



**INTERMAP TECHNOLOGIES CORPORATION**  
**Annual General and Special Meeting of Shareholders**  
**NOTICE OF MEETING AND**  
**MANAGEMENT INFORMATION CIRCULAR**  
**to be held on May 16, 2017 at 2:00 p.m. at the**  
**Fairmont Palliser Hotel**  
**133 9 Ave SW, T2P 2M3**  
**CALGARY, ALBERTA**

The attached Management Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Intermap Technologies Corporation for use at the annual general and special meeting of holders of common shares of the Corporation to be held on May 16, 2017, at the time and place and for the purposes set out in the accompanying Notice of Annual General and Special Meeting and any adjournment thereof.

No person has been authorized to give any information or make any representation in connection with any matters to be considered at the meeting, other than as contained in the Management Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

Dated: April 13, 2017

## INTERMAP TECHNOLOGIES CORPORATION

### NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

#### TO: THE HOLDERS OF COMMON SHARES OF INTERMAP TECHNOLOGIES CORPORATION

**NOTICE IS HEREBY GIVEN** that the Annual General and Special Meeting (the “**Meeting**”) of holders of Class A common shares (“**Common Shares**”) of Intermap Technologies Corporation (the “**Corporation**”) will be held in the Leduc room at the Fairmont Palliser Hotel, 133 9 Ave SW, T2P 2M3, Calgary, Alberta on May 16, 2017, commencing at 2:00 p.m. (Calgary time) for the following purposes:

1. to receive the financial statements for the year ended December 31, 2016 and the auditors’ report thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to approve the appointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and authorize the board of directors of the Corporation (“**Board of Directors**” or the “**Board**”) to fix their remuneration;
4. to consider and, if deemed appropriate, to approve a special resolution to amend the articles of the Corporation to consolidate the issued and outstanding Common Shares of the Corporation on the basis of one (1) Common Share for up to ten (10) Common Shares, with the ratio to be determined by the Board of Directors, in its sole discretion, at any time prior to June 30, 2018, as described more fully in the accompanying management proxy and information circular (the “**Information Circular**”);
5. to consider and, if deemed appropriate, to approve an ordinary resolution to approve the unallocated options under the stock option plan of the Corporation, as described more fully in the accompanying Information Circular;
6. to consider and, if deemed appropriate, to approve an ordinary resolution to amend the Corporation’s stock option plan, as described more fully in the accompanying Information Circular;
7. to consider and, if deemed appropriate, to approve an ordinary resolution to amend the Corporation’s outstanding warrants to purchase Common Shares, as described more fully in the accompanying Information Circular; and
8. to transact such other business as may be properly brought before the Meeting or any adjournment thereof each as described in the Information Circular accompanying this Notice.

The Board of Directors has fixed the close of business on April 11, 2017 as the record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof.

**INFORMATION RELATING TO THE MATTERS TO BE BROUGHT BEFORE THE MEETING IS SET FORTH IN THE MANAGEMENT INFORMATION CIRCULAR WHICH ACCOMPANIES THIS NOTICE AND WHICH IS EXPRESSLY MADE A PART OF THIS NOTICE.**

Shareholders who are unable or do not wish to attend the Meeting are requested to date, sign and return the enclosed form of proxy duly completed to **Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1**, so that it is received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the Meeting or any adjournment thereof to ensure representation whether or not such shareholder is able personally to attend the Meeting. If the shareholder receives more than one instrument of proxy because such shareholder owns Common Shares of the Corporation registered in different names or addresses, each instrument of proxy should be completed and returned. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

DATED at Calgary, Alberta on April 13, 2017.

**BY ORDER OF THE BOARD OF  
DIRECTORS**

(Signed) "*Patrick A. Blott*"

---

Patrick A. Blott

Chairman & Chief Executive Officer

**INTERMAP TECHNOLOGIES CORPORATION**  
**MANAGEMENT INFORMATION CIRCULAR**  
**SOLICITATION OF PROXIES**

**This management information circular (the “Information Circular”) is furnished by the management of Intermap Technologies Corporation (the “Corporation”) in connection with the solicitation of proxies for use at the Annual General and Special Meeting (the “Meeting”) of holders of Class A common shares (“Common Shares”) of the Corporation to be held in the Leduc room of the Fairmont Palliser Hotel, 133 9 Ave SW, T2P 2M3, Calgary, Alberta on May 16, 2017, commencing at 2:00 p.m. and at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting and this Information Circular. To be valid, proxies must be delivered to Computershare Trust Company of Canada at the address shown on the enclosed envelope not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting. Only a shareholder of record at the close of business on April 11, 2017, unless that shareholder has transferred its Common Shares subsequent to that date and the transferee shareholder establishes ownership to those Common Shares and demands at least ten days before the Meeting that its name be included on the list of shareholders, will be entitled to vote at the Meeting.**

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or its attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

**The persons named in the enclosed Form of Proxy are directors and executive officers of the Corporation. A shareholder submitting the proxy has the right to appoint a person (who need not be a shareholder) other than the persons named in the enclosed Form of Proxy to represent it at the Meeting. To exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the Form of Proxy and strike out the other names, or submit another appropriate proxy.**

**REVOCABILITY OF PROXY**

A shareholder who has submitted a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. If a shareholder who has given a proxy attends personally at the Meeting, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the shareholder or its attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Corporation at any time up to 4:30 p.m. (Calgary time) on the last business day before the day of the Meeting, or with the Chairman of the Meeting on the day of the Meeting, and upon either of such deposits, the proxy is revoked.

**PERSONS MAKING THE SOLICITATION**

**This solicitation is made by and on behalf of the management of the Corporation.** The costs incurred in the preparation and mailing of the Form of Proxy, Notice of Meeting and this Information Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited in person, by telephone or by electronic communications by the directors, officers and employees of the Corporation, who will not be remunerated therefor. In accordance with National Instrument 54-101-*Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares (as defined below) held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

## APPOINTMENT OF PROXY

The securities represented by proxies in favor of management nominees will be voted on any poll at the Meeting, and where the shareholder specifies a choice with respect to any matter to be acted upon; the securities will be voted or withheld from voting on any poll in accordance with the specification so made.

**In the absence of such specification, such securities will be voted in favor of the matters to be acted upon as set out herein. The persons appointed under the Form of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Form of Proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting. In the event that amendments or variations to any matter identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter or business. At the time of printing this Information Circular, the management of the Corporation knows of no such amendment, variation, or other matter.**

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name.** Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholders name. Such Common Shares will more likely be registered under the name 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 depository for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions (“**Broadridge**”). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of its broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

#### **RECORD DATE**

The board of directors of the Corporation (the “**Board of Directors**” or the “**Board**”) has fixed April 11, 2017 as the record date (the “**Record Date**”) for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment thereof. Shareholders of record at the close of business on the Record Date are entitled to such notice and to vote at the Meeting.

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

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any nominee for election as a director, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

#### **REPORTING CURRENCY**

All of the financial information in this Information Circular has been presented, unless otherwise noted, in United States dollars. The presentation currency for the audited financial statements of the Corporation for the year ended December 31, 2016 is in United States dollars.

#### **MATTERS TO BE ACTED UPON AT THE MEETING**

##### **1. Annual Report, Financial Statements and Auditors' Report**

Pursuant to the *Business Corporations Act* (Alberta) (the “**Act**”), the directors will place before the shareholders at the Meeting the audited financial statements of the Corporation for the year ended December 31, 2016 and the auditors' report thereon. Shareholder approval is not required in relation to the statements.

##### **2. Election of Directors**

Action is to be taken at the meeting with respect to the election of directors. The Board of Directors presently consists of four members. The current directors are Patrick A. Blott, Andrew P. Hines, Michael R. Zapata, Philippe Frappier. All of the current directors have indicated an intention stand for re-election as directors of the Corporation at the Meeting. Each director elected will hold office until the next annual meeting of the shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated under any of the relevant provisions of the Articles of the Corporation or the Act.

The Board has adopted a policy stipulating that if the votes in favor of the election of a director nominee at a shareholders' meeting represent less than a majority of the Common Shares voted at the shareholders' meeting, the nominee will submit his or her resignation promptly after the meeting, for the Nominating and Governance Committee's consideration. The Committee will

make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation offer will be disclosed to the public. The nominee will not participate in any committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

Four directors will be elected at the Meeting and the four nominated directors receiving the highest number of FOR votes duly cast at the Meeting will be elected to the Board.

**Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote FOR the election to the Board of Directors of those persons hereinafter designated as nominees for election as directors.**

The following table sets out the name of each of the persons proposed to be nominated for election as a director; the director's residence; all positions and offices in the Corporation presently held by him; his principal occupation; the period during which he has served as a director; and the number of voting shares of the Corporation that he has advised are beneficially owned, or controlled or directed by him, directly or indirectly, as of the date hereof.

<b>Name, Present Office Held and Residence</b>	<b>Director Since</b>	<b>Principal Occupation</b>	<b>Common Shares <sup>(5)</sup></b>
Patrick A. Blott <sup>(1)(3)(4)</sup> Chairman and Chief Executive Officer New York, U.S.A.	July 13, 2016	Chairman and Chief Executive Officer of the Corporation. <sup>(6)</sup> Co-Founder and Managing Partner of Blott Asset Management LLC <sup>(7)</sup> and previously Director and Special Committee Chairman of OSI Geospatial Inc. <sup>(8)</sup>	0
Andrew P. Hines <sup>(2)(3)(4)</sup> Director New Jersey, U.S.A	September 9, 2016	Principal of Hines & Associates. <sup>(9)</sup> Director of Tronox Limited. <sup>(10)</sup> Previously, EVP/CFO of Natural Markets Foods Group <sup>(11)</sup> and EVP/CFO of Sonar Entertainment. <sup>(12)</sup>	0
Michael R. Zapata <sup>(2)(3)(4)</sup> Director New York, U.S.A.	September 9, 2016	Founder and Managing Partner of Sententia Capital Management LLC. <sup>(13)</sup> Director of Tip of the Spear Foundation <sup>(14)</sup> and New York Texas A&M Foundation. <sup>(15)</sup>	0
Philippe Frappier <sup>(2)(3)(4)</sup> Director Toronto, Canada	January 30, 2017	Senior Partner of Searchlight Recruitment Inc. <sup>(16)</sup>	0

**Notes:**

- (1) Chairman of the Board
- (2) Member of Audit Committee
- (3) Member of Compensation Committee
- (4) Member of Nominating and Governance Committee
- (5) Beneficially Owned, Controlled or Directed, Directly or Indirectly, as at the Record Date
- (6) (October 2016 – Present)
- (7) A private equity and venture capital firm (May 2006 – Present)
- (8) A world-leading naval fleet supplier of integrated navigation and tactical solutions, and a leading-edge research, development, and systems integration supplier of technology solutions for defense, aerospace, health, and bioscience markets (August 2011 – September 2013)
- (9) A financial management consulting firm (September 2006 – Present)
- (10) A global leader in the mining, production and marketing of inorganic minerals and chemicals (June 2012 – Present)
- (11) A chain of organic food markets (October 2015 – November 2016)
- (12) Develops, produces and distributes original made-for-television movies and mini-series (June 2011 – June 2014)

- (13) A value investing based capital management firm (December 2012 – Present)
- (14) A non-profit dedicated to supporting Navy Seal operators and their families during times of need (August 2016 – Present)
- (15) Provides scholarship assistance to Texas A&M students from the New York metro area (December 2015 – Present)
- (16) An executive search firm, specializing in digital media and technology (September 2005 – Present)

Each of the current directors was appointed in 2016, except for Philippe Frappier who was appointed in 2017, and replaced previously elected directors. The current directors in aggregate own or control 0% of the issued and outstanding Common Shares of the Corporation.

The information as to Common Shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective individuals.

#### *Orders*

To the knowledge of management of the Corporation, no proposed director is, as at the date hereof, or has been within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that (a) was subject to an order that was issued while the proposed director was acting in the capacity as 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 hereof, “order” means (a) a cease trade order, (b) an order similar to a cease trade order, or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

#### *Bankruptcies*

To the knowledge of management of the Corporation, no proposed director of the Corporation (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the 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, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

#### *Penalties and Sanctions*

To the knowledge of management of the Corporation, no proposed director has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **3. Appointment of Auditors**

At the Meeting, the shareholders will be asked to appoint KPMG LLP as auditors of the Corporation to serve until the close of the next annual meeting of shareholders of the Corporation and to authorize the Board to fix their remuneration. KPMG LLP has been the auditor of the Corporation since incorporation.



Information relating to the Corporation's Audit Committee as prescribed by National Instrument 52-110 – *Audit Committees* is contained in the Corporation's Annual Information Form for the year ended December 31, 2016 commencing on page 27.

**Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote FOR the appointment of KPMG LLP as auditors of the Corporation at a remuneration to be fixed by the Board of Directors.**

#### **4. Re-approval of the Share Consolidation Special Resolution**

At the Meeting, the shareholders will be asked to re-approve a special resolution approving the amendment of the Corporation's articles of incorporation to consolidate the issued and outstanding Common Shares (the "**Share Consolidation**"). The special resolution is substantially the same as the one approved at the annual and special meeting of the shareholders of the Corporation held on June 8, 2016 and which will expire on June 30, 2017. If the special resolution is approved, the Board will have the authority, in its sole discretion, to select the exact consolidation ratio provided that (a) the ratio will be no larger than one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "**Consolidation Ratio**"), and (b) the number of post consolidation Common Shares must be a whole number of Common Shares. Subject to approval of the Toronto Stock Exchange (the "**TSX**"), the approval of the special resolution would give the Board the authority to implement the Share Consolidation at any time prior to June 30, 2018. In addition, even if the proposed Share Consolidation is approved by the shareholders, the Board, in its sole discretion, may revoke the special resolution and abandon the Share Consolidation without further approval or action or prior notice to shareholders.

The background to and reasons for the Share Consolidation, certain risks associated with the Share Consolidation and related information are described below.

##### *Background to and Reasons for the Share Consolidation*

The Board proposes to reduce the number of Common Shares of the Corporation in order to improve the ability for institutional investors to purchase Common Shares of the Corporation and in anticipation of a cross-listing on a U.S. exchange at some time in the future.

The Board believes shareholder approval of a maximum potential Consolidation Ratio (rather than a single consolidation ratio) provides the Board with flexibility to achieve the desired results of the Share Consolidation. If this special resolution is approved, the Share Consolidation will be implemented, if at all, only upon a determination by the Board that the Share Consolidation is in the best interests of the Corporation and the shareholders at that time. In connection with any determination to implement a Share Consolidation, the Board will set the timing for such a Share Consolidation and select the Consolidation Ratio from within the range set forth in the special resolution. The Board's selection of the Consolidation Ratio would be based primarily on the price of the Common Shares at the time and the expected stability at that price level. No further action on the part of shareholders will be required in order for the Board to implement the Share Consolidation. If the Board does not implement the Share Consolidation before June 30, 2018, the authority granted by the special resolution to implement the Share Consolidation on these terms will lapse. The special resolution also authorizes the Board to elect not to proceed with and abandon the Share Consolidation at any time if it determines, in its sole discretion, to do so. The Board would exercise this right if it determined that the Share Consolidation was no longer in the best interests of the Corporation and its shareholders. No further approval or action by or prior notice to the shareholders would be required in order for the Board to abandon the Share Consolidation.

### *Certain Risks Associated with the Consolidation*

There can be no assurance that the total market capitalization of the Common Shares (the aggregate value of all Common Shares at the then-market price) immediately after the Share Consolidation will be equal to or greater than the total market capitalization immediately before the Share Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Share Consolidation will be higher than the per-share market price immediately before the Share Consolidation or equal or exceed the direct arithmetical result of the Share Consolidation. In addition, a decline in the market price of the Common Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of a Share Consolidation, and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Share Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Corporation will be successful in receiving increased attention from institutional investors. If the Share Consolidation is implemented, it may result in some shareholders owning “odd lots” of less than 100 Common Shares on a post-consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per Common Share to sell, relative to Common Shares in “board lots” of multiples of 100 Common Shares.

### *Principal Effects of the Consolidation*

As of the date hereof, the Corporation had 162,723,641 Common Shares issued and outstanding. Following the completion of the proposed Share Consolidation, the number of Common Shares of the Corporation issued and outstanding will depend on the Consolidation Ratio selected by the Board. The following table sets out the appropriate number of Common Shares that would be outstanding as a result of the Share Consolidation at the ratios suggested below based on the current issued and outstanding Common Shares.

<b>Table 1 – Consolidation Ratio</b>	<b>Approximate Number of Outstanding Common Shares (Post Consolidation)<sup>(1)(2)</sup></b>
10 for 1	16,273,364
7 for 1	23,246,234
5 for 1	32,544,728
3 for 1	54,241,214

**Notes:**

- (1) The ratios above are for information purposes only and are not indicative of the actual Consolidation Ratio that may be adopted by the Board to effect the Share Consolidation.
- (2) Based on the number of outstanding Common Shares as at the date hereof, being 162,723,641 Common Shares.

### *Effect on Warrants and Stock Options*

The exercise or conversion price and/or the number of Common Shares issuable under any outstanding convertible securities, including the Corporation’s stock options and warrants, will be proportionately adjusted upon the implementation of the Share Consolidation, in accordance with the terms of such securities, based on the Consolidation Ratio determined by the Board.

### *Tax Effect*

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

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

If the Share Consolidation is approved and implemented, registered shareholders will be required to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing post-consolidation Common Shares. If the Board decides to implement it, then following the announcement by the Corporation of the selected Consolidation Ratio and the effective date of the Share Consolidation, registered shareholders will be sent a letter of transmittal from the Corporation's transfer agent, Computershare Trust Company of Canada, as soon as practicable after the effective date of the Share Consolidation. The letter of transmittal will contain instructions on how to surrender your certificate(s) representing your pre-consolidation Common Shares to the transfer agent. The transfer agent will forward to each registered shareholder who has sent the required documents a new share certificate representing the number of post-consolidation Common Shares to which the shareholder is entitled. Until surrendered, each share certificate representing pre-consolidation Common Shares will be deemed for all purposes to represent the number of whole post-consolidation Common Shares to which the shareholder is entitled as a result of the Share Consolidation.

**Shareholders should not destroy any share certificate(s) and should not submit any share certificate(s) until requested to do so.**

### *Fractional Shares*

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

### *Percentage Shareholdings*

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

### *Implementation*

The implementation of the special resolution is conditional upon the Corporation obtaining the necessary regulatory consents. The special resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Share Consolidation, without further approval of the Corporation's shareholders. In particular, the Board may determine not to present the special resolution to the Meeting or, if the special resolution is presented to the Meeting and approved, may determine after the meeting not to proceed with completion of the proposed Share Consolidation and filing the articles of amendment. If the Board does not implement the Share Consolidation prior to June 30, 2018, the authority granted by the special resolution to implement the Share Consolidation on these terms would lapse and be of no further force or effect.

### *Effect on Non-registered Shareholders*

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

### *Procedure for Implementing the Share Consolidation*

If the Share Consolidation is approved and the Board decides to implement it, the Corporation will promptly file articles of amendment with the Registrar of Corporations under the Act in the form prescribed by the Act to amend the Corporation's articles of incorporation. The Share Consolidation would then become effective on the date shown on the certificate of amendment issued by the Registrar of Corporations under the Act or such other date indicated in the articles of amendment provided that, in any event, such date will be prior to June 30, 2018.

### *No Dissent Rights*

Under the Act, shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

It is proposed that the shareholders pass a resolution approving the Share Consolidation substantially in the form set forth below:

“NOW THEREFORE BE IT RESOLVED BY SPECIAL RESOLUTION THAT:

1. the Corporation be and is hereby authorized to consolidate the issued and outstanding Common Shares in the capital of the Corporation on the basis of one (1) new common share for up to every ten (10) Common Shares currently issued and outstanding (the “**Share Consolidation**”) at any time prior to June 30, 2018;
2. the Board of Directors is hereby authorized to determine the ratio for the Share Consolidation at any time prior to June 30, 2018;
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, to complete all transactions in connection with the Share Consolidation; and
4. notwithstanding the passing of this special resolution by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to or approval of the shareholders of the Corporation not to proceed with the Share Consolidation or to revoke this resolution at any time prior to the Share Consolidation becoming effective.”

**Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote FOR the resolution authorizing and approving the Share Consolidation.** In order to be approved, the special resolution must be passed by at least 66 and 2/3% of the votes cast by shareholders at the Meeting in person or by proxy.

## **5. Approval of Unallocated Options under the Stock Option Plan**

At the Meeting, shareholders of the Corporation will be asked to approve the unallocated options under the Corporation's stock option plan (“**Option Plan**”), which was last approved by the Corporation's shareholders on August 14, 2014. The only amendment to the Option Plan since it was last approved by the shareholders in 2014, was to specifically add a requirement to secure shareholder approval in connection with the removal or exceedance of the insider participation limits, which change was requested by the TSX. Shareholders will be asked at the Meeting to approve an amendment to the Corporation's Option Plan to remove the restriction on the number of Options that can be granted to non-employee directors.

The Option Plan provides that ten percent (10%) of the issued and outstanding Common Shares of the Corporation can be reserved for issuance under the Option Plan rather than a fixed maximum number of Common Shares. The TSX requires a majority of the shareholders of the Corporation to approve, every three years, the unallocated options under the Option Plan. Such shareholder approval must be obtained by a majority of the votes cast at a meeting of the shareholders. A copy of the Option Plan is attached hereto as Schedule “A” and a description of the key terms of the Option Plan is set forth below.

#### *Description of Option Plan*

The shareholders adopted the current Option Plan, which is a “rolling” incentive stock option plan for directors, officers, participating employees and any person or company who provides management or consulting services to the Corporation and its subsidiaries, in May 2008.

The Option Plan permits the granting of Options to purchase up to a maximum of 10% of the issued and outstanding Common Shares of the Corporation from time-to-time. Based upon the issued and outstanding Common Shares as at April 13, 2017, the Corporation can issue up to 16,272,364 Common Shares pursuant to stock options (“**Options**”) granted under the Option Plan. Since the inception of the Option Plan in 2004, the Corporation has issued 1,331,416 Common Shares upon the exercise of Options.

The number of Options and the exercise price thereof is set by the Board of Directors at the time of grant provided that the exercise price shall not be less than the market price of the Common Shares, which is the last per share closing price for the Common Shares on the TSX before the date of grant. The Options are exercisable for a period as the Board of Directors determine at the time of grant, which must not exceed the maximum period permitted by the TSX, provided that in any event, the maximum period is 10 years from the date of grant and vest at such times as the Board of Directors determine at the time of grant, subject to the rules of the TSX. Any increase in the issued and outstanding Common Shares will result in an increase in the available number of Common Shares issuable under the Option Plan, and any exercise or forfeiture of Options will make new grants available under the Option Plan effectively resulting in re-loading of the number of Options available to grant under the Option Plan.

The Options granted under the Option Plan shall not result at any time in:

- (a) The number of Common Shares issuable to insiders of the Corporation, at any time, under the Option Plan, and any other security based compensation arrangements of the Corporation, exceeding 10% of the issued and outstanding Common Shares;
- (b) The number of Common Shares reserved for non-employee directors of the Corporation, at any time, cannot exceed 1% of the issued and outstanding Common Shares;
- (c) The number of Common Shares issued to insiders of the Corporation, within any one year period, under the Option Plan, and any other security based compensation arrangements of the Corporation, exceeding 10% of the issued and outstanding Common Shares; or
- (d) The Options granted under the Option Plan together with all of the Corporation’s other previous option grants, shall not result at any time:

- (i) in the grant to any one (1) optionee within a twelve (12) month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares; and
- (ii) on and after the Corporation becomes subject to the limitations of Section 162(m) of the United States Internal Revenue Code of 1986, as amended (the “Code”), in any optionee being granted in any calendar year, Options that relate to more than 4,614,805 Common Shares.

Shareholders are being asked at the meeting to approve an amendment to the Option Plan to remove the restriction set forth in (b) above.

If an optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the optionee may, but only within ninety (90) days after the optionee’s ceasing to be a director, officer, employee or consultant or prior to the expiry of the Option period, whichever is earlier, exercise any Option held by the optionee, but only to the extent that the optionee was entitled to exercise the Option at the date of such cessation. The Board of Directors may decide to what extent leaves of absence for governmental or military service, illness, temporary disability, or other reasons shall not be deemed interruptions of continuous employment or service. In the event of death of an optionee, the optionee’s estate shall have one year following the date of death of the optionee or prior to the expiry of the Option period, whichever is earlier in which to exercise the outstanding Options.

The Option Plan also includes a provision that should an Option expiration date fall within a period when the optionee is prohibited from exercising the Option under applicable laws (a “Blackout Period”), the expiration date will automatically be extended for a period up to ten business days immediately following the end of the Blackout Period. No right or interest of any optionee in or under the Option Plan is assignable or transferable. The Option Plan does not provide any specific vesting provisions for Options granted thereunder. Any vesting provisions for Options granted under the Option Plan will be set out in the agreements evidencing such Options, as determined by the Board at the time of the grant. The Option Plan contains standard anti-dilution provisions.

Subject to the exceptions set out below, the Board of Directors may amend or terminate the Option Plan or any outstanding Option granted thereunder at any time without the approval of the shareholders of the Corporation or any optionee whose Option is amended or terminated, in order to conform the Option Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the TSX or such regulatory authority. Except as provided below, shareholder approval will not be required for the following types of amendments.

- (i) amendments of a “housekeeping” nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the Option Plan or stock option agreement or to correct or supplement any provision of the Option Plan that is inconsistent with any provision of the Option Plan or stock option agreement;
- (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);
- (iii) amendments necessary in order for awards to qualify for favourable treatment under applicable taxation laws;
- (iv) amendments respecting administration of the Option Plan;

- (v) amendments allowing the Corporation to provide financial assistance to optionees to facilitate the exercise of Options under the Option Plan;
- (vi) any amendment regarding the terms and conditions in which vesting occurs in respect of Options granted pursuant to the Option Plan, including the acceleration of vesting in any stock option agreement;
- (vii) any amendment regarding the terms and conditions in respect of the exercise price in respect to Options held by the optionees that are not insiders;
- (viii) amendments necessary to suspend or terminate Options, stock option agreements or the Option Plan in accordance with applicable law; and
- (ix) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Notwithstanding the foregoing, shareholder approval will be required for the following types of amendments:

- (i) amendments to the number of shares issuable under the Option Plan;
- (ii) amendments to modify the requirements as to eligibility for participation;
- (iii) amendments to extend the term of Option Plan;
- (iv) amendments to expand the types of awards available;
- (v) amendments to remove or exceed the insider participation limits; and
- (vi) any other amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Furthermore, notwithstanding the foregoing, shareholder approval will be required for the following types of amendments:

- (i) amendments to reduce the exercise or purchase price of any Options held by any person, regardless of whether such person is an insider of the Corporation;
- (ii) amendments to extend the terms of any Options held by any person, regardless of whether such person is an insider of the Corporation;
- (iii) amendments to permit Options to become transferrable or assignable, other than for normal estate planning purposes; and
- (iv) amendments to the amendment provisions of the Option Plan.

#### *Unallocated Stock Options*

The number of unallocated Options is calculated by subtracting the number of outstanding Options to acquire Common Shares at any given time from the number that represents 10% of the issued and outstanding Common Shares at the time. As of April 13, 2017, the Corporation had 162,723,641 Common Shares issued and outstanding and Options to purchase 13,439,621 Common Shares (equal to approximately 8.26% of the outstanding Common Shares) were

outstanding under the Option Plan, leaving unallocated Options to purchase 2,832,743 Common Shares (equal to approximately 1.74% of the outstanding Common Shares) available for future grants.

Approval is being sought at the Meeting to approve the unallocated Options under the Option Plan. If approval is obtained, the Corporation will not be required to seek further approval of the unallocated Options under the Option Plan until May 16, 2020. If approval is not obtained at the Meeting, Options that have not been allocated as of May 16, 2017 and Options that are outstanding as of May 16, 2017 and are subsequently cancelled, terminated or exercised will not be available for a new grant of Options. Previously allocated Options will continue to be unaffected by the approval or disapproval of the resolution.

The granting of Options is a key component of the compensation arrangements for all employees of the Corporation. As such, the Board of Directors has unanimously approved the unallocated Options under the Option Plan.

At the Meeting, the shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving the unallocated Options under the Corporation's Option Plan. The text of the ordinary resolution which management intends to place before the Meeting for the approval of the unallocated Options under the Option Plan is as follows:

“NOW THEREFORE BE IT RESOLVED BY ORDINARY RESOLUTION THAT:

1. all unallocated Options under the Option Plan of the Corporation, as amended from time to time, are hereby approved and authorized, which approval shall be effective until May 16, 2020; and
2. any one director or officer of the Corporation is hereby authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

**Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote FOR the resolution approving the unallocated Options.** The resolution must be approved by a simple majority of the votes of shareholders cast in person or by proxy at the Meeting. If the resolution is not approved by the shareholders, the Corporation will have to consider other methods of compensating its employees.

## **6. Amendment to the Option Plan**

Shareholders will be asked at the Meeting to vote on an ordinary resolution to approve an amendment to the Corporation's Option Plan to remove the restriction on the number of Options that can be granted to non-employee directors. The Option Plan currently provides that the number of Common Shares reserved for issue under Options granted to non-employee directors of the Corporation be limited to 1% of the Common Shares outstanding from time to time (the “**Non-Employee Director Limit**”). For a description of the Option Plan, see “Approval of Unallocated Options under the Stock Option Plan” and Schedule “A”.

As disclosed in the section “Statement of Executive Compensation – Compensation Discussion and Analysis”, the Corporation has been actively restructuring its business and affairs to refocus its business and improve its liquidity. Attracting and retaining experienced non-employee directors in a financially distressed corporation is a challenge and the Corporation has limited means with



which to compensate these directors. Given the share trading price of the Corporation's Common Shares has been severely depressed as a result of the Corporation's current financial condition (ranging from C\$0.115 to C\$0.06 per Common Share over the past three months), the Non-Employee Director Limit does not provide a sufficient number of Common Shares to appropriately compensate the non-employee directors for the significant time commitment that is required to restructure the Corporation. Thus, in order to retain cash that is required to rebuild the business of the Corporation and provide adequate and competitive compensation for the Corporation's non-employee directors, the Corporation is seeking the approval of shareholders to remove the Non-Employee Director Limit from the Option Plan.

At the Meeting the shareholders will be asked to approve the following resolution:

"BE IT RESOLVED THAT the amendment to the Stock Option Plan of the Corporation, as described in the Corporation's Information Circular dated April 13, 2017, be and is hereby authorized, approved, ratified and confirmed."

**If named as proxy, the management designees intend to vote the Common Shares represented by such proxy FOR in favour of the foregoing resolution, unless otherwise directed in the instrument of proxy.**

The resolution must be approved by a simple majority (50% + 1) of the votes of shareholders cast in person or by proxy at the meeting.

## 7. Amendments to the Outstanding Warrants

Shareholders will be asked at the Meeting to vote on a resolution to amend the expiry date in respect of all of the outstanding warrants to align with the maturity date of the debt obligations, as well as to amend the exercise price in respect of the those warrants which have an exercise price in Canadian dollars, to fix the exercise price in U.S. dollars. This would result in the maturity date for all outstanding warrants being extended to September 1, 2020 and the exercise price for all outstanding warrants being denominated in U.S. dollars, which is the Corporation's functional currency as substantially all of the Corporation's business is conducted in U.S. dollars.

### *Background*

The Corporation currently has outstanding warrants to purchase an aggregate of 21,412,684 Common Shares (equal to approximately 13.2% of the outstanding Common Shares), of which warrants to purchase an aggregate of 14,268,032 Common Shares (equal to approximately 8.8% of the outstanding Common Shares) are held by directors, officers and principal shareholders of the Corporation. The principal shareholder is also the Corporation's secured lender.

Details of the outstanding warrants and their current terms are set forth below:

Issue Date	Number of Underlying Common Shares <sup>(1)</sup>	Exercise Price per Common Share	Expiry Date
December 12, 2014	1,354,152 <sup>(2)</sup>	C\$0.10	December 12, 2017
December 26, 2014	1,984,626 <sup>(2)</sup>	C\$0.07	December 26, 2017
January 5, 2015	1,750,242	C\$0.08	January 21, 2018
April 1, 2015	10,929,254 <sup>(3)</sup>	US\$0.07	April 1, 2018
May 4, 2015	5,394,410	US\$0.06	May 4, 2018

**Notes:**

- (1) The number of underlying Common Shares has been increased by 3,430,549 Common Shares as a result of the completion of the Corporation's rights offering which triggered an adjustment pursuant to the anti-dilution protection provisions set forth in the warrant agreements.
- (2) Warrants are held by Vertex One Asset Management Inc., on behalf of the Vertex Fund, (collectively, "**Vertex**"), a principal shareholder of and secured lender to the Corporation.
- (3) Warrants to purchase an aggregate of 5,464,690 Common Shares are held by Vertex (equal to approximately 3.4% of the outstanding Common Shares) and warrants to purchase an aggregate of 5,464,564 Common Shares (equal to approximately 3.4% of the outstanding Common Shares) are held by three of the current directors of the Corporation, one of whom is also an executive officer. The warrants presently held by the current directors were purchased by such directors in an arm's length transaction in January 2017.

The outstanding warrants were originally issued by the Corporation in connection with various debt financing transactions over the course of the past three years. During the past seven months, the Corporation has been actively restructuring its business and affairs and in December 2016, the Corporation amended the terms of substantially all of its outstanding debt to eliminate interest payments and cash sweep obligations, terminate royalty payments that were granted in connection with past debt financings and extend the maturity date of such debt obligations to September 1, 2020. As a result of these steps, the Corporation now wishes to amend the expiry date in respect of all of the outstanding warrants to align with the maturity date of the debt obligations. This would result in the maturity date for all outstanding warrants being extended to September 1, 2020.

In addition thereto, the Corporation also wishes to amend the exercise price in respect of the those warrants which have an exercise price in Canadian dollars, to fix the exercise price in U.S. dollars which is the Corporation's functional currency as substantially all of the Corporation's business is conducted in U.S. dollars.

The exercise price of such warrants would be fixed based on the Bank of Canada daily average exchange rate for U.S. dollars on April 6, 2017 of US\$1.00=C\$1.3418. Using this exchange rate, the exercise prices would be amended as set forth below:

<b>Issue Date</b>	<b>Number of Underlying Common Shares</b>	<b>Exercise Price per Common Share</b>	<b>Amended Exercise Price per Common Share</b>
December 12, 2014	1,354,152	C\$0.10	US\$0.08
December 26, 2014	1,984,626	C\$0.07	US\$0.05
January 5, 2015	1,750,242	C\$0.08	US\$0.06

Pursuant to sections 608(a)(i) and 608(a)(ii) of the rules of the TSX, shareholder approval is required for (i) amendments to warrants held, directly or indirectly, by insiders; (ii) amendments to warrants resulting in an exercise price which is less than the market price of the securities determined on the date of the amending agreement; or (iii) amendments to "in-the-money" warrants. In addition, shareholder approval must exclude the votes attached to the Common Shares held by any holders whose warrants are proposed to be amended.

As indicated above, warrants to purchase an aggregate of 14,268,032 Common Shares are held by insiders of the Corporation. Additionally, warrants to purchase an aggregate of 5,394,410 Common Shares are presently "in-the-money". As such, shareholder approval is being requested in connection with sections 608(a)(i) and 608(a)(ii) of the rules of the TSX. The remaining warrants will only be amended if and to the extent that all warrants are amended as contemplated herein to ensure fair and equitable treatment for all warrant holders.

### *Recommendation of the Board*

After careful consideration, the Board has unanimously determined that the amendments to the terms of the outstanding warrants are in the best interests of the Corporation. In reaching this conclusion, the Board considered a number of factors, including, but not limited to, the Corporation and its secured lender were successful in restructuring the short-term financing obligations in December 2016 to amend the terms of substantially all of its outstanding debt to eliminate interest payments and cash sweep obligations, terminate royalty payments that were granted in connection with past debt financings and extend the maturity date of such debt obligations to September 1, 2020 and such warrants were granted in connection with the original financing arrangements. As a result of the restructuring, the Board believes it is best to align with the expiry date in respect of all of the outstanding warrants with the maturity date of the debt obligations as the warrants were issued in conjunction with these debt obligations. In addition, the Board considered the reporting consequences of having warrants denominated in a currency different from the Corporation's functional currency, resulting in non-cash adjustments to the balance sheet each reporting period, to be confusing to the readers. Therefore, the Board believes the elimination of the currency fluctuation risk and resulting adjustments to the non-cash liability will create better presentation of the Corporation's obligations with respect to the warrants going forward. As a result, **the Board unanimously recommends that shareholders vote FOR the resolution approving the amendments to the warrants.**

### *Resolution relating to Warrant Amendments*

At the Meeting the shareholders will be asked to approve the following resolution:

“NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation be and is hereby authorized and directed to amend the expiry date in respect of all issued and outstanding warrants to September 1, 2020;
2. the Corporation be and is hereby authorized and directed to amend the exercise prices of the warrants set forth below to the exercise price set out opposite such award as the “Amended Exercise Price per Common Share”:

Issue Date	Number of Underlying Common Shares	Exercise Price per Common Share	Amended Exercise Price per Common Share
December 12, 2014	1,354,152	C\$0.10	US\$0.08
December 26, 2014	1,984,626	C\$0.07	US\$0.05
January 5, 2015	1,750,242	C\$0.08	US\$0.06

3. any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, to complete all transactions in connection with the amendments to the warrants; and
4. notwithstanding the passing of this ordinary resolution by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to or approval of the shareholders of the Corporation not to proceed with the amendments to the warrants or to revoke this resolution at any time prior to the amendments

becoming effective through the execution of amending agreements with the holders of such warrants.”

**Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote FOR the resolution approving the amendments to the warrants.** In order to be approved, the ordinary resolution must be passed by a majority (50%+1) of the votes cast by shareholders at the Meeting in person or by proxy, excluding all Common Shares held by any holders whose warrants are proposed to be amended. As of the date hereof, an aggregate of 56,510,057 Common Shares (35% of the outstanding Common Shares) will be excluded from voting, all of which Common Shares are held by Vertex. None of the other holders of warrants hold any Common Shares.

## **8. Other Matters**

Management of the Corporation is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Annual General and Special Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed instrument of proxy to vote the shares represented thereby in accordance with their best judgement on such matter(s).

## **INFORMATION CONCERNING THE CORPORATION**

### **Voting Shares and Principal Holders Thereof**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares (the “**Preferred Shares**”).

As at the Record Date, April 11, 2017, there were 161,457,307 Common Shares issued and outstanding and no Preferred Shares issued and outstanding. At the Meeting, upon a show of hands, every holder of Common Shares present in person or represented by proxy and entitled to vote shall have one vote for each Common Share holder represented, subject to certain restrictions imposed on the ability of a proxyholder to vote by show of hands where such proxyholder has conflicting instructions from more than one shareholder. On a poll or ballot, every shareholder present in person or by proxy has one vote for each Common Share held. A shareholder present in person or represented by proxy may demand a ballot either before or after any vote by show of hands.

A quorum for the transaction of business at the Meeting will be present if two persons are present and holding or representing by proxy 5% of the securities entitled to vote at the Meeting. Pursuant to the Act and the bylaws, if a quorum is present at the opening of the Meeting, the shareholders present 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 opening of the Meeting, the shareholders present may adjourn the Meeting to a fixed time and place but may not transact any other business.

The holders of Common Shares are entitled to notice of and to vote at all annual and special meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share.

### **Principal Shareholders**

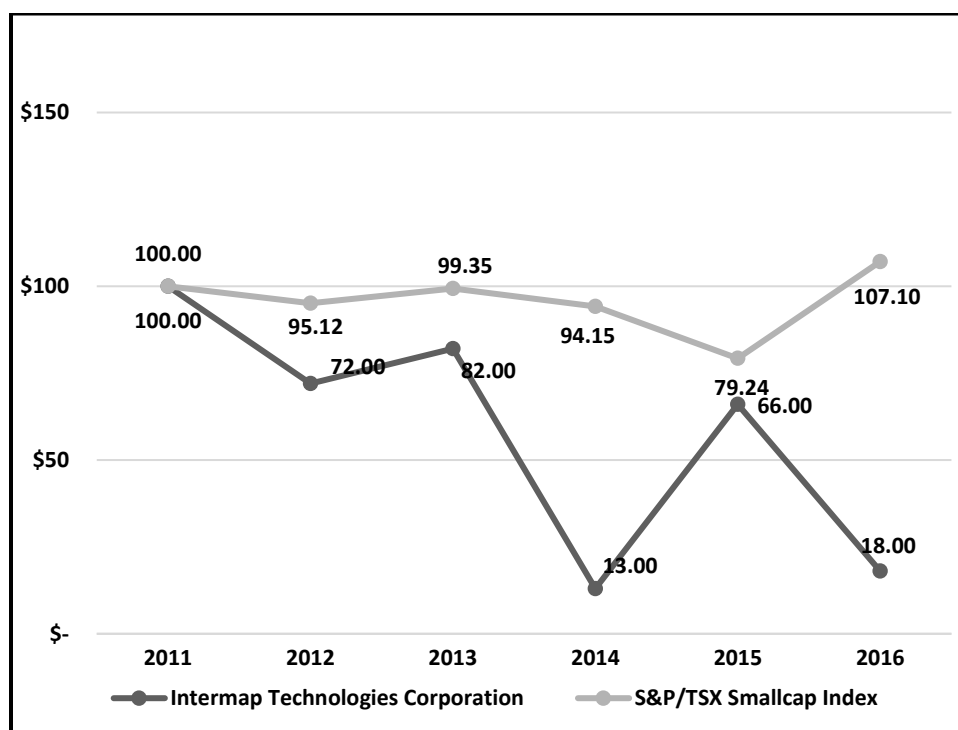
To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, the persons noted in the following table were the only persons that beneficially owned, directly or indirectly,

or exercised control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation:

Name and Municipality of Residence of Shareholder	Type of Ownerships	Approximate Number of Common Shares Owned or Controlled	Percentage of Class
Vertex One Asset Management Inc. Vancouver, British Columbia	Beneficial	56,510,057	35.0%

### PERFORMANCE GRAPH

The following graph compares the cumulative total shareholder return for the Common Shares of the Corporation (assuming a \$100 investment was made on December 31, 2011) with the cumulative total return of the S&P/TSX Smallcap Index, assuming reinvestment of dividends (see “**Base Salary**” and “**Directors’ Fees**” below for trends in executive and director compensation).



	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2015	Dec. 30, 2016
Intermap Technologies Corporation	\$ 0.50	\$ 0.36	\$ 0.41	\$ 0.07	\$ 0.33	\$ 0.09
S&P/TSX Smallcap Index	615	585	611	579	487	659

The trend in the above graph does not necessarily correspond to the Corporation’s compensation paid to the Named Executive Officers (as defined herein) for the period ending December 31, 2016, or for any prior periods. The Board of Directors considers a number of factors in connection with its determination of appropriate levels of compensation including, but not limited to the stage of development of the

Corporation's products, individual performance, and the Corporation's performance. The Board of Directors that was in place at the time these compensation levels were established acknowledged the difficulties the Corporation faced, which impacted its ability to recruit and retain executive talent and impacted the level of compensation required to be paid to retain executive officers. These factors include, but are not limited to: (i) the volatility of the industry the Corporation operates within; (ii) the reliance on significant non-recurring government contracts, both domestically and internationally; (iii) the development of new products and solutions that are in the early days of introduction to the markets; (iv) the current limited amounts of annual recurring revenue; and (v) the limited amount of working capital available to the Corporation for development and marketing activities. The trading price of Common Shares is subject to fluctuations based on a number of factors, many of which are outside the control of the Corporation, and including, but not limited to: (i) actual or anticipated variations in operating results; (ii) the strength of the Company's balance sheet; (iii) the announcement of material contract(s); (iv) the low daily trading volume of the Company's stock; (v) announcement of technological innovations or new products by the Company or its competitors; (vi) competition, including pricing pressures and the potential impact of competitors products on sales; (vii) changing conditions in the digital mapping and related industries; (viii) unexpected production difficulties; (ix) changes in financial estimates or recommendations by stock market analysts regarding Intermap or its competitors; (x) announcements by Intermap or its competitors of acquisitions; strategic partnerships, or joint ventures; (xi) additions or departures of senior management; and (xii) changes in economic or political conditions.

## STATEMENT OF EXECUTIVE COMPENSATION

The following sections set forth the remuneration for the "Named Executive Officers" (or "NEOs"), being the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers during the most recently completed financial year and the three other most highly compensated executive officers whose total compensation exceeded \$150,000 for the last fiscal year, as well as a description of all other applicable compensation provided to the executive officers of the Corporation.

### Compensation Discussion and Analysis

#### General

During the past seven months, the Corporation has been actively restructuring its business and affairs. These activities have focused on:

- addressing liquidity and restructuring the debt and royalty obligations of the Corporation;
- strategically refocusing the Corporation's business on its data acquisition and data licensing services and better focusing its software development business;
- improving operating efficiencies and profitability through reductions in workforce and other cost saving initiatives;
- changing the executive management team with individuals having operational and financial restructuring experience; and
- reconstituting the Board of Directors with new members having experience in restructuring financially distressed corporations.

As a result of these changes, none of the current Board members were directors of the Corporation at the time that the compensation decisions were made with respect to the prior executive management team.

Additionally, the current Board is currently considering the compensation program design and it is expected that changes will be introduced in 2017.

### Compensation Objective

The current objective of the Corporation's compensation program (the "**Compensation Program**") is to attract and retain high quality management and develop a strong performance-driven culture. This objective has changed as a result of the restructuring and the means by which the Corporation achieves this objective in the future is expected to change further. As of the first quarter of 2017, the Board has engaged Price Waterhouse Coopers ("PWC Canada") to consult regarding compensation changes to achieve its current compensation objectives.

The Compensation Program that was in place during 2016, provided for "Total Compensation," through a combination of base salary, performance-based incentives and benefit programs.

### Role of Executive Officers

In respect of the establishment of 2016 compensation, the prior Chief Executive Officer provided the Compensation Committee of the Corporation (the "**Committee**") with compensation recommendations for each of the executives, other than himself. This practice has continued under the current Chairman and Chief Executive Officer and the current Chairman and Chief Executive Officer is a member of the Compensation Committee. In making compensation recommendations, the Chief Executive Officer considered each executive's performance and other relevant factors, including the scope of each executive's position and responsibilities, the achievement of corporate goals, the current business environment and anticipated changes, and executive retention and recruitment considerations. The Chief Executive Officer and the Corporation's Chief Financial Officer regularly attended meetings of the Committee. Since October 2016, there have been more than 24 meetings of the Compensation Committee to review compensation and organizational restructuring. The Chief Executive Officer and the Chief Financial Officer were not present for certain portions of the Committee meetings, such as when the Committee held executive sessions or discussed the performance or individual compensation of either the Chief Executive Officer or the Chief Financial Officer.

### Role of the Compensation Committee

Pursuant to its charter, the Committee is responsible for reviewing and making recommendations to the Board in respect of human resource policies, practices and structures, compensation policies and guidelines, management incentives, senior management compensation, and Board of Directors compensation.

The Committee had oversight responsibility for the Corporation's 2016 executive Compensation Program and made recommendations to the Board of Directors. Prior to August 2016, the Committee was comprised of John C. Curlander, Donald R. Gardner and Michael A. Hoehn. At that time, all members of the Committee were independent, non-employee directors, and not eligible to participate in any of the Corporation's benefit programs, other than the Corporation's Option Plan and the directors' share compensation plan (see "Director Compensation"). Messrs. Curlander and Gardner were involved with executive compensation related matters at companies they were employed with in the past.

The Committee met with the Chief Executive Officer to review overall employee compensation for the Corporation and specific compensation of the executive officers. In order to help achieve the goal of tying executive compensation to the performance of the Corporation, the Committee reviewed and approved the executive Compensation Program for 2016 at the same time the Corporation's overall budget was established in the prior year.

Since October 2016, the responsibility for compensation decisions resides with the current Compensation Committee comprised of Patrick Blott, Andrew Hines, Michael Zapata, and Philippe Frappier (Chairman). The Committee still reviews and approves all proposed compensation related agreements between executives and the Corporation. Messrs. Frappier, Hines and Zapata, three of the four current directors, are independent, non-employee directors, and are not eligible to participate in any of the Corporation’s benefit programs, other than the Corporation’s Option Plan and the directors’ share compensation plan (see “Director Compensation”). Mr. Frappier has advised and negotiated executive compensation and has led compensation reviews for his clients over the past 11 years in his role as Senior Partner for Searchlight Recruitment, an executive search firm. The Corporation believes the combined experience of Messrs. Blott, Frappier, Hines and Zapata provides a broad base of executive compensation knowledge that will positively influence the Corporation’s executive compensation related decisions going forward.

Use of Compensation Consultants and Peer Group Companies

In the past, the Committee had engaged an independent executive compensation consultant to collect market data and make recommendations regarding the competitiveness of the Corporation’s executive Compensation Program. These recommendations formed the basis of the Corporation’s executive Compensation Program from 2014 through 2016.

Presently, the Board has engaged PWC Canada to provide an updated market analysis which will assist the Board in designing a compensation program for the Chief Executive Officer of the Corporation, recognizing the current financial condition and challenges facing the Corporation.

Elements of Executive Officer Compensation during 2016

During 2016 the Corporation’s Compensation Program had four principal components: base salary, incentive bonus plan, long-term incentive plan and stock options.

Base Salary

The base salary element was designed to establish a target compensation level of fixed income based on the comparative market value of each position. Additionally, the base salary was the metric upon which bonus and severance compensation was based. The 2016 base salaries for Messrs. Oseth and Mohr were determined based on the scope of their responsibilities and the compensation levels for their positions relative to the market, so that salary levels were competitive in an effort to build and retain an effective executive team. There was no change in base salary for Messrs. Oseth and Mohr from 2015 to 2016. Messrs. Blott and Hoehn were each serving as directors prior to their appointment as Chief Executive Officer and Chief Financial Officer, respectively, in October 2016. No base salary was paid to either of Messrs. Blott or Hoehn during 2016. For details regarding the compensation paid to Messrs. Blott and Hoehn during 2016, see “Director Retention Plan”. Mr. Hoehn resigned as Chief Financial Officer of the Corporation on January 3, 2017 and resigned as a director of the Corporation on January 27, 2017.

Base salaries for the NEOs were as follows for the 2016 calendar year:

<u>Name</u>	<u>Annual Base Salary</u>
Todd A. Oseth <sup>(1)</sup>	\$371,300
Richard L. Mohr <sup>(2)</sup>	\$265,200
Patrick A. Blott <sup>(3)</sup>	\$0
Michael A. Hoehn <sup>(4)</sup>	\$0

**Notes:**

- (1) Mr. Oseth served as President and Chief Executive Officer through October 3, 2016.
- (2) Mr. Mohr served as Senior Vice President and Chief Financial Officer through October 4, 2016.
- (3) Mr. Blott was appointed as Chairman and Chief Executive Officer, beginning October 5, 2016.
- (4) Mr. Hoehn was appointed as Chief Financial Officer, beginning October 5, 2016.



### Incentive Bonus Plan

As in prior years, the Committee approved an annual incentive bonus plan to provide cash or Common Share bonus payments to the NEOs and other employees who are considered to have a significant role in the long-term success of the Corporation. The bonus payments were based upon corporate and individual objectives approved by the Board of Directors. The bonus plan was designed to be at-risk and to provide an incentive to the participants to achieve and exceed goals set by the Corporation and approved by the Board of Directors. For 2016, the annual incentive bonus payout targets (as a percentage of annual base salary) were 60% for Mr. Oseth and 50% for Mr. Mohr. For 2016, the individual objectives on which incentive bonus payments were to be measured included: adjusted EBITDA (earnings before interest, taxes, depreciation and amortization, adjusted further for non-recurring events and as detailed in the Corporation's Management's Discussion and Analysis ("MD&A") filed on SEDAR), total revenue, software related revenue, and revenue backlog. No incentive bonuses were paid to Messrs. Oseth and Mohr in 2016.

### Long-term Incentive Plan

The Board of Directors had approved a long-term incentive plan ("LTIP") designed to compensate the NEOs and three other members of senior management of the Corporation based on the stock performance of the Corporation over a multiple year period. The LTIP had a two year duration commencing on January 1, 2014 and ending on December 31, 2015. At December 31, 2015, it was determined that the NEO's achieved 44.1% of the objective set out in the LTIP and as a result, 1,248,794 Common Shares and 525,111 Common Shares were scheduled for distribution to Mr. Oseth and Mr. Mohr, respectively, from the Employee Share Compensation Plan, according to the terms of the LTIP. As of December 31, 2016, the shares remain undistributed. Pursuant to the terms of the separation agreements entered into with each of Messrs. Oseth and Mohr, the Corporation issued these Common Shares, net of applicable taxes, on April 12, 2017.

### Compensation Risk

In the past the Board has an annual compensation risk review process that was overseen by the Compensation Committee and was included with the NEOs' annual compensation review process. The process sought to identify risks associated with compensation and the practices in place to mitigate such risk. The process considered pay philosophy and governance, compensation components, short-term and long-term incentives, performance measurements, share ownership, and other policies and procedures. As a result of management changes, the focus on restructuring at the end of 2016 and the design of a new compensation program for the new executives and directors, the annual compensation risk review was deferred to 2017, in connection with the new compensation program.

### Employee Share Compensation Plan

The shareholders approved the Employee Share Compensation Plan, which provides for the issuance from treasury of Common Shares to employees of the Corporation on an annual basis. This Plan provides that each year, if so determined by the Board of Directors, each participant shall be issued Common Shares of the Corporation in an amount equal to up to 100% of the participant's annual performance based bonus amount (the "**Annual Bonus Amount**") paid by the Corporation divided by the closing price of the Common Shares on the TSX on the date prior to payment, provided that such purchase price shall not be less than that from time to time permitted under the rules of the TSX. The Annual Bonus Amount shall be determined annually by the Board of Director's, who will further determine the range, from 0 – 100%, of the Annual Bonus Amount which shall be payable by the issue of Common Shares pursuant to the Employee Share Compensation Plan. If any participant ceases to be an employee of the Corporation for any reason, his right to be issued Common Shares pursuant to the Employee Share Compensation Plan will terminate immediately, subject to any amounts owing to the participant at the time such participant ceases to be employed by the Corporation. All benefits, rights and Common Shares accruing to any participant in

accordance with the terms and conditions of the Employee Share Compensation Plan are non-transferrable and non-assignable.

There are presently 10,000,000 Common Shares reserved for issuance pursuant to this Plan. If so determined by the Board of Directors, Common Shares may be issued to employees as incentive compensation as part of their annual performance bonus. No awards of Common Shares were made to the NEOs during 2016 and 1,153,038 Common Shares were issued to Messrs. Oseth and Mohr in April 2017. To date, 2,358,223 Common Shares have been issued under this Plan, representing 1.45% of the issued and outstanding Common Shares of the Corporation. As of April 13, 2017, 7,641,777 Common Shares remain available for issuance under the Employee Share Compensation Plan.

#### Option Plan and Option-based Awards

The Corporation grants Options to certain employees (including executive officers) who are considered to have a significant role in the long-term success of the Corporation. For grants to directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries, the Committee reviews the Chief Executive Officer's proposal and makes recommendations to the Board of Directors regarding the approval of grants to such persons. For any grant to the Chief Executive Officer, the Committee makes a recommendation to the Board of Directors regarding the magnitude of such grant. Presently, all decisions with respect to the granting of Options are made by the Board on the Committee Chairman's recommendation.

Grants of Options are based on individual performance, position held within the Corporation and the overall performance of the Corporation. Previous grants of Options are taken into when considering new grants to employees and the executives of the Corporation.

Options give the individual the right to purchase at a pre-set price (the market price of the Corporation's stock when the Option is granted), a specific number of Common Shares of the Corporation's stock at future dates, and the executives can exercise this right as the Options vest (i.e., become exercisable) during the life of the Option (generally the Board has set a four year vesting period with a six year option life for employees of the Corporation, as determined by the Board in its discretion at the time of the grant). The value of any Option awards made to the executive officers is determined using the Black-Scholes option pricing model. Options are also used as a means to promote the long-term retention of key executives by imposing time-based vesting conditions on all Option awards. Equity in the form of Options forms a key element of the total compensation for each executive and is considered each year as part of the annual performance review process.

For details on the Options granted to the NEOS, see "Incentive Plan Awards" below.

A complete copy of the Option Plan is attached as Schedule "A" to this Information Circular. At the Meeting, shareholders are being asked to consider and, if thought fit, approve the unallocated options under the Option Plan and to approve an amendment to the Option Plan to remove the non-employee Director Limit.

#### Benefit Plans

To help attract and retain key executives, the Corporation offers a competitive benefits program that ranks in the top quartile of benefit programs offered in the region. The program provides benefits to the executive officers on the same terms as are available to all other employees in the jurisdictions where they reside, and typically includes health care, dental care, vision care, disability and life insurance.

The Corporation does not provide any pension or retirement benefits to its employees (including its executive officers) other than a Corporation sponsored 401(k) plan in the United States and a Registered

Retirement Savings Plan (“RRSP”) in Canada. All 401(k) and RRSP matching contributions, if any, are subject to annual review and the approval of the Board of Directors and are conditional principally on the financial performance and condition of the Corporation. The matching of contributions for the executive officers is on the same terms as offered to all other employees participating in the plans. For the first half of 2016, the Board approved the matching of 401(k) and RRSP contributions at 50% of employee contributions up to the first 4% of included compensation. The matching contributions were suspended for all employees on August 16, 2016. Employee and employer match contributions are immediately vested at 100%.

### Employment Contracts

During 2016 and prior to their departures, both Messrs. Oseth and Mohr had employment contracts with the Corporation. On April 12, 2017, upon the recommendation of the Compensation Committee Chairman supported by a benchmarking analysis conducted by PWC Canada, the Corporation entered into an employment agreement with Mr. Blott to serve as Chairman and Chief Executive Officer.

#### *Patrick A. Blott*

The Corporation entered into an employment agreement with Patrick A. Blott pursuant to which Mr. Blott will serve as Chairman & Chief Executive Officer of the Corporation from March 1, 2017 through to September 1, 2020.

Mr. Blott’s employment agreement provides for an annual base salary of \$450,000 to be paid in cash. Mr. Blott is eligible to receive a performance bonus up to \$450,000, payable in cash, Options or Common Shares, in each fiscal year based on the achievement of goals approved by the Board of Directors on an annual basis. The employment agreement also contains non-competition provisions that prevent Mr. Blott from providing services following termination of employment for a period of one year in the markets being pursued by the Corporation, subject to certain exceptions. Under the Director Retention Agreement, Mr. Blott is entitled to additional payments upon a Change of Control, including a cash payment of \$600,000. Further, if Mr. Blott is terminated pursuant to a Change of Control, he is entitled to additional amounts under the employment agreement equal to \$1,350,000 annual base salary and \$675,000 maximum bonus. A Change in Control, pursuant to Mr. Blott’s employment agreement means: (i) any individual or related group (as that term is defined in the *Income Tax Act* (Canada)) of Shareholders or the Corporation acquires or retires 50% of the voting securities of the Corporation in one or a series of transactions; (ii) a reduction in Vertex’s investment (other than by debt repayment or conversion) of 15% or more or an acquisition by any third party of Common Shares such that such third party will own 10% or more of the outstanding Common Shares or the involuntary termination of the Executive Chairman’s service as a director; (iii) the sale, lease exchange or other disposition of more than 50% of the Corporation’s property or assets; or (iv) the removal of the Chief Executive Officer as Executive Chairman without the affirmative vote of the Chief Executive Officer.

#### *Todd A. Oseth*

The Corporation entered into an employment agreement with Todd A. Oseth pursuant to which Mr. Oseth served as President and Chief Executive Officer of the Corporation from December 6, 2010 through to December 31, 2015. On December 9, 2015, the Compensation Committee approved the extension of Mr. Oseth’s employment agreement to December 31, 2016.

Mr. Oseth’s employment agreement provided for an annual base salary of \$350,000 to be paid in cash. Pursuant to the recommendation of the Committee and subsequent approval of the Board, Mr. Oseth’s annual base salary was increased to \$371,300 beginning June 1, 2014. Mr. Oseth was eligible to receive a performance bonus in each fiscal year based on the achievement of goals approved by the Board of Directors on an annual basis. The employment agreement also contained non-competition provisions that

prevent Mr. Oseth from providing services following termination of employment for a period of one year in the markets being pursued by the Corporation, subject to certain exceptions.

During 2016, the Board of Directors made the decision to change the executive leadership of the Company which resulted in the Corporation and Mr. Oseth entering into an amicable separation agreement with an effective date of October 4, 2016. The separation agreement provided for \$292,650 of separation and health benefits pay, as well as commitment to issue the 1,248,794 Common Shares earned in 2015 under the LTIP plan. As of December 31, 2016, the value of the Common Shares earned was C\$112,391.

#### *Richard L. Mohr*

The Corporation entered into an employment agreement with Richard L. Mohr pursuant to which Mr. Mohr was hired to fill the office of Senior Vice President and Chief Financial Officer of the Corporation from January 1, 2011 through to December 31, 2015. On December 9, 2015, the Compensation Committee approved the extension of Mr. Mohr's employment agreement to December 31, 2016.

Mr. Mohr's employment agreement provided for an annual base salary of \$250,000. Pursuant to the recommendation of the Chief Executive Officer and subsequent approval by the Committee and the Board, Mr. Mohr's annual base salary was increased to \$265,200 beginning June 1, 2014. Mr. Mohr was eligible to receive a performance bonus in each fiscal year based on the achievement of goals approved by the Board of Directors on an annual basis. The employment agreement also contained a non-competition provision that prevents Mr. Mohr from providing services following termination of employment for a period of one year in the markets being pursued by the Corporation, subject to certain exceptions.

During 2016, the Board of Directors made the decision to change the executive leadership of the Company which resulted in the Company and Mr. Mohr entering into an amicable separation agreement with an effective date of October 5, 2016. The separation agreement provided for \$284,100 of separation and health benefits pay, as well as commitment to issue the 525,111 Common Shares earned under the LTIP plan. As of December 31, 2016, the value of the Common Shares earned was C\$47,260.

#### Director Retention Plan

The changes in executive leadership resulted in Messrs. Blott and Hoehn being asked to serve as Chairman and Chief Executive Officer and director and Chief Financial Officer, respectively, commencing October 5, 2016. At the time, the Corporation was operating under waiver from its debt covenants with uncertainty regarding the adequacy of the Corporation's future liquidity. As such, the Board wished to incentivize the Chairman and Chief Executive Officer and director and Chief Financial Officer to make their expertise and relationships available to the Corporation, the Board and its stakeholders, and remain with the Corporation to complete a restructuring of the debt, re-building of the business and development of new sources of revenue. Such level of operating and financial engagement requires significantly more time and commitment than the typical Board duties.

In October 2016, the Board approved a director retention plan ("**Director Retention Plan**") which was intended to address short-term compensation and retention requirements for the new Board and those directors serving as executive officers. The Director Retention Plan included the following elements:

#### *Chairman and Chief Executive Officer*

- a retention payment of \$50,000, earned from the date of appointment to the Board in July 2016;
- a one-time cash payment of \$50,000, in recognition of re-organizing the Corporation's Board and organization, attracting Mr. Zapata and Mr. Hines to join the board, and completing the September 2016 financing to provide immediate liquidity to the Corporation;

- reimbursement of all unreimbursed past and future expenses directly related to services performed for the Corporation;
- granting (when available under the terms of the Corporation's Option Plan) of Options to acquire an aggregate of 2,830,000 Common Shares (the "**Chairman Options**"), subject to the terms of the Option Plan; and
- in the event of a Change of Control (defined below), concurrently with the Change of Control, the Corporation will make a cash payment equal to the greater of (i) the value of the Chairman Options (that remain unexercised) after giving effect to the Change of Control and (ii) \$600,000 in cash (subject to reduction on a ratable basis in the event any of the Chairman Options are exercised). The Chairman Options will be void upon the making of such payment.

*Director and Chief Financial Officer*

- a retention payment of \$80,000, earned from the date of appointment to the Board;
- granting (when available under the terms of the Corporation's Option Plan) of Options to acquire an aggregate of 2,000,000 Common Shares (the "**CFO Options**"), subject to the terms of the Option Plan; and
- in the event of a Change of Control (defined below), concurrently with the Change of Control, the Corporation will make a cash payment equal to the greater of (i) the value of the CFO Options (that remain unexercised) after giving effect to the Change of Control and (ii) \$400,000 in cash (subject to reduction on a ratable basis in the event any of the CFO Options are exercised). The CFO Options will be void upon the making of such payment.

*Directors (Other than the Chairman and Chief Executive Officer and Chief Financial Officer)*

- a retention payment of \$40,000, earned from the date of appointment to the Board;
- granting (when available under the terms of the Corporation's Option Plan) of Options to acquire an aggregate of 1,000,000 Common Shares (the "**Director Options**"), subject to the terms of the Option Plan; and
- in the event of a Change of Control (defined below), concurrently with the Change of Control, the Corporation will make a cash payment equal to the greater of (i) the value of the Director Options (that remain unexercised) after giving effect to the Change of Control and (ii) \$250,000 in cash (subject to reduction on a ratable basis in the event any of the Director Options are exercised). The Director Options will be void upon the making of such payment.

A Change of Control is defined as (a) a reduction in Vertex's investment (other than by debt repayment) of 15% or more, (b) an acquisition by any third party of Common Shares such that such third party will own 15% or more of the outstanding common shares or (c) the involuntary termination of the Executive Chairman's service as a director.

During the fourth quarter of 2016, the cash payments under the Director Retention Plan were paid and Options to purchase an aggregate of 1,709,320, 1,208,000, 604,000 and 604,000 were granted to Messrs. Blott, Hoehn, Hines and Zapata, respectively, at an exercise price of C\$0.08 per Common Share.

## Summary Compensation Table

The following table sets forth the total compensation paid to or earned by the NEOs for the Corporation's fiscal years ended December 31, 2016, 2015 and 2014.

Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation (\$)		All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans		
<b>Patrick A. Blott</b> Chairman & CEO	2016	100,000 <sup>(1)</sup>		138,996	-	-	18,410 <sup>(4)</sup>	257,406
<b>Michael A. Hoehn</b> <sup>(3)</sup> CFO	2016	80,000 <sup>(1)</sup>		92,674	-	-	33,718 <sup>(4)</sup>	206,392
	2015	-		-	-	-	25,833 <sup>(4)</sup>	25,833
<b>Todd A. Oseth</b> Former President & CEO	2016	294,429	-	60,000	-	-	296,150 <sup>(5)</sup>	654,079
	2015	371,300	-	-	-	-	5,300 <sup>(7)</sup>	376,600
	2014	366,800	-	45,719	-	-	6,000 <sup>(7)</sup>	418,519
<b>Richard L. Mohr</b> Former Senior Vice President & CFO	2016	211,385	-	36,000	-	-	287,194 <sup>(6)</sup>	534,579
	2015	265,200	-	-	-	-	5,300 <sup>(7)</sup>	270,500
	2014	261,992	-	34,289	-	-	5,240 <sup>(7)</sup>	301,521

### Notes:

- (1) Amounts represent payments under the Director Retention Plan.
- (2) Amount expensed for financial reporting purposes with respect to the fair value of options granted in each year using the Black-Scholes option pricing model as of the date of grant. The amount reflects the accounting expense for these awards, and does not correspond to the actual value that may or may not be recognized by the NEO. The Corporation has historically used this calculation for determining fair value and believes it is the most reasonable and supportable methodology available to estimate fair value.
- (3) Mr. Hoehn resigned as Chief Financial Officer on January 3, 2017.
- (4) Amounts reflect fees paid for services provided as a Director.
- (5) Amount reflects \$292,650 of separation pay and health benefits subsidy to be paid out through June 30, 2017, on the Corporation's regular bi-monthly payroll cycle, and \$3,500 of employer contributions the Corporation sponsored 401(k) plan.
- (6) Amount reflects \$284,100 of separation pay and health benefits subsidy to be paid out through September 30, 2017, on the Corporation's regular bi-monthly payroll cycle, and \$3,094 of employer contributions the Corporation sponsored 401(k) plan.
- (7) Amounts reflect employer contributions the Corporation sponsored 401(k) plan.

## Incentive Plan Awards

### Outstanding Option-based Awards and Share-based Awards

The following table sets forth the options granted to the NEOs to purchase or acquire Common Shares of the Corporation outstanding as of December 31, 2016.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (C\$)	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 (\$)
Patrick A. Blott	1,709,320	0.08	16 Nov 2026	\$17,093	-	-	-
	123,807	0.23	16 Aug 2021	-	-	-	-
Michael A. Hoehn	1,208,000	0.08	16 Nov 2026	\$12,080	-	-	-
	53,000	0.27	17 May 2021	-	-	-	-
Todd A. Oseth	250,000	0.27	17 May 2022	-	-	-	-
	200,000	0.29	19 Mar 2020	-	-	-	-
	250,000	0.44	13 Mar 2019	-	-	-	-
Richard L. Mohr	150,000	0.27	17 May 2022	-	-	-	-
	150,000	0.29	19 Mar 2020	-	-	-	-
	125,000	0.44	13 Mar 2019	-	-	-	-
	450,000	0.48	03 Jan 2017	-	-	-	-

**Note:**

(1) Value has been calculated using the closing trading price of the Common Shares on December 30, 2016 of C\$0.09.

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

The following table sets forth the value vested or earned during 2016, of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year.

Name	Option-based awards - value earned during the year (\$) <sup>(1)</sup>	Share-based awards - value earned during the year (C\$)	Non-equity incentive plan compensation - value earned during the year (\$)
Patrick A. Blott	\$138,996	-	-
Michael A. Hoehn	\$92,674	-	-
Todd A. Oseth	-	-	-
Richard L. Mohr	-	-	-

**Note:**

(1) See “Summary Compensation Table” above and footnote (2) contained therein.

## Retirement Benefits

The Corporation does not have a defined benefit plan or defined contribution plan, but does provide retirement benefits to its employees, including NEOs.

The Corporation sponsors a 401(k) retirement savings plan for all regular full-time employees (including executive officers) employed in the United States and a Registered Retirement Savings Plan (RRSP) in Canada. Employees participating in the 401(k) plan during 2016 could contribute up to 100% of their annual base earnings into the plan up to a limit of \$18,000. Contribution amounts may be indexed for inflation in subsequent years. Participants in the 401(k) plan turning age 50 in 2016 or prior had the option to contribute an additional \$6,000 into the plan. This additional contribution amount for age 50+ participants may also be indexed for inflation in subsequent years. Annual contributions into the 401(k) retirement savings plan are subject to an actual percentage deferral test. Participants in the RRSP could contribute the lesser of (i) 18% of prior year's earned income, (ii) the maximum annual contribution limit of C\$25,370, or (iii) the remaining limit after any Corporation sponsored pension plan contributions minus any pension adjustment, plus any unused RRSP contribution room. Participants in the RRSP who did not utilize all of their contribution limit for the years 1991-2016 could carry forward unused RRSP contributions to 2017. During the first half of 2016, the Corporation matched 50% of employee contributions up to the first 4% of included compensation on a semi-monthly pay period basis. The match was discontinued on August 16, 2016. Employee and employer match contributions are immediately vested at 100%. Vested amounts may be withdrawn by the participant at any time subject to certain terms and conditions.

## Director Compensation

### Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also NEOs, for the Corporation's most recently completed financial year.

<u>Name</u>	<u>Fees earned (\$)<sup>(1)</sup></u>	<u>Share-based awards (\$)<sup>(2)</sup></u>	<u>Option-based awards (\$)</u>	<u>Non-equity incentive plan compensation (\$)</u>	<u>Pension value (\$)</u>	<u>All other Compensation (\$)<sup>(3)</sup></u>	<u>Total (\$)</u>
Andrew P. Hines <sup>(4)</sup>	11,042	-	39,985	-	-	40,000	91,027
Michael R. Zapata <sup>(4)</sup>	9,108	-	39,985	-	-	40,000	89,093
Larry G. Garberding <sup>(5)</sup>	25,875	33,413	12,704	-	-	-	71,992
Donald R. Gardner <sup>(5)</sup>	24,164	33,413	12,704	-	-	-	70,281
John C. Curlander <sup>(6)</sup>	21,398	33,413	12,704	-	-	-	67,515

#### **Notes:**

- (1) Amounts represent fees earned during 2016. Unpaid fees are detailed in the table below.
- (2) Amounts represent the fair value of shares issued to Directors in lieu of cash payments related to accrued Director fees.
- (3) Amounts represent fees earned and paid under the Director Retention Program in 2016.
- (4) Mr. Hines and Mr. Zapata became Directors on September 9, 2016.
- (5) Mr. Garberding and Mr. Gardner resigned from the Board of Directors, effective July 13, 2016.
- (6) Mr. Curlander resigned from the Board of Directors, effective July 29, 2016.

### Directors' Fees

The compensation of non-employee directors consists of a cash component and a stock component. Each director is entitled to reimbursement for reasonable out-of-pocket expenses in connection with attending board and committee meetings. The directors are not permitted to purchase financial instruments (hedges, etc.) to offset decreases in market value of equity securities held by such director.



Prior to the adoption of the Director Retention Plan, each non-employee director received an annual retainer of \$25,000. Subject to the availability of Common Shares under the Directors' Share Compensation Plan, the director's annual retainer also includes the issuance of Common Shares of approximately \$10,000. In addition to the annual retainer amounts, annual fees were earned during 2016 to the Chairman of the Board, the Audit Committee Chairman, the Nominating and Governance Committee Chairman, and the Compensation Committee Chairman in the amounts of \$15,000, \$8,000, \$4,000 and \$4,000, respectively. During the first quarter of 2016, the Independent Committee, consisting of all the independent directors of the Corporation, was terminated. The fees earned by the Independent Committee members during 2016, prior to termination, were \$6,667 for Mr. Gardner, and \$4,667 for each Messrs. Garberding, Curlander, and Hoehn. All fees other than the stock portion of the Annual Retainer are payable quarterly in arrears.

In connection with the reconstitution of the Board, the Director Retention Plan was adopted and the compensation of all directors was modified as set out therein. See "Director Retention Plan" above.

As of December 31, 2016, the Corporation recognized the following amounts for accrued director fees payable:

<u>Name</u>	<u>Balance due at December 31, 2016</u> <u>(\$)</u>
Donald R. Gardner	94,655 <sup>(1)</sup>
John C. Curlander	77,568 <sup>(1)</sup>
Larry G. Garberding	55,897 <sup>(1)</sup>
Patrick A. Blott	10,150
Andrew P. Hines	9,509
Michael R. Zapata	7,400
Michael A. Hoehn	6,466

**Note:**

(1) Amounts relate to fees earned but not paid in both 2015 and 2016.

Directors' Share Compensation Plan

The shareholders approved the Directors' Share Compensation Plan, which provides for the issuance from treasury of Common Shares to non-employee directors as part of their annual retainer. Non-employee directors receive a portion of their annual retainer in June of each year at a price per share equal to the average trading price of the Common Shares on the TSX during the month of May, provided that such price is not less than that permitted under the rules of the TSX. All benefits, rights and Common Shares accruing to any participant under the Directors' Share Compensation Plan are non-transferrable and non-assignable.

The Directors' Share Compensation Plan currently provides that a total of 2,400,000 Common Shares, or 1.47% of the issued and outstanding Common Shares, are reserved for issuance under the Directors' Share Compensation Plan. As at the date hereof, 601,691 Common Shares, or 0.37% of the issued and outstanding Common Shares, have been issued to non-employee directors of the Corporation. Therefore, a total of 1,798,309 Common Shares, or 1.11% of the issued and outstanding Common Shares, remain available for issuance under the Directors' Share Compensation Plan.

## Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth the options granted and outstanding to the directors of the Corporation to purchase or acquire securities of the Corporation as at December 31, 2016.

Option-based Awards					Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$)	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 (\$)
Andrew P. Hines	604,000	0.08	16-Nov-2026	6,040	-	-	-
Michael R. Zapata	604,000	0.08	16-Nov-2026	6,040	-	-	-

## **EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth certain information regarding the Corporation's equity compensation plans as at December 31, 2016:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a)) (c)
Equity compensation plans approved by the security holders <sup>(1)</sup>	9,249,697	C \$0.25	[11,477,882]
Equity compensation plans not approved by the security holders	-	-	-
Total	9,249,697	C \$0.25	[11,477,882]

### **Notes:**

- (1) The security holders of the Corporation have approved the Option Plan, the Directors' Share Compensation Plan and the Employee Share Compensation Plan.
- (2) The amount represents the total number of Options issued and outstanding at December 31, 2016 under the Corporation's Option Plan.
- (3) The amount represents the total number of Options and Common Shares available for future issuance at December 31, 2016, under the Corporation's Option, Employee Share Compensation and Director's Share Compensation Plans.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

None of the directors or officers of the Corporation, nominees for election as a director of the Corporation, or associates of such persons have been indebted to the Corporation or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries in respect of the purchase of securities or otherwise.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as publicly disclosed, the management of the Corporation is not aware of any material interest, direct or indirect, of any informed person or proposed director of the Corporation or any associate or affiliate of any such persons in any transaction since the commencement of the financial year ended December 31,

2016 or in any proposed transaction, which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of this Information Circular, an “informed person” means (i) a director or officer of the Corporation, (ii) a director or officer of a person or company that is itself an informed person, or (iii) any person or company who beneficially owns, directly or indirectly, and/or exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Corporation.

## **CORPORATE GOVERNANCE**

### **General**

The Corporation and its Board of Directors are committed to maintaining a high standard of corporate governance. The Corporation continually assesses and updates its practices and believes it employs a leading system of corporate governance to ensure the interests of shareholders are well-protected. The Corporation fully complies with all applicable regulatory requirements concerning corporate governance. In Canada, the Canadian securities regulatory authorities in all of the provinces and territories of Canada (collectively, the “CSA”) have adopted National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) effective June 30, 2005.

The Board of Directors and its committees continually evaluate and enhance the Corporation’s corporate governance practices by monitoring Canadian regulatory developments affecting corporate governance, accountability and transparency of public company disclosure.

The following statement of the Corporation’s existing corporate governance practices is made in accordance with Form 58-101FI of NI 58-101.

### **Board of Directors**

#### **General**

During the past seven months, the Corporation has been actively restructuring its business and affairs. These activities have focused on:

- addressing liquidity and restructuring the debt and royalty obligations of the Corporation;
- strategically refocusing the Corporation’s business on its data acquisition and data licensing services and focusing its software development business;
- improving operating efficiencies and profitability through reductions in workforce and other cost saving initiatives;
- changing the executive management team with individuals having operational and financial restructuring experience; and
- reconstituting the Board of Directors with new members having experience in restructuring financially distressed corporations.

As a result of these changes, none of the current Board members were directors of the Corporation at the during most of 2016.

## Independence

The Board is currently composed of four directors, three of whom are independent directors. The Board is responsible for determining whether or not each director is independent within the meaning of such term set forth in NI 58-101. In applying this definition, the Board considers all relationships of the directors with the Corporation, including business, family and other relationships. As the Chairman and Chief Executive Officer of the Corporation, Patrick A. Blott is a member of management and not considered to be independent. Mr. Blott is considered an “insider” and a “related” director. As Mr. Blott is the Chief Executive Officer, the Corporation does not have an independent Chairman.

Independent directors meet at every regularly scheduled meeting of the Board without the attendance of management to discuss the affairs of the Corporation. The independent directors met at least eight times without management present during the Corporation’s most recently completed financial year.

The Board has also determined that the proposed directors Messrs. Hines, Zapata, and Frappier are independent directors on the basis that none of such directors have a direct or indirect material relationship with the issuer which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of their independent judgment. The independent directors will constitute a majority of the Board.

## Board Meetings

Since January 2016, the Corporation’s Board has held eight Board meetings either in person or via telephone conference. The overall combined attendance by the Corporation’s directors at Board meetings was 100%. The Corporation’s directors hold in-camera sessions, without non-independent directors and management members in attendance, at all regularly scheduled Board meetings. In addition, the Board held weekly update calls during the second half of the year, which included management, designed to support the management team in re-building the business, drive new revenue sources, review the Corporation’s cash position, and understand the expense structure. The Board and management met telephonically at least 16 times during the second half of 2016.

The attendance record of each of the directors of the Corporation for formal Board meetings held during 2016 is as follows:

<u>Name of Director</u>	<u>Attendance Record</u>
Patrick A. Blott <sup>(1)</sup>	Attended 4 of 4 meetings
Andrew P. Hines <sup>(2)</sup>	Attended 2 of 2 meetings
Michael R. Zapata <sup>(2)</sup>	Attended 2 of 2 meetings
Michael A. Hoehn <sup>(3)</sup>	Attended 8 of 8 meetings
Todd A. Oseth <sup>(4)</sup>	Attended 7 of 7 meetings
John C. Curlander <sup>(5)</sup>	Attended 5 of 5 meetings
Larry G. Garberding <sup>(6)</sup>	Attended 4 of 4 meetings
Donald R. Gardner <sup>(6)</sup>	Attended 4 of 4 meetings

### **Notes:**

- (2) Mr. Blott joined the Board on July 13, 2016.
- (3) Mr. Hoehn resigned from the Board on January 30, 2017.
- (4) Mr. Hines and Mr. Zapata joined the Board on July 23, 2016.
- (5) Mr. Oseth’s service with the board terminated on October 4, 2016.
- (6) Mr. Curlander’s service with the board terminated on July 29, 2016.
- (7) Mr. Garberding’s and Mr. Gardner’s service with the board terminated on July 13, 2016.

### **Non-Intermap Directorships**

The Board has not adopted a formal policy limiting the number of outside directorships of the Corporation's directors. Other public company board memberships held by director nominees of the Corporation are:

- Andrew P. Hines: Tronox Limited (NYSE)

### **Board Mandate**

The Corporation's Board has not adopted a formal written mandate. The fundamental responsibility of the Board is to appoint a competent executive team, approve a strategic and compensation plan, and to oversee the management of the business, with a view to maximizing shareholder value and ensuring corporate conduct in an ethical and legal manner via an appropriate system of corporate governance and internal controls. The Board is also charged with approving guidelines, policies and goals for the Corporation. The Corporation has four committees to assist the Board of Directors in effectively carrying out its responsibilities. Each of these committees has the responsibilities described below. The Corporation has no written description for its committee chair positions; however, the Corporation has a mandate for each committee and the roles and responsibilities of each committee chair position are implied therein.

### **Compensation Committee - Charter and Composition**

The charter of the Compensation Committee provides that the committee make recommendations regarding the compensation of officers, directors and employees. The Compensation Committee reviews all proposed agreements between executives and the Corporation and provides recommendations to the Board of Directors. The Compensation Committee is also responsible for administration of the Stock Option Plan and performance assessment. The Compensation Committee is currently comprised of Philippe Frappier (Chairman), Patrick A. Blott, Andrew P. Hines, and Michael R. Zapata. As such, a majority of the Compensation Committee's members are independent.

### **Audit Committee - Charter and Composition**

The charter of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities in respect of the Corporation's financial reporting process, financial statements, management controls and systems, and the audit process. The Audit Committee also has oversight responsibility for certain aspects of risk management of the Corporation. The Audit Committee is currently comprised of Andrew P. Hines (Chairman), Michael R. Zapata, and Philippe Frappier. As such, all of the Audit Committee's members are independent.

Additional information regarding the Audit Committee may be found in the Corporation's Annual Information Form filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Nominating and Governance Committee - Charter and Composition**

The charter of the Nominating and Governance Committee is to review and advance the governance of the Corporation and ensure that the Corporation maintains a culture of good governance practice. The Nominating and Governance Committee ("NGC") is responsible for constitution of the Board of Directors; nominations to the Board of Directors; Board member and chairman evaluation; Board education; Board committee charters; disclosure; conflicts of interest and insider trading; and Officer appointments. The NGC is currently comprised of Michael R. Zapata (Chairman), Patrick A. Blott, Andrew P. Hines, and Philippe Frappier. As such, a majority of the NGC's members are independent.

## **Position Descriptions**

The Corporation does not have written position descriptions for the Chairman and Chief Executive Officer, or each Committee Chairman. The Board is responsible for monitoring the Chief Executive Officer's performance to ensure that it is consistent with defined strategic, operational, and financial initiatives and goals, as well as the policies, guidelines and governance goals approved by the Board. As part of this process, the Board reviews and approves corporate goals and objectives relevant to the Chairman and Chief Executive Officer's compensation and evaluates the Chairman and Chief Executive Officer's and other senior management's performance in light of these corporate goals and objectives.

## **Orientation and Continuing Education of Directors**

While the Corporation does not currently have a formal orientation and education program for new recruits to the Board of Directors, the Corporation has historically provided such orientation and education on an ad hoc and informal basis, including the use of internal published guideline material, personal education through the periodic use of a subject matter expert, and regular briefings that provide the Board with pertinent information on current corporate governance issues. All incoming directors are provided with materials summarizing the nature and operation of the issuer's business.

Periodically, employees of the Corporation are invited to attend and present at Board meetings to discuss aspects of the Corporation's business. Additionally, certain of the Directors have visited various locations where the business of the Corporation is conducted.

Finally, in addition to these specific events and other ongoing internal continuing education programs, directors are encouraged to attend external educational programs to assist in their development as a director of the Corporation.

## **Ethical Business Conduct**

The Corporation has adopted a Corporate Code of Business Conduct and Ethics (the "**Code**") which sets out the basis on which the Corporation will operate as a principled corporation. The Code establishes the Corporation's commitment to conducting business ethically and legally. The Code applies to all officers, employees, contractors, consultants, (collectively, "**staff**") and directors. The Code makes specific reference to the maintenance of an ethical corporate climate and a compliance with legal and regulatory obligations. All staff and the directors of the Corporation are asked to review the Code confirming that they understand their individual responsibilities and will conform to the requirements of the Code. The Audit Committee monitors any reports pursuant to the Code at each of its quarterly meetings and if necessary, a special meeting of the Audit Committee, the Board and/or executive management can be held to manage or resolve any matters brought forth under the Code.

The Chairman and Chief Executive Officer and other executive officers of the Corporation are required to foster a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility, all of which is monitored by the Board. The Code outlines that any "**reportable activity**" of an unethical nature may be reported through one or more of the following channels:

- (i) the employee's immediate supervisor;
- (ii) the Corporation's Chief Financial Officer; and/or
- (iii) the Chairman of the Board's Audit Committee.

The Code ensures that any employee, who in good faith reports what it believes to be unethical activity, will be protected from threats of retaliation, discharge or other adverse actions or discrimination as a result of such a report.

The Board exercises independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest and any such director does not vote on any issue in which he has a material interest and is usually excused from the Board meeting while the matter is discussed.

There have been no material change reports filed since the beginning of the Corporation's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

A copy of the Code may be obtained from the Corporation website at [www.intermap.com](http://www.intermap.com), and is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Nomination of Directors**

The Board has established the NGC which is comprised of all of the directors. The NGC's mandate includes assessing and recommending new nominees to the Board although all board members are encouraged to recommend new candidates. In assessing new nominees, the Board seeks to ensure that there is a sufficient range of skills, expertise and experience to ensure that the Board can carry out its mandate and functions effectively. The NGC receives and evaluates suggestions for candidates from individual directors, the Chairman and Chief Executive Officer and, if needed or deemed advisable, from professional search organizations. The NGC gives consideration to the appropriate size of the Board for the ensuing year and, on a periodic basis, oversees the evaluation of, and assesses and considers the effectiveness of, the Board as a whole, the Committees of the Board and the contribution of individual members.

The NGC is also responsible for reviewing, reporting and providing recommendations for improvement to the Board with respect to all aspects of corporate governance. The NGC monitors best practices among major Canadian and U.S. companies to help ensure the Corporation continues to adhere to high standards of corporate governance.

### **Compensation**

The Board has appointed the Compensation Committee which is comprised all of the directors. The Compensation Committee has a written mandate which establishes the responsibilities of the Compensation Committee. The Compensation Committee may engage outside resources if deemed advisable and has the authority to retain and terminate any consultant used in the evaluation of senior officer compensation. The primary function of the Compensation Committee is to assist the Board in carrying out its responsibilities by reviewing compensation and human resources issues in support of the achievement of the Corporation's business strategy and making recommendations to the Board as appropriate. In particular, the Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to Chief Executive Officer compensation, evaluating the Chief Executive Officer's performance against those goals and objectives and making recommendations to the Board with respect to the Chairman and Chief Executive Officer's compensation. The Compensation Committee also approves and reports to the Board on compensation for the Corporation's other senior officers.

The Compensation Committee also reviews, comments on, and approves the Statement of Executive Compensation contained in this Information Circular.

## **Assessments of the Board**

The Board is required to establish appropriate practices for the regular evaluation of the effectiveness of the Board, its Committees and its members. The NGC is responsible for assessing the effectiveness of the Board and Committees of the Board. The assessments include a review of an individual director's knowledge, skills, experience and meaningful contributions and are returned to the NGC for review. The NGC assesses the adequacy of information given to directors, communication between the Board and management and the processes of the Board and Committees. The NGC recommends to the Board any changes that would enhance the performance of the Board based on all of the NGC's assessments.

The Corporation has not adopted term limits for the directors on its Board. None of the current directors have completed a full year of service with the Corporation. When considering the composition of the Board, the Chairman and the other members of the Board take into consideration the skill matrix of all Board members, as prepared and approved by the NGC, to ensure that the Board possesses the requisite experience, expertise, and business and operational insight to effectively guide the Corporation.

The Corporation has not adopted a written policy relating to the identification and nomination of women directors. The Corporation is committed to a merit based system for board compensation, while recognizing the benefits of providing diversity on its Board, be it in the form of gender, age, cultural heritage, or geographic representation. The NGC, when considering and recommending qualified director nominees, takes the background and diversity of all directors and nominees into consideration.

The NGC includes the gender of a potential candidate as one component in the overall list of factors it considers when considering director nominations for election and re-election. As in the director selection process, the gender of a potential candidate is one component in the overall factors that the NGC, the Chair and the President consider when selecting candidates. The Board has not adopted a target regarding women on the Board or in senior executive positions. Given the size of the Corporation, the number of senior executives, and the state of the Corporation's development, the Board is committed to selecting candidates that the Board considers is best suited to the Corporation's strategy, risk and operations. As of the date of this this Information Circular, there are currently no women on the Board and one female executive officer in the Corporation.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative financial statements and MD&A for the year ended December 31, 2016. Specifically, additional information regarding the Corporation's Audit Committee may be found in the Corporation's Annual Information Form filed on SEDAR at [www.sedar.com](http://www.sedar.com).

A shareholder who wishes to receive annual and/or interim financial statements is encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Corporation's transfer agent, Computershare Trust Company of Canada, 8<sup>th</sup> Floor Proxy Dept., 100 University Avenue, Toronto, Ontario, M5J 2Y1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive annual and/or interim financial statements.

## **OTHER MATTERS**

As of the date of this Information Circular, the Board of Directors and management know of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, proxies in favor of management



nominees will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

The delivery of this Information Circular has been approved by the directors of the Corporation. Unless otherwise stated, the information contained herein is given as of April 13, 2017.

## Schedule "A"



### AMENDED STOCK OPTION PLAN

(Includes the proposed amendment presented to shareholders at the meeting on May 16, 2017)

#### 1. Purpose

The purpose of the Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

#### 2. Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) “**Board of Directors**” means the Board of Directors of the Corporation;
- (b) “**Code**” means the United States Internal Revenue Code of 1986, as amended;
- (c) “**Common Shares**” means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (d) “**Corporation**” means Intermap Technologies Corporation and any other successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (e) “**Exchange**” means the TSX or any other stock exchange on which the Common Shares are listed;
- (f) “**Exchange Policies**” means the policies of the Exchange, including those set forth in the Company Manual of the Exchange;
- (g) “**Insider**” has the meaning ascribed thereto in Exchange Policies;
- (h) “**Market Price**” means the last per share closing price for the Common Shares on the Exchange before the date of grant of an Option;
- (i) “**Named Executive Officer**” means an individual who, as of the last day of a taxable year, is the chief executive officer of the Corporation (or is acting in such capacity) or one of the three highest compensated officers of the Corporation (other than the chief executive officer or the chief financial officer) or is otherwise one of the group of “covered

employees,” as defined in the Treasury Regulations promulgated under Section 162(m) of the Code;

- (j) “**Option**” means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors in accordance with the Plan;
- (k) “**Option Period**” means the period determined by the Board of Directors during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, provided that in any event, the maximum period is ten (10) years from the date of grant;
- (l) “**Optionee**” means a person who is a director, officer, employee, consultant or other personnel of the Corporation or a Subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan;
- (m) “**Plan**” shall mean the Corporation’s incentive stock option plan as embodied herein and as from time to time amended; and
- (n) “**Subsidiary**” means a subsidiary of the Corporation if it is controlled by (i) the Corporation; (ii) the Corporation and one or more corporations each of which is controlled by the other; (iii) two or more corporations, each of which is controlled by the Corporations or (iv) a subsidiary of a corporation that is the Corporation’s subsidiary.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policy.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

### 3. Administration

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to shareholder approval if required by the Exchange.

Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee. To the extent applicable law and the rules of any national stock exchange on which the Common Shares are traded so permit, the Board of Directors, in its discretion, also may delegate to one or more officers of the Corporation all or part of the Board of Directors’ authority and duties with respect to Options to be granted to individuals who are not subject to the reporting and other provisions of Section 16 of the United States Securities Exchange Act of 1934, as amended (the “**1934 Act**”). The Board of Directors may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Board of Directors’ delegate or delegates that were consistent

with the terms of the Plan and the Board's prior delegation. If and to the extent deemed necessary by the Board of Directors, (i) all Options granted to any individual who is subject to the reporting and other provisions of Section 16 of the 1934 Act shall be made and administered by a committee comprised solely of two or more directors, all of whom are "non-employee directors" within the meaning of Rule 16b-3 under the 1934 Act, to the extent necessary to exempt the Option from the short-swing profit rules of Section 16(b) of the 1934 Act, (ii) all Options granted to an individual who is a Named Executive Officer shall be made and administered by a committee comprised solely of two or more directors, all of whom are "outside directors" within the meaning of Section 162(m) of the Code, to the extent necessary to preserve any deduction under Section 162(m) of the Code and (iii) all Options granted to any delegate of the Board of Directors shall be made and administered by the Board of Directors. An Option granted to an individual who is a member of the Board of Directors may be approved by the Board of Directors but with such member abstaining or recusing himself or herself from such action, provided that, upon such abstention or recusal, there is a quorum for the Board of Directors to act. Such action, authorized by the Board of Directors upon the abstention or recusal of the member to whom the Option is to be granted, shall be the action of the Board of Directors for purposes of the Plan.

#### 4. Eligibility

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Subject to Exchange Policies, the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee (as such terms are defined in Exchange Policies) in respect of Options granted to such Optionees.

#### 5. Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any Subsidiary of the Corporation.

Except as otherwise provided by applicable law, Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its Subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or full-time employee of or a consultant to the Corporation or any of its Subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

## 6. Common Shares Subject to Options

- (a) The maximum number of Common Shares that may be issued upon the exercise of Options granted under the Plan at any time shall not exceed ten percent (10%) of the issued and outstanding Common Shares from time to time. Notwithstanding that the number of Common Shares outstanding may from time to time exceed 60,000,000, the maximum number of Common Shares that may be issued upon exercise of Options granted to U.S. Optionees (defined below) who are eligible for Options that are intended to be treated as stock options under the Code shall not exceed 6,000,000 Common Shares.
- (b) The number of Common Shares issuable to Insiders of the Corporation, at any time, under the Stock Option Plan and any other security based compensation arrangements of the Corporation, cannot exceed 10% of the issued and outstanding Common Shares.
- (c) The number of Common Shares reserved for non-employee directors of the Corporation, at any time, cannot exceed 1% of the issued and outstanding Common Shares. **[Proposed amendment to remove this limitation.]**
- (d) The number of Common Shares issued to Insiders of the Corporation, within any one year period, under the Stock Option Plan and any other security based compensation arrangements of the Corporation, cannot exceed 10% of the issued and outstanding Common Shares.
- (e) The Options granted under the Plan together with all of the Corporation's other previous option grants, shall not result at any time:
  - (i) in the grant to any one (1) Optionee within a twelve (12) month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares; and
  - (ii) on and after the Corporation becomes subject to the limitations of Section 162(m) of the Code, in any Optionee being granted in any calendar year, Options that relate to more than 4,614,805 Common Shares.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, as required under Section 162(m) of the Code, appropriate adjustments shall be made as set forth in Section 16 hereof, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder or to any Insider or other Optionee, to give effect to any relevant changes in the capitalization of the Corporation.

## 7. Stock Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the “**Stock Option Agreement**”). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

8. Option Period and Exercise Price

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the “**Expiry Date**”), subject to earlier termination as provided in Sections 12 and 13 hereof. However, if an Option is to expire during a period when the Optionee is prohibited from exercising the Option under Canadian, U.S., state, local laws or any foreign laws (“Blackout Period”), the term of such Option shall be extended for a period of up to ten (10) business days immediately following the end of the Blackout Period.

Subject to Exchange Policies and any limitations imposed by any relevant regulatory authority, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Market Price of the Common Shares as of the date of grant.

9. Exercise of Options

An Optionee shall be entitled to exercise, in whole or in part, an Option granted to him at any time prior to the expiry of the Option Period, subject to Sections 12 and 13 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist and, in its discretion, may accelerate the time at which any Option shall vest.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

10. Any Optionee may elect to effect a cashless exercise of any or all of the Optionee’s vested and exercisable rights under an Option. In connection with any such cashless exercise, the Optionee shall be entitled to receive, without any cash payment (other than the taxes required to be paid in connection with the exercise which must be paid by the Optionee to the Corporation in cash at the time of exercise in accordance with the provisions of this Plan), such number of whole Shares (rounded down to the nearest whole number) obtained pursuant to the formula:

$$\text{Where: } X = \frac{[A \times (B - C)]}{B}$$

X = the number of whole Shares to be issued  
A = the number of Shares under the Option  
B = the closing price of the Shares on the Exchange on the last trading day preceding the day that written notice of the request for cashless exercise is received by the Corporation at its head office  
C = the exercise price of the Option

In connection with any such cashless exercise, the full number of Common Shares issuable (item “A” in the formula) shall be considered to have been issued for the purposes of determining the number of Common Shares which may be issued under the Plan.

11. Compliance with Law and Approval of Regulatory Bodies

Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, without limitation, the U.S. Securities Act of 1933, as amended (the “1933 Act”), 1934 Act, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to provide certain representations, warranties and certifications to the Corporation, to satisfy such requirements.

Unless such securities are registered under the 1933 Act, the certificates representing any Common Shares issued in the United States shall, until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable U.S. state laws and regulations, bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL, OF RECOGNIZED STANDING, OR OTHER EVIDENCE OF EXEMPTION, REASONABLY SATISFACTORY TO THE CORPORATION TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. AT ANY TIME THE CORPORATION IS A “FOREIGN ISSUER” AS DEFINED IN REGULATION S UNDER THE 1933 ACT, A NEW CERTIFICATE, BEARING NO LEGEND, THE DELIVERY OF WHICH WILL CONSTITUTE “GOOD DELIVERY” MAY BE OBTAINED FROM THE APPLICABLE TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN FORM SATISFACTORY TO THE CORPORATION AND THE APPLICABLE TRANSFER AGENT TO THE EFFECT

THAT THE SALE OF THE SECURITIES IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AT A TIME WHEN THE CORPORATION IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE 1933 ACT"

The Board of Directors may postpone any grant, exercise or vesting of an Option for such time as the Board of Directors in its sole discretion may deem necessary in order to permit the Corporation (i) to effect, amend or maintain any necessary registration of the Plan or the Common Shares issuable pursuant to the Option under the securities laws; (ii) to take any action in order to (A) list such Common Shares or other shares of stock of the Corporation on a stock exchange if Common Shares or other shares of stock of the Corporation are not then listed on such exchange or (B) comply with restrictions or regulations incident to the maintenance of a public market for its Common Shares or other shares of stock of the Corporation, including any rules or regulations of any Exchange on which the Common Shares or other shares of stock of the Corporation are listed; (iii) to determine that such Common Shares in the Plan are exempt from such registration or that no action of the kind referred to in (ii)(B) above needs to be taken; (iv) to comply with any other applicable law, including without limitation, tax and securities laws; (v) to comply with any legal or contractual requirements during any such time the Corporation or any Subsidiary is prohibited from doing any of such acts under applicable law, including without limitation, during the course of an investigation of the Corporation or any Subsidiary, or under any contract, loan agreement or covenant or other agreement to which the Corporation or any Subsidiary is a party or (vi) to otherwise comply with any prohibition on such acts or payments during any applicable blackout period. The Corporation shall not be obligated by virtue of any terms and conditions of any Stock Option Agreement or any provision of the Plan to recognize the grant, exercise or vesting of an Option or to issue Common Shares in violation of the securities laws or the laws of any government having jurisdiction thereof or any of the provisions hereof. Any such postponement shall not extend the term of the Option and neither the Corporation nor its directors and officers nor the Board of Directors shall have any obligation or liability to any Optionee or to any other person with respect to Common Shares or payments as to which the Option shall lapse because of such postponement. It is the intent of the Plan to take any such action, to the extent practicable, in a manner that does not result in the Option no longer being exempt from Section 409A of the Code. Notwithstanding the foregoing, the Board of Directors in its sole discretion may extend the term of an Option beyond its earlier termination or expiration if the Optionee is prohibited from exercising or becoming vested in, the Option prior to termination or expiration in order to comply with any applicable United States, state, local or foreign law, provided that such extension shall not exceed thirty (30) days from the date such prohibition is lifted and does not otherwise result in the Option no longer being exempt from Section 409A of the Code. Additionally, the Board of Directors shall postpone any grant, exercise or vesting of an Option if the Corporation reasonably believes the Corporation's or any applicable Subsidiary's deduction with respect to such Option would be limited or eliminated by application of Code Section 162(m); provided, however, such delay will last only until the earliest date at which the Corporation reasonably anticipates that the deduction with respect to the Option will not be limited or eliminated by the application of Code Section 162(m) or the calendar year in which the Optionee separates from service, and such delay will only be effective to the extent permissible under Code Section 409A.

12. Ceasing to be a Director, Officer, Employee or Consultant

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its Subsidiaries for any reason other than death, the Optionee may, but only within ninety (90) days after the Optionee's ceasing to be a director, officer, employee or consultant or prior to the expiry



of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. The Board of Directors may decide to what extent leaves of absence for governmental or military service, illness, temporary disability, or other reasons shall not be deemed interruptions of continuous employment or service. An Optionee on military leave, sick leave or other bona fide leave of absence shall continue to be considered an employee for purposes of the Plan during such leave if the period of leave does not exceed three months, or, if longer, so long as the individual's right to re-employment with the Corporation or any of its Subsidiaries is guaranteed either by statute or by contract. If the period of leave exceeds three months, and the individual's right to re-employment is not guaranteed by statute or by contract, the employment shall be deemed to be terminated on the first day after the end of such three-month period.

13. Death of Optionee

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

14. Optionee's Rights Not Transferable

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequest or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange. During the lifetime of the Optionee, the Option may be exercised only by the Optionee.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

15. Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

16. Anti-Dilution of the Option

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be. In addition, the Board of Directors may make such other adjustments to the terms of any Options to the extent equitable and necessary to prevent an enlargement or dilution of the Optionee's rights thereunder as a result of any such event or similar transaction. Additionally, the maximum number of Common Shares that may be issued pursuant to Options in the aggregate or to any Optionee, as set forth in Section 6 above, shall be adjusted as the Board of Directors shall determine to be equitably required if there occurs any event set forth in (a), (b) or (c) above.

17. United States Matters

- (a) Notwithstanding anything in the Plan to the contrary, the following provisions shall apply to each Option granted to an Optionee who is subject to income taxation (taking into account any applicable tax convention or treaty) under the tax laws of the United States (a "**U.S. Optionee**").
  - (i) An Option may be granted to a U.S. Optionee only if the Common Shares constitute "service recipient stock" under Section 409A of the Code with respect to such Optionee.

- (ii) The purchase price for Common Shares under each Option granted to a U.S. Optionee pursuant to the Plan shall not be less than the fair market value of such Common Shares at the time the option is granted, as determined in good faith by the Board of Directors in accordance with the provisions of Section 409A of the Code and, for incentive stock options, Section 422 of the Code.
  - (iii) Each option granted to a U.S. Optionee will be designated in the Option Agreement as either a non-qualified stock option or an incentive stock option that is intended to comply with provisions of Section 422 of the Code. If not designated otherwise in the Stock Option Agreement, the Option shall be a non-qualified stock option.
- (b) Notwithstanding anything in the Plan to the contrary, the following provisions shall apply to each U.S. Optionee who will be granted an incentive stock option within the meaning of Section 422 of the Code:
  - (i) incentive stock options shall only be granted to U.S. Optionees who are, at the time of grant, officers, key employees or directors (provided, for purposes of this Section 17 only, such directors are then also officers or key employees of the Corporation or a Subsidiary);
  - (ii) the aggregate fair market value (determined as of the time the option is granted) of the Common Shares exercisable as incentive stock options for the first time by a U.S. Optionee during any calendar year under the Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation or any Subsidiary shall not exceed US\$100,000. To the extent this limitation is exceeded, such Options that cause the limitation to be exceeded shall nevertheless be exercisable in accordance with the terms of the Options, but only as non-qualified stock options;
  - (iii) if any U.S. Optionee to whom an option is to be granted under the Plan at the time of the grant of such option is the owner (considering the stock attribution rules described in Section 424(d) of the Code) of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the option granted to such individual:
    - (A) the purchase price per Common Share subject to such option shall not be less than one hundred and ten percent (110%) of the fair market value of one Common Share at the time of grant; and
    - (B) for the purposes of this Section 17 only, the option exercise period shall not exceed five (5) years from the date of grant;
  - (iv) no incentive stock option may be granted hereunder to a U.S. Optionee more than ten (10) years after the date on which the Plan is adopted by the Board of Directors or the date the Plan is approved by the shareholders of the Corporation, whichever is earlier; no Option granted to a U.S. Optionee under the Plan shall become exercisable unless and until the Plan shall have been approved by the shareholders of the Corporation within twelve (12) months before or after the Plan, as amended, is adopted by the Board of Directors;

- (v) a U.S. Optionee shall notify the Corporation of any sale or other disposition of Common Shares acquired pursuant to an Option that is intended to be an incentive stock option if such sale or disposition occurs (i) within two years of the grant of an Option or (ii) within one year of the issuance of Common Shares to the Optionee. Such notice shall be in writing and directed to the Secretary of the Corporation; and
  - (vi) no provisions of the Plan, as it may be applied to a U.S. Optionee who has been granted an incentive stock option, shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Notwithstanding the foregoing, the Corporation shall not be liable to any Optionee or any other person if the Internal Revenue Service or any court or other authority having jurisdiction over such matter determines for any reason that an Option intended to be an incentive stock option and granted hereunder does not qualify as an incentive stock option.
- (c) At the discretion of the Board of Directors, Optionees may satisfy withholding obligations as provided in this paragraph. When an Optionee incurs tax liability in connection with an Option, which tax liability is subject to tax withholding under applicable tax laws (including, without limitation, income and payroll withholding taxes), and Optionee is obligated to pay the Corporation an amount required to be withheld under applicable tax laws, Optionee may satisfy the tax withholding obligation by one or some combination of the following methods: (a) by cash payment, (b) out of Optionee's current compensation, (c) if permitted by the Board of Directors, in its discretion, by surrendering to the Corporation, Common Shares that (i) have been owned by Optionee for more than six (6) months on the date of surrender or such other period as may be required to avoid a charge to the Corporation's earnings, and (ii) have a Market Value on the date of surrender that does not exceed the minimum required withholding obligation, (d) if permitted by the Board of Directors, in its discretion, by electing to have the Corporation withhold from the Common Shares to be issued upon exercise of the Option, if any, that number of Common Shares having a Market Value that does not exceed the minimum required withholding obligation or (e) any combination of the foregoing. For this purpose, the Market Value of the Common Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined (the "Tax Date"). In making its determination as to the type of consideration to accept, the Board of Directors shall consider if acceptance of such consideration may be reasonably expected to benefit the Corporation or result in the recognition of compensation expense (or additional compensation expense) for financial reporting purposes.

18. Costs

The Corporation shall pay all costs of administering the Plan.

19. Termination and Amendment

- (a) Subject to the exceptions set out below, the Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or such regulatory authority. Except as provided below, shareholder approval will not be required for the following types of amendments.

- (i) amendments of a “housekeeping” nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the Plan or Stock Option Agreement or to correct or supplement any provision of the Plan that is inconsistent with any provision of the Plan or Stock Option Agreement;
- (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);
- (iii) amendments necessary in order for awards to qualify for favourable treatment under applicable taxation laws;
- (iv) amendments respecting administration of the Plan;
- (v) amendments allowing the Corporation to provide financial assistance to Optionees to facilitate the exercise of Options under the Plan;
- (vi) any amendment regarding the terms and conditions in which vesting occurs in respect of Options granted pursuant to the Plan, including the acceleration of vesting in any Stock Option Agreement;
- (vii) any amendment regarding the terms and conditions in respect of the Option Price in respect to Options held by the Optionees that are not Insiders;
- (viii) amendments necessary to suspend or terminate Options, Stock Option Agreements or the Plan in accordance with applicable law; and
- (ix) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Notwithstanding the foregoing, shareholder approval will be required for the following types of amendments:

- (i) amendments to the number of shares issuable under the Plan;
- (ii) amendments to modify the requirements as to eligibility for participation;
- (iii) amendments to extend the term of Plan;
- (iv) amendments to expand the types of awards available;
- (v) amendments to remove or exceed the insider participation limits; and
- (vi) any other amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Furthermore, notwithstanding the foregoing, shareholder approval will be required for the following types of amendments:

- (i) amendments to reduce the exercise or purchase price of any Options held by any person, regardless of whether such person is an Insider of the Corporation;

- (ii) amendments to extend the terms of any Options held by any person, regardless of whether such person is an Insider of the Corporation;
- (iii) amendments to permit Options to become transferrable or assignable, other than for normal estate planning purposes; and
- (iv) amendments to the amendment provisions of the Plan.

Except as expressly set forth herein, no action of the Committee, the Board of Directors of the Corporation or shareholders shall alter or impair the rights of an Optionee, under any award previously granted to the Optionee without the Optionee's consent.

- (b) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 19(a) hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of the Corporation if required by the Exchange or such regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange, if applicable. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.
- (d) Notwithstanding the foregoing, unless the Board of Directors specifically provides otherwise, no amendment or adjustment (including any repricing) may be made with respect to any Option to the extent such adjustment or amendment would cause the Option to fail to qualify as "qualified performance-based compensation" within the meaning of Code Section 162(m) (to the extent intended to so qualify) or otherwise subject the Optionee to additional taxes, interest or penalties as the result of a violation of Section 409A of the Code with respect to such Option.

## 20. Applicable Law

Except as otherwise provided herein, this Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

## 21. Prior Plans

On the effective date (as set out in Section 22 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

22. Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan shall be May 13, 2008, upon all necessary shareholder and regulatory approvals.

23. Omnibus Code Section 409A Provision

It is intended that Options that are granted under the Plan shall be exempt from treatment as “deferred compensation” subject to Section 409A of the Code. Towards that end, all Options under the Plan are intended to contain such terms as will qualify the Options for an exemption from Section 409A of the Code. The terms of the Plan and all Options granted hereunder shall be construed consistent with the foregoing intent. Notwithstanding any other provision hereof, the Board of Directors may amend any outstanding Option without Optionee’s consent if, as determined by the Board of Directors in its sole discretion, such amendment is required either to (i) confirm exemption under Section 409A of the Code, (ii) comply with Section 409A of the Code or (iii) prevent the Optionee from being subject to any tax or penalty under Section 409A of the Code. Notwithstanding the foregoing, however, neither the Corporation nor any of its Subsidiaries nor the Board of Directors shall be liable to an Optionee or any other person if an Option is subject to Section 409A of the Code or the Optionee or any other person is otherwise subject to any additional tax or penalty under Section 409A of the Code. Each Optionee is solely responsible for the payment of any tax liability (including any taxes and penalties that may arise under Section 409A of the Code) that may result from an Option.

24. Miscellaneous

This Plan, insofar as it provides for Options, shall be unfunded, and the Corporation shall not be required to segregate any assets that may at any time be represented by Options under this Plan. Any liability of the Corporation to any person with respect to any Option under this Plan shall be based solely upon any contractual obligations that may be created pursuant to this Plan. No such obligation of the Corporation shall be deemed to be secured by any pledge of, or other encumbrance on, any property of the Corporation.

The Corporation, during the term of this Plan, shall at all times reserve and keep available such number of Common Shares as shall be sufficient to satisfy the requirements of the Plan. Additionally, the Corporation, during the term of this Plan, shall use its best efforts to seek to obtain from appropriate regulatory agencies any requisite authorizations needed in order to issue and to sell such number of Common Shares as shall be sufficient to satisfy the requirements of the Plan. However, the inability of the Corporation to obtain from any such regulatory agency the requisite authorizations the Corporation’s counsel deems to be necessary for the lawful issuance and sale of any Common Shares hereunder, or the inability of the Corporation to confirm to its satisfaction that any issuance and sale of any Common Shares hereunder will meet applicable legal requirements, shall relieve the Corporation of any liability in respect to the failure to issue or to sell such Common Shares as to which such requisite authority shall not have been obtained.

Amended as of this 13th day of April 2017.