy, strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's name in the space provided.

DATED this 25th day of August, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Michael Hilmer*"

Michael Hilmer, Chief Executive Officer and Director



MANAGEMENT INFORMATION CIRCULAR

as at August 25, 2016

Dealnet Capital Corp. (the "**Corporation**") is using the notice-and-access mechanism (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") for distribution of this Management Information Circular (this "**Information Circular**") to both registered and non-registered (or beneficial) holders (collectively, the "**Shareholders**") of common shares of the Corporation (the "**Common Shares**"). Further information on the Notice-and-Access Provisions is contained below under the heading "*General Proxy Information – Notice-and-Access*" and Shareholders are encouraged to read this information for an explanation of their rights.

GENERAL INFORMATION RESPECTING THE MEETING

This Information Circular is furnished in connection with the solicitation of proxies **by the management of the Corporation** for use at the annual meeting (the "**Meeting**") of the Shareholders to be held on the 13th day of October, 2016, at 8:00am (Toronto time) at the offices of Gardiner Roberts LLP, 22 Adelaide Centre, East Tower, Adelaide Street West, Suite 3600, Toronto ON M5H 4E3, and at any adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting.

In this Information Circular, references to "the Corporation", "we" and "our" refer to Dealnet Capital Corp. "Beneficial Shareholders" means Shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxy Holders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or corporation other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy (and striking out the names now designated) or by completing and delivering another suitable form of proxy.** For instructions regarding the delivery of instruments of proxy, see below under the heading "*Registered Shareholders*".

Voting by Proxy Holder

The persons named in the Proxy will vote for or against or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is NOT specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy FOR the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Corporation's transfer agent, Capital Transfer Agency: (i) at 121 Richmond St. West, Suite 401, Toronto, Ontario, M5H 2K1; (ii) by facsimile at 416-350-5008; (iii) by email to info@capitaltransferagency.com; or (iv) by internet at www.capitaltransferagency.com/; not less than 48 hours, excluding Saturdays, Sundays or statutory holidays in the City of Toronto, before the time set for the holding of the Meeting or any adjournment or postponement thereof.

Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder: You should carefully follow the instructions of your broker or intermediary to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should follow the instructions on the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date or the notice of revocation to Capital: (i) at 121 Richmond St. West, Suite 401, Toronto, Ontario, M5H 2K1; (ii) by facsimile at 416-350-5008; or (iii) by email to info@capitaltransferagency.com, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

Notice and Access

As noted above, the Corporation is using the Notice-and-Access Provisions under NI 54-101 and NI 51-102 for distribution to this Information Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as this Information Circular and annual financial statements (the "**Proxy-Related Materials**") online, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of this Information Circular, financial statements of the Corporation for the year ended December 31, 2015 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for 2015 ("**MD&A**") may be found on the Corporation's SEDAR profile at www.sedar.com and also on the Corporation's website at www.dealnetcapital.com/2016AGM. The Corporation will not use procedures known as "stratification" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of its information circular to some shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Information Circular. **Shareholders are reminded to review this Information Circular before voting.**

Although this Information Circular, the Financial Statements and the MD&A will be posted electronically online as noted above, Shareholders will receive paper copies of a "notice package" via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Corporation's annual financial statements for the 2016 fiscal year.

The Corporation anticipates that relying on the Notice-and-Access Provisions will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing Proxy-Related Materials.

Shareholders with questions about the Notice-and-Access can call the Corporation's transfer agent, Capital, at 416-350-5007 or toll-free at 1-844-499-4482. Shareholders may also obtain paper copies of Proxy Related Materials free of charge by contacting Capital: at 416-350-5007; or toll-free at 1-844-499-4482; or by email at info@capitaltransferagency.com; or upon request to the Corporate Secretary of the Corporation.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital, as applicable, by September 23, 2016 to allow sufficient time for Shareholders to receive their paper copies and to return a) their form of proxy to the Corporation or Capital, or b) their voting instruction form to their Intermediaries by the Proxy Deadline.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation since the beginning of the last financial year, no proposed nominee for election as a director of the Corporation, and no associate or affiliate of any such director, proposed director or executive officer 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 approval of the Corporation's 10% rolling stock option plan (the "**Stock Option Plan**") (to the extent that such directors and/or officers hold stock options; see "*Executive Compensation*" below for particulars on the options held by directors and officers).

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Each holder of Common Shares of record at the close of business on **August 24, 2016** (the "**Record Date**"), is entitled to vote at the Meeting or at any adjournment thereof, either in person or by proxy.

As of the Record Date, the Corporation had 241,682,752 issued and outstanding Common Shares. Each common share carries the right to one vote. The Common Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "**DLS**."

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting rights attached to any class of voting securities of the Corporation, on a non-diluted basis.

QUORUM

A quorum for the transaction of business at any meeting of Shareholders is two persons present in person, each being a Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Shareholder so entitled, irrespective of the number of shares held by such persons. If a quorum is present at the opening of any meeting of Shareholder, the Shareholder or Shareholders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for the meeting or within a reasonable time thereafter as the Shareholders may determine, the Shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

MATTERS TO BE ACTED ON AT THE MEETING

A. Receipt of Financial Statements

The audited consolidated financial statements for the year ended December 31, 2015 and the report of the auditors thereon are available on SEDAR at www.sedar.com. No vote with respect to such audited consolidated financial statements is required or proposed to be taken.

B. Election of Directors

The Board of Directors of the Corporation currently consists of six (6) Directors. The Directors have passed a resolution fixing the number of Directors to be elected at six (6).

Management proposes that each of the persons named below be individually nominated at the Meeting for re-election or election, as the case may be, as directors of the Corporation to serve, until the next annual meeting of Shareholders or until his or her successor is elected or appointed. Management does not contemplate that any of the nominees will be unable to serve as a director. **However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Shares represented by proxies in favour of management nominees will be voted FOR the election of all of the nominees whose names are set forth below, unless a Shareholder has specified in his, hers or its proxy that his, hers or its shares are to be withheld from voting on the election of directors.**

The following table and the notes thereto state the names of all persons to be nominated for election as directors, all other positions or offices with the Corporation now held by them, their principal occupations of employment, the year in which they became directors for the Corporation, the approximate number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them, as of the date hereof.

Name and Municipality of Residence	Present Principal Occupation⁽¹⁾	Year first became director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Dr. Steven Small ⁽²⁾⁽¹¹⁾ Toronto, Ontario, Canada	Chairman & CEO of Capital Partners Corporation	June 2015	6,028,726
Harold Bridge ⁽³⁾⁽⁸⁾ Oakville, Ontario, Canada	CEO of Kathar Enterprises Inc.	June 2015	1,416,280
Victoria Davies ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾ Oakville, Ontario, Canada	Corporate Director, Strategic Advisor	October 2015	45,454
Michael Hilmer ⁽⁷⁾ Toronto, Ontario, Canada	COO of the Corporation from May 2012 to March 2015; CEO of the Corporation from March 2015 to present	September 2012	7,524,610
Brent Houlden ⁽⁴⁾⁽⁶⁾⁽⁹⁾ Toronto, Ontario, Canada	Consultant and Financial Advisor at CR Advisors	June 2015	523,923
John Radford ⁽⁶⁾⁽¹⁰⁾ Toronto, Ontario, Canada	Auto Executive Recruiter/Consultant at Marckis Group	June 2015	144,736

Notes:

- (1) Information supplied by nominees and does not include shares issuable upon exercise of convertible securities.
- (2) Executive Chairman.
- (3) Chair of the Audit Committee, lead independent director.
- (4) Member of the Audit Committee.
- (5) Chair of the Compensation and Corporate Governance Committee.
- (6) Member of the Compensation and Corporate Governance Committee.
- (7) 5,780,745 Common Shares are held personally by Mr. Hilmer, and 1,743,685 Common Shares are held by 2088654 Ontario Inc., a company controlled by Mr. Hilmer.
- (8) 1,416,280 Common Shares held by Kathar Capital Corporation, a company controlled by Mr. Bridge.
- (9) Chair of the Credit and Risk Committee
- (10) Member of the Credit and Risk Committee
- (11) 4,665,088 Common Shares are held personally by Dr. Small, 681,819 Common Shares are held by 1285240 Ontario Inc. and 681,819 are held by Thorngard Management Ltd., both of which are controlled by Dr. Small.

Corporate Cease Trade Orders, Penalties and Bankruptcies

To the best of the Corporation's knowledge, no proposed director is, at the date of this Information Circular, or has been, within the 10 years prior to the date of this Information Circular, a director or chief executive officer or chief financial officer of any Corporation (including the Corporation) that, while that person was acting in that capacity,

- (a) was subject to an order that was issued while the proposed director was acting in the capacity of director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above section, the term "order" means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant Corporation access to any exemption under securities legislation

that was in effect for a period of more than 30 consecutive days.

Except as disclosed below, to the Corporation's knowledge, no proposed director of the Corporation is or has been, within the 10 years before the date of this Information Circular, a director or executive officer of any Corporation that, while that person was acting in that capacity, or within a year of that person 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, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Radford was appointed as a Director of Medcomsoft Inc. ("Medcomsoft") on June 9, 2008. On November 1, 2008, Medcomsoft's Board of Directors reviewed the financial condition of the company and authorized the hiring of a trustee and the filing of a Notice of Intention to make a proposal to its credits under the *Bankruptcy and Insolvency Act* (Canada) ("NOI"). Each of Medcomsoft's directors, including Mr. Radford, then resigned effective November 3, 2008. On November 3, 2008, Medcomsoft commenced the filing of the NOI.

Dr. Small was a Director of Herbal Magic Inc., which was deemed to have an assignment in bankruptcy pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) in August, 2014, and a Director of the successor entity to Herbal Magic Inc., which filed for bankruptcy subsequent to him resigning as Director.

On July 2, 2015, Mr. Houlden was named Interim CFO of Danier Leather Inc. The company announced on February 4, 2016 that it filed an NOI to make a proposal under the *Bankruptcy and Insolvency Act* (Canada).

To the Corporation's knowledge, no proposed director of the Corporation has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that person.

Common Shares represented by proxies in favour of the management nominees will be voted FOR the election of each of the nominees as a director of the Corporation, unless a Shareholder has specified in his, her or its proxy that his, her or its shares are to be withheld from voting for any or all of the nominees.

C. Re-Appointment of Auditors

Ernst & Young LLP was first appointed as auditors of the Corporation effective August 13, 2015. At the Meeting, the holders of Common Shares will be requested to re-appoint Ernst & Young LLP as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board to fix the auditors' remuneration.

The Board unanimously recommends that Shareholders vote FOR the Re-Appointment of Auditors set out above.

Common Shares represented by proxies in favour of the management nominees will be voted FOR the re-appointment of Ernst & Young LLP as auditor of the Corporation and authorizing the directors of the Corporation to fix their remuneration, unless a Shareholder has specified in his, her or its proxy that his, her or its shares are to be withheld from voting on the re-appointment of auditors.

D. Ratification and Approval of the Employee Stock Option Plan

The Policies of the TSXV requires all incentive stock option grants to be made pursuant to a stock option plan approved by the Corporation's Shareholders. At the present time the Corporation has a "rolling" stock option plan, pursuant to which directors, officers, employees and consultants of the Corporation are awarded non-assignable and non-transferable options to purchase Common Shares (the "**Options**"), which was approved by the Shareholders at the Corporation's previous annual and special meeting of the Shareholders held on October 23, 2015. Pursuant to the policies of the TSXV, such "rolling" plans must receive yearly Shareholder approval.

The stock option plan (the "**2015 Stock Option Plan**") was approved by the Board on June 13, 2015 and by Shareholders on October 23, 2015, and remains unchanged. A copy of the 2015 Stock Option Plan is attached hereto at Schedule A.

Accordingly, Shareholders are being asked to approve the 2015 Stock Option Plan in accordance with Policy 4.4 of the Exchange. The 2015 Stock Option Plan has been established to advance the interests of the Corporation or any of its subsidiaries and affiliates by encouraging the directors, officers, employees and consultants of the Corporation, or any of its subsidiaries or affiliates, to acquire Common Shares thereby increasing their proprietary interest in the Corporation, encouraging them to remain with the Corporation, or its subsidiaries or affiliates, and providing them with additional incentive in the conduct of their affairs for and on behalf of the Corporation, its subsidiaries and affiliates.

Details of the 2015 Stock Option Plan

Some key provisions of the Option Plan are as follows:

- a) The aggregate number of Common Shares reserved for issuance under the 2015 Stock Option Plan must not exceed 10% of outstanding Common Shares (on a non-diluted basis). The Common Shares in respect of which Options are not exercised shall be available for subsequent Option grants. No fractional shares may be purchased or issued thereunder;
- b) the aggregate number of Common Shares reserved for issuance under the 2015 Stock Option Plan and granted to any one person within a 12 month period may not exceed 5% of the outstanding Common Shares;
- c) the issuance of Common Shares to insiders (as a group) pursuant to the 2015 Stock Option Plan may not at any time exceed 10% of the outstanding Common Shares;
- d) the issuance of Common Shares to any one Consultant (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) pursuant to the 2015 Stock Option Plan within a 12 month may not exceed 2% of the outstanding Common Shares;
- e) the issuance of Common Shares to persons retained to provide Investor Relations Activities (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) for the Corporation within a 12 month period may not exceed an aggregate of 2% of the outstanding Common Shares; and

- f) Options granted to persons retained to provide Investor Relations Activities (as such term is defined in the Exchange Policy 4.4) shall vest over a period of not less than 12 months with no more than $\frac{1}{4}$ of such Options vesting in any three month period.
- g) Options are exercisable for a period of up to ten years from the date of the grant.
- h) The Board will establish the Exercise Price at the time each Option is granted and allocated to particular Eligible Persons and approved by the Board, provided that the Exercise Price shall not be less than the Discounted Market Price as of date of such grant of the Option or, if the Common Shares are not listed on the Exchange, the Fair Market Value determined in good faith by the Board. In addition to any resale restrictions under Applicable Securities Laws and the Plan, where the Exercise Price of any Option is priced at a discount to the Market Price on the date of grant, any such Option and any Common Shares issued upon exercise of such Option prior to the expiry of the Exchange Hold Period will be subject to, and must contain a legend in respect of, the Exchange Hold Period commencing on the date such Options were granted.
- i) In the event of a participant ceasing to be a director, officer or employee of the Corporation or a subsidiary of the Corporation for any reason other than death or without cause or breach, including the resignation or retirement of the participant as a director, officer or employee of the Corporation or the termination by the Corporation of the employment of the participant, prior to the expiry time of an Option, such Option, if vested, shall cease and terminate on the ninetieth (90th) day following the effective date of such resignation or termination, unless such participant was engaged in Investor Relations Activities (as such term is defined in the Exchange Policy 4.4), in which case any Option shall expire on the thirtieth (30th) day after notice of such termination is given.
- j) In the event of a participant ceasing to be a director, officer or employee of the Corporation or a subsidiary of the Corporation as a result of lawful cause or breach, any Options held by such participant whether or not such Options were exercisable at the applicable Termination Date, immediately expire and are cancelled on the applicable Termination Date.
- k) In the event of the death of a participant on or prior to the expiry time of an Option, such Option, if vested, may be exercised as to such of the Common Shares in respect of which such Option has not previously been exercised (including in respect of the right to purchase Common Shares not otherwise vested at such time), by the legal personal representatives of the participant at any time up to and including (but not after) a date that is ninety (90) days following the date of death of the participant or the expiry time of such Option, whichever occurs first.

Pursuant to the 2015 Stock Option Plan, the Corporation can, at any time, have a number of Options outstanding equal to up to 10% of the then outstanding number of Common Shares. In the event of the exercise or cancellation of any Options, the Corporation could make a further grant of Options, provided that the 10% maximum is not exceeded.

Outstanding Options Available for Issuance

The following table summarizes, as of the Record Date, the number of Options that are available under the 2015 Stock Option Plan.

	Number	Percentage of Common Shares as of Record Date
Total Available under the 2015 Stock Option Plan	24,168,275	10.0%
Options Outstanding	15,818,650	65.5
Options Available for Grant	8,349,625	34.5%

At the Meeting, Shareholders will be asked to pass an ordinary resolution set out below. In order to be adopted, the resolution must be passed by a majority of the votes cast, in person or by proxy, at the Meeting:

"RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the stock option plan (the "**2015 Stock Option Plan**") of Dealnet Capital Corp. (the "**Corporation**"), is hereby approved, confirmed and ratified;
2. any one (1) officer or director of the Corporation is authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Corporation or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution."

Based on the foregoing, the Board unanimously recommends that Shareholders vote FOR the resolution to ratify and approve the 2015 Stock Option Plan set out above.

Common Shares represented by proxies in favour of management nominees will be voted FOR the ratification and approval of the Stock Option Plan, unless a Shareholder has specified in his, her or its proxy that his, her or its shares are to be voted against the ratification and approval of the 2015 Stock Option Plan.

Executive Compensation Discussion and Analysis

Executive Compensation

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the issuer's three mostly highly compensated executive officers at the end of the most recently completed financial year whose total compensation exceeded \$150,000. Based on these requirements, the executive officers of the Corporation for whom disclosure is required under Form 51-102F6 are Dr. Steven Small, Michael Hilmer, Paul Leonard, Roy Murzello and John Leon, who are collectively referred to as the "**Named Executive Officers**" or "**NEOs**".

The Compensation and Corporate Governance Committees (“CCGC”) considers and determines the compensation payable to all NEOs of the Corporation. The CGCC is comprised of three directors: Victoria Davies; Brent Houlden; and John Radford, all of whom are independent of management within the meaning of NI 58-101. Victoria Davies serves as committee chair. All members have direct experience with matters of executive compensation from past and present occupations. In executive capacities, they have participated in the setting of policy for executive compensation, as well as having other company’s executive compensation policies applied directly to them in their various executive roles. As considered necessary, the CGCC has sought the advice of the Corporation’s external auditors, legal counsel and financial advisors, as well as the informal advice of other professionals in considering and recommending to the Board of Directors policies for executive and director level compensation for the Corporation.

The primary objective of the Corporation’s executive compensation program is to motivate, reward and retain management talent that is needed to achieve the Corporation’s business objectives. The program is tailored to ensure that compensation is competitive with comparable companies, and is commensurate with the experience, performance and contribution of the individuals involved and the overall performance of the Corporation. In evaluating performance, the CGCC gives consideration to the Corporation’s short and long-term business objectives, financial metrics as well to the qualitative aspects of the NEO’s performance and achievements.

The Corporation has not had a formal compensation program to date with set benchmarks or assessments related to the risks associated with the compensation program, other than monitoring and evaluating key performance based metrics, which are reviewed quarterly and annually. The Corporation has historically relied on informal discussions, among management, the Board, outside investors and professionals, as to what are reasonable and rewarding objectives for NEOs, always remaining mindful of and seeking to align those objectives with the interests of the Corporation’s stakeholders. Fundamentally, the Corporation is focused on increasing value for its shareholders, and has strived to implement compensation practices that is aligned with that goal. The Corporation expects to implement a revised executive compensation program, which will include set benchmarks and evaluation of the risks associated with such compensation program, for the 2017 fiscal year given the growth and changes experienced by the Corporation during 2015 and 2016 year to date.

The NEO’s compensation program for the most recently completed fiscal year consisted of three main components, each designed to achieve a distinct objective:

- (i) *Base Salary and Benefits* – provides regular competitive compensation for services rendered at a level commensurate with their skills, experience and duties, competitive with industry comparables.
- (ii) *Performance-Based Bonus Incentives* – are intended to serve as a reward for the achieving or surpassing of defined financial and business operating results.
- (iii) *Equity-Based Incentives*– provide alignment for the NEOs with the Corporation’s long-term objectives and value created for shareholders.

Determination of Compensation of Executive Officers

Base Salary

The CCGC and the Board approve the salary ranges for the NEOs. The base salary for each NEO is based on assessment of factors such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance. The Corporation considers market conditions, comparable compensation levels from peers and financial results in determining the base salary.

Performance-Based Incentives

The Corporation, in its discretion, may award performance-based incentives in order to motivate executives to achieve corporate goals. The CCGC and the Board approve all performance-based incentives.

The success of NEOs in achieving their individual objectives and their contribution to the Corporation in reaching its overall goals are factors in the determination of their performance-based incentives. This assessment is used by the CCGC in developing its recommendations to the Board with respect to the determination of performance-based incentives.

For the 2015 fiscal year, the performance-based incentives payable were based on achievement of various short-term corporate performance goals and the short-term individual performance goals as noted below, all at the discretion of the CCGC and Board.

- Contribution to the profitability of the Company
- Contribution to new business development
- Contribution to investment performance
- Contribution to growth and prosperity of the Company
- Contribution to the Company as a whole

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, may trigger the award of a bonus payment to the NEO as determined by the Board upon the recommendation of the CCGC. The NEO will receive a partial or full incentive payment depending on the number of the predetermined targets met and the CCGC's and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board. The Board reserves the right to make positive or negative adjustments to any bonus payment recommendation if they consider them to be appropriate.

Equity-Based Incentives

Equity-based incentives represent compensation that is "at risk" and may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) whether the Corporation achieves its financial and business operating results. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Board considers each NEO's performance target and the Corporation's performance and assigns compensation based on this assessment and the recommendations of the CCGC. The Corporation's 2015 Stock Option Plan has been and will be used to provide share purchase options, which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Corporation. In determining the number of options to be granted to the executive officers, the CCGC and the Board takes the performance criteria outlined above as well as the number of options, if any, previously granted to each executive officer. Option-based grants are established to ensure the interests of the executive officers are aligned with the interests of the Corporation's Shareholders. In setting or amending the Corporation's 2015 Stock Option Plan, the CCGC considers the recommendations from the executive officers and external advisors.

Summary Compensation Table

The following table sets forth for the financial years ended December 31, 2015, December 31, 2014 and December 31, 2013, information concerning the total compensation paid to the Corporation's NEOs.

Name and Principal Position	Year	Salary \$	Share-based Awards \$	Option-Based Awards \$	Non-Equity Annual Incentive Plans \$		All Other Compensation \$	Total Compensation \$
					Annual Incentive Plans	Long-term Incentive Plans		
Dr. Steven Small ⁽¹⁾ Executive Chair	2015	37,500	250,000	338,431	-	-	-	625,931
Michael Hilmer ⁽²⁾ Chief Executive Officer	2015	215,000	-	87,435	50,000	-	185,935 ⁽⁵⁾	538,370
	2014	180,000	-	-	-	-	156,000 ⁽⁵⁾	336,000
	2013	135,000	-	-	-	-	16,395 ⁽⁵⁾	151,395
Robert J. Cariglia ⁽³⁾ Chief Executive Officer	2015	45,000	-	-	-	-	190,545	235,545
	2014	180,000	-	-	-	-	-	180,000
	2013	145,000	-	-	-	-	-	145,000
Ashish Kapoor ⁽⁶⁾ Chief Financial Officer	2015	95,000	-	-	-	-	-	95,000
	2014	65,000	-	-	-	-	-	65,000
	2013	45,000	-	-	-	-	-	45,000
Paul Leonard ⁽⁷⁾ Chief Financial Officer	2015	53,798	-	298,504	-	-	2,335	354,637
Roy Murzello ⁽⁸⁾ SVP Consumer Finance	2015	68,974	-	197,532	25,000	-	4,309	295,815
John Leon ⁽⁹⁾ SVP Engagement	2015	175,000	-	-	46,455	-	-	221,455
	2014	84,000	-	-	35,423	-	85,000 ⁽¹⁰⁾	204,423

- (1) Dr. Small joined the Board of Directors as Executive Chairman of the Board on June 16, 2015. 1,750,000 stock options, valued at \$244,871, were granted to Dr. Small in accordance with his employment offer and do not reflect Dr. Small's 2015 performance.
- (2) Mr. Hilmer was the Corporation's Chief Operating Officer during 2013 and 2014 and was appointed as interim Chief Executive Officer effective March 23, 2015 and Chief Executive Officer effective August 26, 2015.
- (3) Mr. Cariglia resigned as Chief Executive Officer effective March 24, 2015 and as a Director on June 16, 2015. The Corporation and Mr. Cariglia agreed to a separation package, and accrued \$190,000, whereby the Corporation would continue to pay Mr. Cariglia's base salary for 12 months following separation, as well as continue certain health and insurance benefits during that period.
- (4) The value of stock option based awards is based on the estimated fair value of the Options awarded on the grant date based on the Black-Scholes valuation model. Key assumptions used for the valuation of Options include a risk free rate based on Government of Canada bonds for the equivalent term of the Option on the date of grant of 0.4% to 1.0%, expected life of 1.5 to 5.0 years, no expected dividend yield and volatility of 85%-105%. The Black-Scholes methodology is a widely used and accepted Options valuation methodology.
- (5) Included in 2014 was an accrual of \$138,000 owing to Mr. Hilmer related to a compensation arrangement for services from the purchase of OC Communications Group Inc. in 2012. In March 2015, the Company and Mr. Hilmer agreed to amend the terms of this compensation and agreed to a one-time bonus to be paid of \$162,000 for services provided in 2015 for full and final settlement of any future amounts.
- (6) Mr. Kapoor resigned as Chief Financial officer effective October 15, 2015.
- (7) Mr. Leonard was appointed Chief Financial Officer on October 15, 2015. 500,000 stock options were granted to Mr. Leonard in accordance with his employment offer and do not reflect Mr. Leonard's 2015 performance.
- (8) Mr. Murzello was appointed SVP Consumer Finance on August 26, 2015. 500,000 stock options were granted to Mr. Murzello in accordance with his employment offer and do not reflect Mr. Murzello's 2015 performance.
- (9) Mr. Leon joined the Corporation on July 1, 2014 as part of the acquisition of Impact Mobile Inc. The above noted table reflects Mr. Leon's compensation from the date of acquisition forwards.

- (10) As part of the acquisition of Impact Mobile on July 1, 2014, Mr. Leon was entitled to partial payment of amounts received by Impact Mobile as a result of amended tax filings relating to years prior to the purchase of Impact Mobile. These amounts were received in November 2014 and unrelated to Mr. Leon's performance.

Named Executive Officers Outstanding Option and Share Based Awards

The table below reflects all option and share based awards for each NEO outstanding as at December 31, 2015.

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of Securities Underlying Unexercised Options #	Option Exercise Price \$	Option Expiration Date ⁽²⁾	Value of Unexercised In-the-Money Options ⁽¹⁾ \$	Number of shares or units of shares that have not vested #	Market or payout value of share-based awards that have not vested \$	Market or payout value of vested share-based awards not paid out or distributed \$
Dr. Steven Small	1,750,000	0.21	June 17, 2020	910,000	-	-	-
	257,200	0.56	September 1, 2020	43,724	-	-	-
Michael Hilmer	300,000	0.28	December 15, 2015	136,500	-	-	-
	1,000,000	0.23	April 17, 2018	500,000	-	-	-
Paul Leonard	500,000	0.91	October 20, 2020	-	-	-	-
Roy Murzello	500,000	0.57	August 20, 2020	80,000	-	-	-
John Leon	-	-	-	-	-	-	-

(1) Intrinsic value of all options (whether vested or unvested). The price per Common Share as of December 31, 2015 was \$0.73.

(2) Options that have expired have been extended due to a blackout period in effect. The options will expire 10 days after the blackout period has ended.

Incentive Award Plans

The following table provides information concerning the incentive award plans of the Corporation with respect to each Named Executive Officer during the fiscal year ended December 31, 2015.

INCENTIVE AWARD PLANS VALUE VESTED OR EARNED DURING THE YEAR ENDED DECEMBER 31, 2015			
	Option-Based Awards Value Vested During Fiscal 2015 \$	Share Based Awards Value Vested During Fiscal 2015 \$	Non-Equity Incentive Plan Compensation Value Earned During Fiscal 2015 \$
Dr. Steven Small	-	250,000	-
Michael Hilmer	-	-	50,000
Robert Cariglia	-	-	-
Paul Leonard	-	-	-
Ashish Kapoor	-	-	-
Roy Murzello	-	-	25,000
John Leon	-	-	46,455

Pension Plan Benefits

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Termination and Change of Control Benefits and Management Contracts

The employment agreements that Dealnet has entered into with the NEOs may require Dealnet to make certain types of payments and provide certain types of benefits upon termination of employment of an NEO or change of control of the Corporation.

On March 24, 2015, Mr. Cariglia resigned from his position as CEO. The Corporation and Mr. Cariglia agreed to a separation package whereby the Corporation would continue to pay Mr. Cariglia's base salary for 12 months following separation, as well as continue certain health and insurance benefits during that period. In the event that Mr. Cariglia secures alternative employment during that period, any amount owing to Mr. Cariglia would be reduced by any alternative employment earnings earned by Mr. Cariglia.

Mr. Kapoor resigned from the Company on October 15, 2015. Under the terms of his employment agreement, he was not entitled to any compensation on his resignation.

Mr. Hilmer entered into a new executive employment agreement with the Corporation dated July 1, 2015. If the employment of Mr. Hilmer is terminated without just cause or in circumstances constituting constructive dismissal, then the Corporation must provide Mr. Hilmer with i) a cash payment equal to two times his base compensation (including any short-term incentives, including equity based awards that vest within a year of date of grant), except in the first year of his agreement which shall be capped at nine months and ii) an aggregate bonus (including any long-term incentives, including equity based awards) for the year of termination, calculated as follows: (i) if the termination date occurs during the first nine months of a calendar year, a pro-rated amount equal to the aggregate bonuses paid to Mr. Hilmer in the fiscal year prior to the Termination Date or (ii) if the termination date occurs during the last three months of a calendar year, a pro-rated amount equal to the amount payable to Mr. Hilmer in the normal course. In such circumstances, Mr. Hilmer would continue to participate in Dealnet's benefit plans (excluding disability coverage) in which Mr. Hilmer participated on the date immediately preceding the date of termination of employment until the second anniversary of such date of termination of employment. If termination without just cause or circumstances constituting constructive dismissal occurred on December 31, 2015, Mr. Hilmer would have been entitled to receive payments equal to an estimated \$187,500. In the event of a change of control and Mr. Hilmer's employment is terminated without cause in the 12 months following a change of control, he would be entitled to two times the amounts outlined above.

Dr. Small entered into an executive employment agreement with the Corporation dated June 15, 2016. If the employment of Dr. Small is terminated without just cause or in circumstances constituting constructive dismissal, then the Corporation must provide Dr. Small with i) a cash payment equal to two times his base compensation (including any short-term incentives, including equity based awards that vest within a year of date of grant), except in the first year of his agreement which shall be capped at nine months and ii) an aggregate bonus (including any long-term incentives, including equity based awards) for the year of termination, calculated as follows: (i) if the termination date occurs during the first nine months of a calendar year, a pro-rated amount equal to the aggregate bonuses paid to Dr. Small in the fiscal year prior to the Termination Date or (ii) if the termination date occurs during the last three months of a calendar year, a pro-rated amount equal to the amount payable to Dr. Small in the normal course. In such circumstances, Dr. Small would continue to participate in Dealnet's benefit plans (excluding disability coverage) in which Dr. Small participated on the date immediately preceding the date of termination of employment until the second anniversary of such date of termination of employment. If termination without just cause or circumstances constituting constructive dismissal occurred on December 31, 2015, Dr. Small would have been entitled to receive payments equal to an estimated \$135,000. In the event of a change of control and Dr. Small's employment is terminated without cause in the 12 months following a change of control, he would be entitled to the amounts outlined above, except that for his base compensation, he would be entitled to two and one half times rather than two times.

Mr. Leonard entered into an executive employment agreement with the Corporation dated October 15, 2015. This agreement provides that the Company may terminate Mr. Leonard without cause, within the

first six months upon providing to him notice equal to the greater of: (i) two months, and after six months (ii) six months plus three additional months for every complete year of service with the Company to a maximum of 12 months' notice or pay in lieu of such notice. If termination without just cause occurred on December 31, 2015, Mr. Leonard would have been entitled to receive payments equal to an estimated \$37,500. Mr. Leonard's agreement does not contain any change of control provisions.

Mr. Murzello entered into an executive employment agreement with the Company dated August 27, 2015 and expiring on August 26, 2020. This agreement provides that the Company may terminate him without cause providing him notice equal to the greater of: (i) 12 months; or (ii) 12 months plus one additional month for every complete year of service with the Company, or pay in lieu of such notice, along with benefits, vehicle allowances and stock options. If termination without just cause occurred on December 31, 2015, Mr. Murzello would have been entitled to receive payments equal to an estimated \$200,000. Mr. Murzello's agreement does not contain any change of control provisions.

Mr. Leon entered into an executive employment agreement with the Corporation dated May 14, 2014 and expiring on April 30 2017. This agreement provides that the Company may terminate him without cause providing him notice equal to the sum of: (i) 12 months and (ii) 12 months if termination occurred in the first year of the agreement, nine months if termination occurs in the second year of the agreement or nine months if termination occurs in the third year of the agreement or any subsequent renewal term. If termination without just cause occurred on December 31, 2015, Mr. Leon would have been entitled to receive payments equal to an estimated \$306,250. Mr. Leon's agreement does not contain any change of control provisions.

Compensation of Directors

Non-executive directors are paid an annual retainer fee along with fees based on meetings attended throughout the year. Chairs of committees are entitled to additional retainer fees. In addition, directors are reimbursed by the Corporation for their expenses in attending Board and committee meetings. Directors of the Corporation are entitled to participate in the 2015 Stock Option Plan. The purpose of granting Options to directors is to assist the Corporation in compensating, attracting, retaining and motivating the directors of the Corporation and to closely align their personal interests to that of the Shareholders.

The following table provides a summary of all amounts of compensation provided to the non-NEO directors of the Corporation during the fiscal year ended December 31, 2015.

DIRECTOR COMPENSATION TABLE FOR FISCAL 2015						
Name ⁽¹⁾	Fee Earned \$	Share-based Awards (\$)	Option-Based Awards \$	Non-Equity Incentive Plan Compensation \$	All Other Compensation \$	Total \$
Harold Bridge	27,000	50,000	69,963	-	-	146,963
Brent Houliden	18,500	25,000	20,989	-	-	64,489
John Radford	26,500	25,000	20,989	-	-	72,489
Victoria Davies	8,000	-	-	-	-	8,000
C. Fraser Elliot III ⁽²⁾	-	-	-	-	-	-
Henry J. Klopper ⁽³⁾	-	11,000	-	-	-	11,000
Pierre G. Gagnon ⁽⁴⁾	-	-	-	-	-	-

- (1) The relevant disclosures for Dr. Small and Messrs. Cariglia and Hilmer are provided in the Summary Compensation Table for NEOs above.
- (2) Mr. Elliot resigned from the Board on April 28, 2015.
- (3) Mr. Klopper resigned from the Board on June 16, 2015.
- (4) Mr. Gagnon did not stand for re-election to the Board on October 23, 2015.

- (5) The value of stock option based awards is based on the estimated fair value of the Options awarded on the grant date based on the Black-Scholes valuation model. Key assumptions used for the valuation of Options include a risk free rate based on Government of Canada bonds for the equivalent term of the Option on the date of grant of 0.4% to 1.0%, expected life of 1.5 to 5.0 years, no expected dividend yield and volatility of 85%-105%. The Black-Scholes methodology is a widely used and accepted Options valuation methodology.

Director Outstanding Option-Based Awards

The table below reflects all option-based awards for each non-NEO director of the Corporation outstanding as at December 31, 2015.

Name of Director ⁽¹⁾	Option-based Awards				Share-based Awards		
	Number of securities Underlying Unexercised Options	Option Exercise Price \$	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽³⁾ \$	Number of shares or units of shares that have not vested #	Market or payout value of share-based awards that have not vested \$	Market or payout value of vested share-based awards not paid out or distributed \$
Harold Bridge	500,000	0.210	June 17, 2020	260,000	-	-	-
Brent Houlden	150,000	0.210	June 17, 2020	78,000	-	-	-
John Radford	150,000	0.210	June 17, 2020	78,000	-	-	-
Victoria Davies	-	-	-	-	-	-	-

(1) The relevant disclosure for Dr. Small and Messrs. Cariglia and Hilmer are provided in the Summary Compensation Table for NEOs

(2) Stock options granted to Messrs. Bridge, Houlden and Radford were in accordance with their directorship appointments and do not reflect 2015 performance.

(3) Intrinsic value of all options (whether vested or unvested). The price per Common Share as of December 31, 2015 was \$0.73.

Director Incentive Plan Awards

The following table provides information concerning the incentive plans awards of the Corporation with respect to each non-NEO director of the Corporation during the year ended December 31, 2015.

INCENTIVE AWARD PLANS VALUE VESTED OR EARNED DURING THE YEAR ENDED DECEMBER 31, 2015			
Name of Director ⁽¹⁾	Option-Based Awards Value Vested During 2015 \$	Share-based Awards Value Vested During the Year \$	Non-Equity Incentive Plan Compensation Value Earned During Fiscal 2015 \$
Harold Bridge	-	50,000	-
Brent Houlden	-	25,000	-
John Radford	-	25,000	-
Victoria Davies	-	-	-
C. Fraser Elliot III ⁽²⁾	-	-	-
Henry J. Kloepper ⁽³⁾	-	11,000	-
Pierre G. Gagnon ⁽⁴⁾	-	-	-

(1) The relevant disclosure for Messrs. Cariglia and Hilmer is provided in the Summary Compensation Table for NEOs above.

(2) Mr. Elliot was elected on October 22, 2014 and resigned from the Board on April 28, 2015.

(3) Mr. Kloepper resigned from the Board on June 16, 2015.

(4) Mr. Gagnon did not stand for re-election to the Board on October 23, 2015.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of December 31, 2015 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance. The only incentive award plan of the

Corporation during fiscal 2015 was the 2015 Stock Option Plan. See "*Matters to be Acted on at the Meeting – Ratification and Approval of the Employee Stock Option Plan*".

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2015 ⁽¹⁾	Weighted average Exercise Price of Outstanding Options, Warrants and Rights as at December 31, 2015 \$	Number of Securities Remaining Available for Future issuance Under Equity Compensation Plans (Excluding Securities Reflected in column (a)) as at December 31, 2015 #
Equity compensation plans approved by security holders	8,985,825	0.352	6,237,830
Equity compensation plans not approved by security holders	-	-	-
Total	8,985,825	0.352	6,237,830

(1) 490,000 options that have expired have been extended due to a blackout period in effect. The options will expire 10 days after the blackout period has ended.

STATEMENT OF CORPORATE GOVERNANCE MATTERS

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which both are in the interest of its Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Corporation is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

The Board currently comprises six directors: Dr. Steven Small, Ms. Victoria Davies and Messrs. Harold Bridge, Brent Houlden, Michael Hilmer and John Radford. At the Meeting the Shareholders will be asked to elect six directors to the Board. All of the aforementioned directors are proposed to be re-elected as directors at the Meeting.

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment.

Michael Hilmer is not considered "independent" as a result of his current position as Chief Executive Officer of the Corporation. Dr. Steven Small is not considered "independent" as a result of his current position as Executive Chairman. The remaining directors are considered to be independent directors since they are independent of management and free from any material relationship with the Corporation and form a majority of the board. The basis for this determination is that, since the beginning of the year ended December 31, 2015, the independent directors have not worked for the Corporation, received remuneration from the Corporation (other than in the capacity as a director) or had material contracts with or material interests in the Corporation which could interfere with their ability to act with a view to the best interests of the Corporation. Mr. Harold Bridge acts as the Board's lead independent director.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the members of the Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

Other Reporting Issuer Directorships

Certain of the directors of the Corporation are also directors of other reporting issuers (or the equivalent). The following table sets forth such directors:

Name	Name of Reporting Issuer
Dr. Steven Small	INFOR Acquisition Corp. (TSX: IAC)
Harold Bridge	Element Financial Corporation (TSX: EFN)

Orientation and Continuing Education

Each new director is given an outline of the nature of the business of the Corporation, its corporate strategy and current issues within the Corporation. New directors are also required to meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as directors of the Corporation.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Corporation as a whole. Any such changes or new requirements are then brought to the attention of the Corporation's directors either by way of director or committee meetings or by direct communications from management to the directors.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in the decision making of the Board in which the director has an interest as well as adherence to the standards contained in the Corporation's Code of Business Conduct and Ethics have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Further, the Corporation's auditors have full and unrestricted access to the audit committee of the Corporation (the "**Audit Committee**") at all times to discuss the annual audits of the

Corporation's financial statements and any related findings as to the integrity of the financial reporting process.

Assessment of Board Performance

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

Compensation and Corporate Governance Committee

The Corporation has established the CCGC, which is composed of three directors: Victoria Davies; Brent Houlden; and John Radford, all of whom are independent of management within the meaning of NI 58-101. Victoria Davies serves as committee chair. The CCGC meets at least twice annually and is responsible for making recommendations to the Board regarding: (a) Chief Executive Officer compensation; (b) compensation of other executives and directors; (c) incentive compensation plans; and (d) employment agreements, severance agreements, retirement agreements, change in control agreements and provisions, and any special or supplemental benefits for each officer of the Corporation. The Board then determines whether to adopt such recommendations as submitted or otherwise.

The CCGC is also responsible for: (a) reviewing the Board's Corporate Governance guidelines and all Committee's Charters to ensure that they are consistent with sound governance principles, and recommending any proposed changes to the Board for approval; (b) developing, and periodically updating, a Code of Business Ethics (the "**Code**") for approval by the Board, and ensuring that management has established a system to disseminate and monitor compliance of the Code and is enforcing its application; (c) in consultation with the Audit Committee, monitoring and reviewing the Corporation's policies and procedures relating to compliance with laws and regulations and its Code; (d) considering what competencies and skills the Board, as a whole, should possess and seeking individuals qualified to become board members, including evaluating persons suggested by Shareholders or others; (e) recommending to the Board the director nominees for the next annual meeting of Shareholders; (f) evaluating and recommending to the Board when new members should be added to the Board, including factors of structure, size and composition of the Board and its committees; (g) reviewing the composition of each Board committee and presenting recommendations for committee memberships and committee chairmanships to the Board as needed; (h) developing and overseeing the annual performance assessment process for the Board and each Committee of the Board; and (i) reporting regularly to the Board on the CCGC's activities and actions, as appropriate.

Credit and Risk Committee ("CRC")

The Corporation has established the CRC which is composed of three directors: Victoria Davies; Brent Houlden; and John Radford, all of whom are independent of management within the meaning of NI 58-101. Brent Houlden serves as committee chair. The CRC meets at least twice annually and is responsible for reporting to and assisting the Board in overseeing and reviewing information regarding the Corporation's credit and risk management framework, including the significant policies, procedures and practices employed to manage credit and risk.

Specifically, the CRC is responsible for review and assessment of the effectiveness of and compliance with the Corporation's asset and liability management policies (interest rate and market risk, liquidity, investment, hedging, cash management and treasury policies and/or strategies). The CRC reviews the quality of the Corporation's investment portfolio, oversees the Corporation's credit practices, policies and procedures; and monitors the Corporation's funding portfolio and any unfunded loan positions, taking into account existing and expected market and economic trends. In addition, the CRC assesses any issues related

to the reputational risk of the Corporation and considers the additional risk of any significant mergers and acquisition activities.

Audit Committee

The members of the Audit Committee are: Harold Bridge (Chair), Victoria Davies and Brent Houlden, all of whom are financially literate and independent (as such terms are defined in National Instrument 52-110 *Audit Committees* ("NI 52-110")), and all of whom are not Officers, employees or Control Persons of the Corporation or any of its Associates or Affiliates as such capitalized terms are defined in TSXV policies. The Corporation satisfies the financial literacy and independence requirements of Part 3 of NI 52-110.

Dealnet's Annual Information Form ("AIF") includes more information about the Audit Committee, including the Audit Committee Mandate. The 2016 AIF is available on at dealnetcapital.com and on SEDAR at www.sedar.com.

The Audit Committee is responsible for the Corporation's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of the Corporation. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management and the external auditors and monitors independence of those auditors. The Audit Committee has formally adopted an Audit Committee charter, which sets forth purposes of the Audit Committee and guidelines for its practices.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, no director or officer of the Corporation, no proposed nominee for election as a director of the Corporation, and no associate of any director, officer or proposed nominee, is or has been indebted, on a net basis, to the Corporation at any time during the last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, no informed person, director, executive officer, nominee for director, nor person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

OTHER BUSINESS

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

REGISTRAR AND TRANSFER AGENT

Capital Transfer Agency at 121 Richmond St. West, Suite 401, Toronto, Ontario M5H 2K1, is the registrar and transfer agent for the Corporation's Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis. Copies of the Corporation's financial statements and management discussion and analysis may be obtained, without charge, upon request to the Corporate Secretary at Dealnet Capital Corp., #300, 325 Milner Avenue, Toronto ON M1B 5N1.

APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular have been approved by the directors of the Corporation.

DATED at Toronto, Ontario this 25th day of August, 2016.

(signed) "Michael Hilmer"

Michael Hilmer
Director

SCHEDULE "A" - 2015 STOCK OPTION PLAN

DEALNET CAPITAL CORP.
2015 STOCK OPTION PLAN

July 13, 2015

1. PURPOSE

DealNet Capital Corp. (the “**Company**”) is committed to providing appropriate incentives to Eligible Persons to acquire a proprietary interest in the Company in order to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company. The purpose of this 2015 Stock Option Plan is to advance the interests of the Company by: (a) providing Eligible Persons with additional incentive; (b) encouraging share ownership by such Eligible Persons; (c) increasing the proprietary interest of Eligible Persons in the success of the Company; (d) encouraging Eligible Persons to remain with the Company or its Subsidiaries; and (e) attracting new employees, directors and officers.

2. INTERPRETATION

2.1 **Definitions.** In this Plan, the following words have the following meanings:

- (a) “**acting jointly or in concert**” means the determination of whether a person or group of persons is acting jointly or in concert shall be determined in accordance with the Ontario Securities Act;
- (b) “**Affiliate**” means any corporation that is an Affiliate of the Company within the meaning set forth in Exchange Policy;
- (c) “**Applicable Securities Laws**” means the Ontario Securities Act and the equivalent legislation in the other provinces and in the territories of Canada, as may be applicable and as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the provinces and territories of Canada;
- (d) “**Ontario Securities Act**” means the *Securities Act* (Ontario);
- (e) “**Blackout Period**” means a period of time when, pursuant to any policies of the Company, securities of the Company may not be traded by certain persons as designated by the Company, including an Optionee as a result of the existence of undisclosed Material Information, but excludes any period during which a regulator has halted trading in the Company’s securities, and which expires upon the public announcement of such Material Information;
- (f) “**Board**” means the board of directors of the Company, and includes any committee of the Board to which responsibilities with respect to the Plan have been delegated;
- (g) “**Business Day**” means a day which is not a Saturday, Sunday or a civic or statutory holiday in the city of Toronto, Ontario, Canada;
- (h) “**Change of Control**” means the first to occur of any of the following events:

- (i) any event or series of related events or transaction or series of related transactions as a result of which or pursuant to which any person or group of persons acting jointly or in concert acquires, directly or indirectly, beneficial ownership of or control or direction over Voting Shares of the Company (other than pursuant to a treasury issuance of Voting Shares of the Company), or Voting Shares of the Company are redeemed or otherwise acquired by the Company or are cancelled, where, immediately following the occurrence of such event or series of events or completion of such transaction or series of transactions, the number of Voting Shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by such person or group of persons acting jointly or in concert totals for the first time Voting Shares of the Company carrying more than 50% of the votes attaching to all Voting Shares of the Company outstanding immediately following such occurrence or completion;
 - (ii) any event or series of related events or transaction or series of related transactions as a result of which or pursuant to which Voting Shares of the Company are converted into or exercised or exchanged for securities of another person (the “**Resulting Person**”) and any person or group of persons acting jointly or in concert acquires, directly or indirectly, beneficial ownership of or control or direction over Voting Shares of such Resulting Person where, immediately following the occurrence of such event or series of events or completion of such transaction or series of transactions, the number of Voting Shares of the Resulting Person beneficially owned, directly or indirectly, or over which control or direction is exercised by such person or group of persons acting jointly or in concert totals for the first time Voting Shares of the Resulting Person carrying more than 50% of the votes attaching to all Voting Shares of the Resulting Person outstanding immediately following such occurrence or completion;
 - (iii) a change in the composition of the Board as a result of a contested election of directors of the Company, with the result that less than 50% of the directors of the Company elected in such election are comprised of the individuals who were directors of the Company prior to such contested election;
 - (iv) the sale, lease, exchange or other transfer or disposition, in a single transaction or a series of related transactions (including by way of the liquidation, dissolution, winding-up or other distribution by the Company or any subsidiary of the Company) of assets having a Fair Market Value equal to 50% or more of the Fair Market Value (as determined by the Board) of all of the assets of the Company on a consolidated basis, excluding a transaction or series of related transactions between the Company or any subsidiary of the Company or between subsidiaries of the Company; or
 - (v) the determination by the Board that a change in legal or effective control of the Company has occurred or is imminent;
- (i) “**Company**” means DealNet Capital Corp. a corporation existing under the laws of the Province of Ontario;
 - (j) “**Consultant**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “consultant” as defined in NI 45-106;
 - (k) “**Consultant Company**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “consultant” as defined in NI 45-106;

- (l) “**Director**” has the same meaning as set forth in Exchange Policy provided that such Director is also a “director” as defined in NI 45-106;
- (m) “**Discounted Market Price**” has the same meaning as set forth in Exchange Policy;
- (n) “**Disinterested Shareholder Approval**” means disinterested Shareholder approval, as may be applicable in the circumstances, as described in Exchange Policy;
- (o) “**Effective Date**” for an Option means the date on which the Option is granted;
- (p) “**Eligible Person**” means, subject to the Applicable Securities Law and Exchange Policy, any Employee, Director, Consultant or Management Company Employee who is approved for participation in the Plan by the Board;
- (q) “**Employee**” has the same meaning as set forth in Exchange Policy provided that such Employee is also a “employee” as under Applicable Securities Laws;
- (r) “**Exchange**” means the TSX Venture Exchange or any successor or assign thereof;
- (s) “**Exchange Hold Period**” means, if applicable, the four month resale restriction imposed by the Exchange pursuant to Exchange Policy;
- (t) “**Exchange Policy**” means Policy 4.4 – Incentive Stock Options as set forth in the Exchange’s published Corporate Finance Manual, together with such other published policies of the Exchange and the bulletins, notices, appendices and forms related thereto, as from time to time amended or re-adopted;
- (u) “**Exercise Form**” means the notice of exercise delivered by an Optionee to the Company upon the exercise of any Option hereunder in such other form as the Board may approve for any one or more Optionees or for a group of Optionees, as same may be amended from time to time;
- (v) “**Exercise Period**” means the period of time between the Effective Date and the Expiry Date, during which an Option granted under the Plan may be exercised (provided, however, that the Exercise Period may not exceed ten (10) years from the relevant Effective Date unless permitted under Section 6.5);
- (w) “**Exercise Price**” means the price per Share at which Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with the terms hereof;
- (x) “**Expiry Date**” has the meaning prescribed under Section 6.5 of this Plan;
- (y) “**Fair Market Value**” means the highest price, expressed in dollars, that the Share would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other and who deal with each other at arm’s length for purposes of the ITA;
- (z) “**Holder**” means a holder of an Option under the Plan;
- (aa) “**Insider**” has the same meaning as set forth in Exchange Policy;
- (bb) “**IR Activities**” has the same meaning as “*Investor Relations Activities*” as set forth in Exchange Policy;

- (cc) “**ITA**” means the *Income Tax Act* (Canada);
- (dd) “**Merger and Acquisition Transaction**” means (i) any merger; (ii) any acquisition; (iii) any amalgamation; (iv) any offer for Shares which if successful would entitle the offeror to acquire more than 50% of all Shares; (v) any arrangement or other scheme of reorganization; or (vi) any consolidation, that results in a Change of Control;
- (ee) “**Option**” means the right to purchase Shares granted to an Eligible Person in accordance with the terms of the Plan;
- (ff) “**Option Agreement**” means the notice of grant of an Option delivered by the Company hereunder to an Optionee in such other form as the Board may approve for any one or more Optionees or for a group of Optionees, as same may be amended from time to time;
- (gg) “**Optioned Shares**” means Shares subject to an Option;
- (hh) “**Optionee**” means an Eligible Person to whom an Option is granted by the Company under the Plan, whether a Director, Employee, or Consultant;
- (ii) “**Management Company Employee**” has the same meaning as set forth in Exchange Policy provided that such Optionee is also a “director” or “consultant” as defined in NI 45-106;
- (jj) “**Market Price**” has the same meaning as set forth in Exchange Policy;
- (kk) “**Material Information**” has the same meaning as set forth in Exchange Policy;
- (ll) “**NI 13-101**” means National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators;
- (mm) “**NI 45-106**” means National Instrument 45-106 - *Prospectus and Registration Exemptions* of the Canadian Securities Administrators;
- (nn) “**person**” or “**persons**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (oo) “**persons retained to provide IR Activities**” shall include any Consultant that performs IR Activities and any Employee or Director whose role and duties primarily consist of IR Activities;
- (pp) “**Plan**” means this Stock Option Plan of the Company, as from time to time amended or re-adopted;
- (qq) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or, if applicable, in a document publicly filed by or on behalf of the Company under its profile on SEDAR;
- (rr) “**Regulatory Approval**” means the approval or acceptance, as the case may be, of any securities or other applicable regulatory agency (including the Exchange pursuant to Exchange Policy) which may have jurisdiction in the circumstances;

- (ss) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval described in NI 13-101 and available for public view at www.sedar.com;
- (tt) “**Shares**” means the ordinary shares without par value which the Company is from time to time authorized to issue;
- (uu) “**Subsidiary**” means a corporation which is a subsidiary of the Company as defined in the Ontario Securities Act;
- (vv) “**Termination Date**” means:
- (i) in the case of an Optionee whose employment or term of office with the Company or a Subsidiary terminates in the circumstances set out in Subsection 8.2(a) or the date that is designated by the Company or the Subsidiary, as the case may be, as the last day of such person’s employment or term of office with the Company or the Subsidiary, as the case may be;
 - (ii) in the case of an Optionee whose employment or term of office with the Company or a Subsidiary terminates in the circumstances set out in Subsection 8.3(a)(ii), the date of the notice of termination of employment or term of office given by the Company or the Subsidiary, as the case may be;
 - (iii) in the case of an Optionee whose employment or term of office with the Company or a Subsidiary terminates in the circumstances set out in Subsection 8.3(a)(i) or Subsection 8.3(a)(iii), the date of resignation or retirement, as the case may be;
 - (iv) in the case of an Optionee whose consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) are terminated by the Company or a Subsidiary in the circumstances set out in Subsection 8.2(b), the date that is designated by the Company or the Subsidiary, as the case may be, as the last day of the Optionee’s consulting arrangements (or those of its Consulting Company) with the Company or the Subsidiary, as the case may be;
 - (v) in the case of an Optionee whose consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) are terminated in the circumstances set out in Subsection 8.3(b), the date of the notice of termination given to the Optionee (or, if applicable, those of its Consulting Company if the Optionee is an individual) or the expiry of the original term or any subsequent renewal term of the consulting arrangements, as the case may be;

and in each such case, “**Termination Date**” specifically does not mean the date on which any period of reasonable notice that the Company or the Subsidiary, as the case may be, may be required at law to provide to the Optionee would expire; and

- (ww) “**Voting Share**” means any share or other security that carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing and also includes any share or other security that is convertible into or exercisable or exchangeable (in each case, whether at the time or at any time in the future and whether or not on condition or the occurrence of any contingency) for a Voting Share.

2.2 **Interpretation.** In this Plan, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa and words importing gender include all genders and neuter;
- (b) the division of this Plan into articles, sections, and paragraphs and the insertion of headings herein are for convenience of reference only and shall not affect in anyway the meaning or interpretation of this Plan and the terms “this Plan”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto or thereto;
- (c) the word “including”, when following a general statement or term, is not to be construed as limiting the general statement or term to any specific item or matter set forth or to similar items or matters, but rather as permitting the general statement or term to refer also to all other items or matters that could reasonably fall within its broadest possible scope;
- (d) if the date on which any action is required to be taken hereunder is not a Business Day, that action shall be required to be taken on the first Business Day prior to such date, unless specifically provided otherwise in this Plan; and
- (e) a reference to legislation, includes rules, regulations and forms made or promulgated under any such legislation and the published national instruments, multilateral instruments, policies, bulletins made thereunder, together with all amendments thereto in force from time to time, and any legislation, rules, regulations, forms and published national instruments, multilateral instruments, policies, bulletins that supplement or supersede such legislation.

2.3 **Governing Law.** This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario, Canada.

3. ADMINISTRATION

3.1 **Administration by the Board.** The Board, or if applicable any committee of the Board to which responsibilities with respect to the Plan have been delegated, shall be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. The day-to-day administration of the Plan may be delegated to such officers and employees of the Company or of a Subsidiary as the Board determines.

3.2 **Authority of the Board.** Subject to the limitations of the Plan, the Board has the authority to:

- (a) grant Options to purchase Shares to Eligible Persons;
- (b) determine the terms, including the limitations, restrictions and conditions, if any, upon such grants;
- (c) interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it may from time to time deem advisable, subject to required Regulatory Approval; and
- (d) make all other determinations and to take all other actions in connection with the implementation and administration of the Plan as it may deem necessary or advisable.

Any decision, interpretation or other action made or taken in good faith by or at the direction of the Company or the Board (or any of its members) arising out of or in connection with the Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding and conclusive on the Company and Optionees and their respective heirs, executors, administrators, successors and assigns and all other persons.

3.3 **Accounts and Statements.** The Corporation will maintain, or cause to be maintained, records indicating the number of Options granted to each Optionee and the number of Optioned Shares issued under the Plan.

3.4 **Use of an Administrative Agent and Trustee.** The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Options granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Options granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. In such case, the Company and the administrative agent will maintain records showing the number of Options granted to each Optionee under the Plan.

4. SHARES RESERVED

4.1 **Shares Reserved Under the Plan.** The maximum number of Shares reserved for issuance under the Plan and all of the Company's other security based compensation arrangements at any given time is equal to ten percent (10%) of the issued and outstanding Shares as at the date of grant of an Option under the Plan, including all of the existing Common Shares currently subject to outstanding Options as of the Adoption Date (as **defined** below) which were granted prior to the implementation of this Plan and which, by the implementation of this Plan, are covered under this Plan and subject to adjustment or increase of such number pursuant to Subsections 10.2(a) and 10.2(b).

4.2 **Exercised Options.** Any Shares subject to an Option granted under the Plan which have been exercised by an Optionee, shall again be available for grants under the Plan and shall be considered to be part of the pool of Shares available for Options under the Plan and may be made the subject of a further Option or Options granted pursuant to the Plan.

4.3 **Cancelled, Surrendered or Terminated Options.** If and to the extent any Option granted under the Plan expires or is cancelled, terminated or surrendered without having been exercised in whole or in part, the number of Shares in respect of which such Option expired or was cancelled or terminated shall be considered to be part of the pool of Shares available for Options under the Plan and may be made the subject of a further Option or Options granted pursuant to the Plan.

4.4 **No U.S. Registration.** Any Options granted under the Plan or Shares subject thereto have not been and will not be registered under the United States Securities Act of 1933, or the securities laws of any state of the United States. The Options granted under the Plan may not be exercised in the United States or by, or for the benefit or account of, any person in the United States or any U.S. Person as defined in United States Securities Act of 1933, unless such Options have been registered under the United States Securities Act of 1933 and the applicable securities laws of any such state or an exemption from such registration requirements is available. Shares issued upon exercise of any Option may not be offered or sold in the United States or to, or for the benefit or account of, any person in the United States or any U.S. Person as defined in United States Securities Act of 1933, unless such Shares have been registered under the United States Securities Act of 1933 and

the applicable securities laws of any such state or an exemption from such registration requirements is available.

5. ELIGIBILITY

- 5.1 **Eligibility.** Eligible Persons are eligible to participate in the Plan, provided that eligibility to participate does not confer upon any Eligible Person any right to be granted Options pursuant to the Plan. The extent to which any Eligible Person is entitled to be granted Options pursuant to the Plan will be determined in the sole and absolute discretion of the Board. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions. With respect to Options granted to Employees, Consultants or Management Company Employees, the Board and the Optionee are responsible for ensuring and confirming that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be.
- 5.2 **Continuing Eligibility.** Any Optionee to whom an Option is granted under the Plan who subsequently ceases to hold the position in which he received such Option shall continue to be eligible to hold such Option as a Optionee as long as otherwise continuing to be an Eligible Person in any capacity.
- 5.3 **Participation Voluntary.** Participation in the Plan by an Optionee will be voluntary.

6. GRANT OF OPTIONS

- 6.1 **Grant of Options.** The Board may, from time to time, subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, grant Options to any Eligible Person. Subject to specific variations approved by the Board, all terms and conditions set out in the Plan will be deemed to be incorporated into and form part of each Option granted under the Plan.
- 6.2 **Number of Shares Subject to Option.** Subject to the limitations set out in Article 7, the number of Shares subject to each Option shall be determined by the Board, and such number shall be set out in the Option Agreement evidencing the grant of such Option.
- 6.3 **Exercise Price.** The Board will establish the Exercise Price at the time each Option is granted and allocated to particular Eligible Persons and approved by the Board, provided that the Exercise Price shall not be less than the Discounted Market Price as of date of such grant of the Option or, if the Shares are not listed on the Exchange, the Fair Market Value determined in good faith by the Board. In addition to any resale restrictions under Applicable Securities Laws and the Plan, where the Exercise Price of any Option is priced at a discount to the Market Price on the date of grant, any such Option and any Shares issued upon exercise of such Option prior to the expiry of the Exchange Hold Period will be subject to, and must contain a legend in respect of, the Exchange Hold Period commencing on the date such Options were granted.
- 6.4 **Vesting of Option Rights.** No Option may be exercised by an Optionee unless it is fully vested. Subject to the provisions of this Section 6.4 and Article 10, Options shall vest, and thereafter be exercisable:
- (a) over a period of eighteen (18) months from the Effective Date, with no more than one third (1/3) of such Options vesting in any six (6) month period therein; or
 - (b) as otherwise determined by the Board in its discretion.

Notwithstanding the foregoing Options granted to persons retained to provide IR Activities shall vest at least over a period of twelve (12) months from the Effective Date, with no more than one quarter (1/4) of such Options vesting in any three (3) month period therein. The Board may impose such other restrictions or limitations or requirements upon the exercise of Options as the Board, in its sole and absolute discretion, may determine on the date of grant.

- 6.5 **Term and Expiry.** Subject to any accelerated termination as set forth in the Plan, all Options granted pursuant to the Plan will expire on the date (the “**Expiry Date**”) as determined by the Board at the date of grant, provided that no Option may be exercised beyond the Exercise Period. Notwithstanding the above, if the Expiry Date for any Option falls within a Blackout Period or within ten (10) Business Days from the expiration of a Blackout Period (such Options to be referred to as “**Restricted Options**”), the Expiry Date of such Restricted Options shall be automatically extended to the date that is the 10th Business Day following the end of the Blackout Period, such 10th Business Day to be considered the Expiry Date for such Restricted Options for all purposes under the Plan.
- 6.6 **Non-Assignable and Non-Transferable.** Options shall be non-assignable and non-transferable by a holder thereof other than by will or the laws of descent.

7. **LIMITATIONS OF OPTIONS**

- 7.1 **Grants to Persons.** Notwithstanding any other provision herein, the aggregate number of Shares reserved for issuance pursuant to Options granted to any one person (and any Consulting Company wholly owned by that person), within any twelve (12) month period shall not exceed 5% of the issued and outstanding Shares at the time of the grant of the Option unless the Company has received Disinterested Shareholder Approval in accordance with Exchange Policy.
- 7.2 **Grants to Insiders.** Notwithstanding any other provision herein,
- (a) the aggregate number of Shares reserved for issuance under Options granted to Insiders (as a group) and any other security based compensation arrangements of the Company at any point in time shall not exceed 10% of the issued and outstanding Shares at such time; or
- (b) the aggregate number of Shares reserved for issuance pursuant to Options granted to Insiders (as a group), within any twelve (12) month period shall not exceed 10% of the issued and outstanding Shares at the time of the grant of the Option;

unless the Company has received Disinterested Shareholder Approval in accordance with Exchange Policy. For the purposes of the limitations set forth in Subsections 7.2(a) and 7.2(b) above, Options held by an Insider at any point in time that were granted to such person prior to it becoming an Insider shall be considered Options granted to an Insider irrespective of the fact that the person was not an Insider at the time of grant.

- 7.3 **Grants to Consultants.** Notwithstanding Section 7.1, but subject to the limit set forth in Section 7.4, the aggregate number of Shares reserved for issuance pursuant to Options granted to any one Consultant within a twelve (12) month period shall not exceed 2% of the issued and outstanding Shares at the time of the grant of the Option.
- 7.4 **Grants to Persons Providing IR Activities.** Notwithstanding Section 7.1, the aggregate number of Shares reserved for issuance pursuant to Options granted within any twelve (12) month period

to persons retained to provide IR Activities shall not exceed 2% of the issued and outstanding Shares at the time of the grant of the Option.

8. TERMINATION OF OPTIONS

8.1 **Ceasing to be an Eligible Person (Death)**. In the event an Optionee's employment or consulting arrangements (or, if applicable, those of its Consulting Company if the Consultant who is an Optionee is an individual) or term of office with the Company or a Subsidiary ceases by reason of the Optionee's death, then:

- (a) the executor or administrator of the Optionee's estate or the Optionee, as the case may be, may exercise any Options of the Optionee to the extent that the Options were exercisable at the date of such death and the right to exercise the Options terminates on the earlier of:
 - (i) unless otherwise determined by the Board, at its discretion (provided, however, that no Options shall remain exercisable for more than twelve (12) months following the Termination Date), the date that is ninety (90) days following the date of the Optionee's death; and
 - (ii) the date on which the Exercise Period of the particular Option expires;
- (b) any Options held by the Optionee that were not exercisable at the date of death immediately expire and are cancelled on such date; and
- (c) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the date of the Optionee's death.

8.2 **Ceasing to be an Eligible Person (Cause or Breach)**. In the event:

- (a) an Optionee's employment or term of office with the Company or a Subsidiary is terminated by the Company or a Subsidiary for lawful cause, or
- (b) an Optionee's consulting arrangements (or, if applicable, those of its Consulting Company if the Optionee is an individual) with the Company or a Subsidiary are terminated by the Company or a Subsidiary for breach of agreement prior to the expiry of the original term or any subsequent renewal term of such arrangements;

then

- (c) unless otherwise determined by the Board, at its discretion (provided, however, that no Options shall remain exercisable for more than twelve (12) months following the Termination Date), any Options held by such Optionee (or, if applicable, those of its Consulting Company), whether or not such Options are exercisable at the applicable Termination Date, immediately expire and are cancelled on the applicable Termination Date at a time determined by the Board, at its discretion; and
- (d) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the applicable Termination Date.

8.3 **Ceasing to be an Eligible Person (Without Cause or Breach).** In the event:

- (a) an Optionee's employment or term of office with the Company or a Subsidiary terminates by reason of:
 - (i) voluntary resignation by such Optionee;
 - (ii) termination by the Company or a Subsidiary without cause (whether such termination occurs with or without any or adequate reasonable notice or with or without any or adequate compensation in lieu of such reasonable notice); or
 - (iii) the retirement of such Optionee in accordance with the then customary policies and practices of the Company in relation to retirement; or
- (b) an Optionee's consulting arrangements (or, if applicable, those of its Consulting Company) with the Company or a Subsidiary are terminated in circumstances other than those referred to in Subsection 8.2(b);

then:

- (c) any Options held by the Optionee (or, if applicable, those of its Consulting Company) that are exercisable at the Termination Date continue to be exercisable by the Optionee until the earlier of:
 - (i) unless otherwise determined by the Board, at its discretion (provided, however, that no Options shall remain exercisable for more than twelve (12) months following the Termination Date), the date that is ninety (90) days following the Termination Date; and
 - (ii) the date on which the Exercise Period of the particular Option expires;
- (d) any Options held by the Optionee (or, if applicable, those of its Consulting Company) that are not exercisable at the Termination Date immediately expire and are cancelled upon the Termination Date; and
- (e) such Optionee's eligibility to receive further grants of Options under the Plan ceases as of the Termination Date.

Without limitation, and for greater certainty only, this Section 8.3 will apply regardless of whether the Optionee received compensation in respect of any termination by the Company or a Subsidiary without cause or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Optionee.

8.4 **Discretion to Permit Exercise.** Notwithstanding the provisions of Sections 8.2 and 8.3, the Board may, in its discretion, at any time prior to or following the events contemplated in such sections and in any Option Agreement, permit the exercise of any or all Options held by the Optionee in the manner and on terms authorized by the Board, provided that:

- (a) any Options granted to any Optionee which are subject to Sections 8.2 and 8.3 shall expire at a time to be determined by the Board following the applicable Termination Date;
- (b) subject to an extension pursuant to Section 6.5, the Board will not, in any case, authorize the exercise of an Option pursuant to this section beyond the Expiry Date of the particular Option; and

- (c) the Board will not, in any case, authorize the exercise of any or all Options of the Optionee on a date that is more than one (1) year after the earlier of: (i) the death of such Optionee; or (ii) the Termination Date.

9. OPTION PROCEDURE

- 9.1 **Option Commitment.** Upon grant of an Option hereunder to an Optionee, a senior officer of the Company designated by the Board will deliver to the Optionee an Option Agreement detailing the terms of the Option. Upon the occurrence of an event to which Subsections 10.2(a) and 10.2(b) applies, and upon the surrender by the Optionee of the originally signed Option Agreement to which any Option relates, a senior officer of the Company designated by the Board may deliver to any Optionee with respect to any Option, a revised Option Agreement identified as such, with respect to Shares as to which the Option has not been exercised, reflecting the application of Subsections 10.2(a) and 10.2(b), as applicable, by reason of that event.
- 9.2 **Manner of Exercise.** Subject to the provisions of the Plan and the provisions of the Option Agreement issued to an Optionee, Options shall be exercisable by the Holder by delivering a fully completed Exercise Form to the Company specifying the number of Options to be exercised accompanied by payment in full of the aggregate Exercise Price therefor by cash payment, wire transfer or by certified cheque or bank draft payable to the Company (in each case in immediately available funds). The Exercise Form must be accompanied by: (a) the originally signed Option Agreement with respect to the Option being exercised; and (b) documents containing such representations, warranties, agreements and undertakings, including such as to the Holder's future dealings in such Shares, as counsel to the Company reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of Applicable Securities Laws or similar laws of any jurisdiction.
- 9.3 **Tax Matters.** Notwithstanding any other provision of this Plan, the Company's obligation to issue Shares to Holder pursuant to the exercise of an Option or otherwise pay an amount pursuant to the Plan or any Option shall be subject to the satisfaction of all federal, state, provincial, local and foreign tax obligations as may be required by applicable law, including, but not limited to, obligations to make withholdings, deductions or remittances in respect of any taxable benefits of a Holder arising under this Plan or any Option ("**tax withholding obligations**") and the Company shall have the power and right to:
- (a) deduct or withhold from all amounts payable to a Holder pursuant to this Plan, any Option, or otherwise in the course of the employment of the Optionee in respect of the Option with the Company or its Subsidiary, and
- (b) require the Holder to remit to the Company an amount sufficient to satisfy in full any tax withholding obligations as may be imposed on the Company by applicable law.

Further, the Company may require the Holder to satisfy, in whole or in part, such deduction or any tax withholding obligation by instructing the Company to withhold Shares that would otherwise have been received by the Holder upon exercise of any Options, and sell such Shares by Company as a trustee on behalf of the Holder, and remit the proceeds of such sale to the relevant taxing authority in satisfaction of the tax or withholding obligations. By participating in the Plan, the Participant consents to the foregoing and authorizes the Company or its Affiliate, as applicable, to effect the sale of such Shares on behalf of the Holder and to remit the proceeds of such sale to the relevant taxing authority in satisfaction of the tax or withholding obligations. Neither the Company nor any applicable Affiliate shall be responsible for obtaining any particular price for the Shares

nor shall the Company or any applicable Affiliate be required to issue any Shares under the Plan unless the Holder has made suitable arrangements with the Company and any applicable Affiliate to fund any withholding obligation.

- 9.4 **Issuance of Shares.** Subject to the provisions of the Plan and the provisions of the Option Agreement issued to an Optionee, and upon the Company being satisfied that all of the conditions and requirements in this Article 9 have been fully met, the Holder shall be deemed to be a holder of record of the Shares to be issued pursuant to an exercise of an Option, and thereafter the Company shall, within a reasonable amount of time, cause the transfer agent and registrar of the Shares to deliver to the Optionee a certificate or certificates or a statement of account, representing in the aggregate the acquired Shares. Any certificate or certificates representing the Shares will bear any restrictive legend required by Applicable Securities Laws and as may apply under foreign securities laws including the applicable securities laws of U.S. and state securities laws unless, in the written opinion of counsel for the Holder delivered to and for the benefit of the Company (which counsel shall be reasonably satisfactory to the Company), the Shares are not, at such time, required by law to bear such legend.

10. CAPITAL ADJUSTMENTS AND OTHER TRANSACTIONS

- 10.1 **General.** The existence of any Options does not affect in any way the right or power of the Company or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Company's capital structure or its business, or any amalgamation, merger or consolidation involving the Company, to create or issue any bonds, debentures, shares or other securities of the Company or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this section would have an adverse effect on the Plan or any Option granted hereunder, subject to Subsections 10.2(a) and 10.2(b).

- 10.2 **Adjustment.** In the event of:

- (a) a subdivision, consolidation or reclassification of Shares or any similar capital reorganization, or any other change to be made in the capitalization of the Company including an exchange of Shares for another security of the Company that, in the opinion of the Board, acting reasonably and in good faith, would warrant the replacement or amendment of any existing Options in order to adjust:
- (i) the number of Shares or other securities that may be acquired on the exercise of any outstanding Options; or
 - (ii) the Exercise Price of any outstanding Options,
- (b) in order to preserve proportionately the rights and obligations of the Optionees, the Board will authorize such steps, subject to Regulatory Approval, if required, to be taken as are equitable and appropriate to that end, having regard to the availability of any deduction under the ITA to which the Optionee may be entitled.
- (c) an amalgamation, combination, merger or other reorganization involving the Company, by exchange of shares, by sale or lease of assets, or otherwise, that, in the opinion of the Board, acting reasonably and in good faith, warrants the replacement or amendment of any existing Options in order to adjust:

- (i) the number of Shares or other securities that may be acquired on the exercise of any outstanding Options; or
 - (ii) the Exercise Price of any outstanding Options,
- (d) in order to preserve proportionately the rights and obligations of the Optionees, the Board will authorize such steps, subject to Regulatory Approval, if required, to be taken as are equitable and appropriate to that end, having regard to the availability of any deduction under the ITA to which the Optionee may be entitled.

Except as expressly provided in Subsections 10.2(a) and 10.2(b), neither the issue by the Company of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to: (i) the number of Shares that may be acquired on the exercise of any outstanding Options; or (ii) the Exercise Price of any outstanding Options.

10.3 **Fractional Shares.** The Corporation will not be required to issue fractional Shares in satisfaction of its obligations hereunder and any fractional interest in a Share that would, except for the provisions of this Section 10.3, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company.

10.4 **Disputes.** If any questions arise at any time with respect to the Exercise Price or number of Optioned Shares or other securities deliverable upon exercise of an Option in any of the events set out in Subsections 10.2(a) and 10.2(b), such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of chartered accountants that the Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

10.5 **Sale of Corporation, etc.** If the Board at any time by resolution declares it advisable to do so in connection with a Merger and Acquisition Transaction, the Board has the right but not the obligation, and without the consent of any Optionee, to provide for the conversion, exchange, replacement or substitution of any outstanding Options into or for options, rights or other securities of similar value of, or the assumption of outstanding Options by any entity or Affiliate participating in or resulting from a Merger and Acquisition Transaction. Any such conversion, exchange, replacement, substitution or assumption shall be on such terms as the Board in good faith may consider fair and appropriate in the circumstances. In addition, and notwithstanding this Section 10.5, the Board has the right but not the obligation, and without the consent of any Optionee, to determine, at its sole discretion, that:

- (a) any or all Options shall thereupon terminate; provided that only such outstanding Options that have vested shall remain exercisable until consummation of the Merger and Acquisition Transaction; or
- (b) Options not exercisable may be exercisable in full provided, however, that were any vesting of Options is required by Exchange Policy, written approval of the Exchange is first obtained.

10.6 **Change of Control.** If the Board at any time by resolution declares it advisable to do so in connection with a Change of Control, the Board has the right but not the obligation, and without the consent of any Optionee, to:

- (a) within a specified period of time prior to the completion of the Change in Control as determined by the Board but subject to and conditional upon the completion of the Change of Control,

accelerate the dates upon which any or all outstanding Options shall vest and be exercisable or settled, without regard to whether such Options have otherwise vested in accordance with their terms and provided, however, that were any vesting of Options is required by Exchange Policy, written approval of the Exchange is first obtained;

- (b) permit each Optionee, within a specified period of time prior to the completion of the Change in Control as determined by the Board but subject to and conditional upon the completion of the Change of Control, to exercise all of the Optionee's outstanding Options; or
- (c) subject to and conditional upon the completion of the Change of Control, deem the Plan and all outstanding Options, vested and unvested, terminate, without further act or formality, except to the extent required as determined by the Board.

The Optionee shall execute such documents and instruments and take such other actions, including exercise or settlement of Options vesting pursuant to Subsection 10.6(a) or the Option Agreement, as may be required consistent with the foregoing; provided, however, that the exercise or settlement of Options vesting pursuant to Subsection 10.6(a) or the Option Agreement shall be subject to the completion of the Change of Control event. In taking any of the actions contemplated by this Section 10.6, the Board shall not be obligated to treat all Options held by any Optionee, or all Options in general, identically.

11. AMENDMENTS & TERMINATION OF PLAN

11.1 **Amendment of Option.** Subject to Applicable Securities Law and Exchange Policy, the Board may amend the terms of any Option granted in accordance with the Plan upon obtaining, if required, Regulatory Approval and shareholder approval (including Disinterested Shareholder Approval, as applicable) provided that:

- (a) amendments to an Option to reduce the number of Shares under option; increase the Exercise Price; or cancel an Option will not require Regulatory Approval or shareholder approval provided there is a public announcement outlining the terms of the amendment;
- (b) no proposed amendment to an Option shall reduce the Exercise Price to an amount that is less than the Discounted Market Price at the time the amendment becomes effective;
- (c) if an amendment to an Option impairs such Option or is adverse to the Optionee thereof, the amendment shall only be made effective after the written consent of the affected Optionee to such amendment is received; and
- (d) if the amendment of an Option requires Regulatory Approval and/or shareholder approval (including Disinterested Shareholder Approval, as applicable), such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are granted.

11.2 **Amendment of Plan.** Subject to Applicable Securities Law and Exchange Policy, the Board may amend the Plan, or any portion thereof, upon obtaining Regulatory Approval and, if required, shareholder approval (including Disinterested Shareholder Approval, as applicable) provided that amendments to the Plan to fix typographical errors and amendments to clarify existing provisions

of the Plan that do not have the effect of altering the scope, nature and intent of such provisions will not require shareholder approval.

- 11.3 **Termination of Plan.** The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further Options shall be granted, but the Options then outstanding shall continue in full force and effect in accordance with the provisions of the Plan for the duration of such time as any Option remains outstanding.

12. **GENERAL PROVISIONS**

- 12.1 **Effective Date and Approvals.** This Plan was approved and adopted by the Board on July 13, 2015 (the “**Adoption Date**”) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such Adoption Date subject to Regulatory Approval and initial shareholder approval and thereafter annual shareholder approval (including Disinterested Shareholder Approval, as applicable) as required pursuant to Applicable Securities Law and/or Exchange Policy. Any Options granted under the Plan prior to such approval shall be conditional upon such approval being given and no such Options may be exercised unless and until such approval have been obtained or given.
- 12.2 **Rights as Shareholder.** An Optionee has no rights whatsoever as a shareholder in respect of any of the Optioned Shares (including, without limitation, any right to receive dividends or other distributions therefrom or thereon) other than in respect of Optioned Shares purchased by and fully paid for and issued to the Optionee on exercise of the Option.
- 12.3 **Rights to Employment/Service.** Nothing contained in the Plan will confer upon any Optionee (or his Consulting Company) any right with respect to employment, term of office or consulting with the Company or a Subsidiary, or interfere in any way with the right of the Company to terminate the Optionee’s employment, term of office or consulting arrangements (or those of his Consulting Company) at any time.
- 12.4 **No Listing Representation.** The Company makes no representation or warranty as to whether it will be successful in obtaining, or if applicable, maintaining, a listing for the Shares on any stock exchange or as to the future market value of the Shares issued on the exercise of any Option.
- 12.5 **Notice.** Each notice, demand or communication required or permitted to be given under the Plan (each, a “**Notice**”) will be in writing and shall be given by personal delivery, facsimile transmission or by email, if to the Company, to or to the attention of the Corporate Secretary of the Company in each case at the address, facsimile number or email address set forth on the Company’s website or at such other address as the Company may advise an Optionee of, in writing, as being the address for delivery of a Notice to the Company, and if to an Optionee, at the most recent address, facsimile number or email address for the Optionee shown in the records of the Company. All such Notices given as aforesaid shall be deemed to have been given or made only at the time it is served by personal delivery upon the Corporate Secretary or Optionee, as the case may be, or if sent by facsimile or email transmission, upon receipt of confirmation that such transmission has been received; provided that if such delivery or electronic communication is made on a day which is a not a Business Day or later than 5:00 p.m. (Toronto time) on a day which is a Business Day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a Business Day.
- 12.6 **Severability.** To the extent a provision of the Plan requires Regulatory Approval or shareholder approval which is not received, such provision shall be severed from the remainder of the Plan until

the approval is received and the remainder of the Plan shall remain in full force and effect. If any provision of this Plan, or the application thereof, is determined for any reason and to any extent to be invalid or unenforceable, the remainder of this Plan and the application of such provision to other persons and circumstances shall remain in full force and effect to the fullest extent possible.

- 12.7 **Compliance with Law.** Notwithstanding any other provision herein, the Company is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Board, on the advice of counsel for the Company, such action would require the filing and receipt of a prospectus or require the filing of a registration statement or otherwise constitute a violation by an Optionee or the Company of Applicable Securities Laws or any provision of any applicable law, including any statutory or regulatory enactment of any government or government agency. Optioned Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such Optioned Shares shall comply with all relevant provisions of law, including, without limitation, Applicable Securities Laws or similar laws of any jurisdiction, and the requirements of the Exchange, and such issuance shall be further subject to the approval of counsel for the Company with respect to such compliance. The inability of the Company to obtain from any regulatory body the authority deemed by the Company to be necessary for the lawful issuance and sale of any Optioned Shares under the Plan, or the inability of the Company to lawfully issue, sell, or deliver any Optioned Shares, shall relieve the Company of any liability with respect to the non-issuance, sale or delivery of such Optioned Shares.
- 12.8 **Merger of Stock Option Plan** Upon receipt of shareholder and Regulatory Approval of the Plan, the previous stock option plan of the Company entitled DealNet Capital Corp. – 2012 Stock Option Plan (the “**2012 Stock Option Plan**”) shall be deemed to be merged herein, such that all options outstanding under the 2012 Stock Option Plan shall be deemed to be outstanding under the Plan.