

EDGEWATER WIRELESS SYSTEMS INC.

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MANAGEMENT INFORMATION CIRCULAR

as at May 14, 2021

This management information circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by management of Edgewater Wireless Systems Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (the “Shareholders”) to be held on June 16, 2021, and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of May 14, 2021.

In this Information Circular, references to the “Company” and “we” refer to Edgewater Wireless Systems Inc. “Common Shares” means common shares without par value in the capital of the Company. “Registered Shareholders” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “Non-Registered Shareholders” means Shareholders who do not hold Common Shares in their own name. “Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders. Unless otherwise indicated, all references to “\$” or “dollars” in this Information Circular means Canadian Dollars.

INTRODUCTION

In order to comply with measures imposed by the federal and provincial governments related to the COVID-19 pandemic, and to mitigate risks to the health and safety of our communities, Shareholders, and other stakeholders, unless we advise otherwise by way of news release, **the Company is holding a virtual Meeting which will be conducted via video conference.** Registered Shareholders and validly appointed proxyholders may contact Chris Olney, CFO at ir@edgewaterwireless.com to obtain a web link that will permit them to attend the Meeting by video conference.

Due to the COVID-19 pandemic and issues related to the verification of Shareholder identity, in person voting will not be permitted at the Meeting. If you are a Registered Shareholder and wish to have your vote counted, you will be required to complete, date, sign and return, in the envelope provided for that purpose, the accompanying form of proxy (“Proxy”) for use at the Meeting or any adjournment thereof (or vote in one of the other manners described below under the heading “Appointment and Revocation of Proxies”).

If you are a Non-Registered Shareholder and have received this Notice of Meeting and accompanying materials through an Intermediary, please complete and return the voting instructions form provided to you in accordance with the instructions provided therein.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Information Circular and associated meeting materials unless their Intermediary assumes the costs of delivery.

Appointment and Revocation of Proxies

This information applies to Registered Shareholders only. If you are a Non-Registered Shareholder, see “Voting by Non-Registered Shareholders” below for further information on how to vote your Common Shares.

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers of the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting.** You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.

If you are a Registered Shareholder and wish to have your shares voted at the Meeting, you will be required to submit your vote by proxy. **Due to the COVID-19 pandemic and issues related to the verification of shareholder identity, in person voting will not be permitted at the Meeting.** Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their shares via the internet or by telephone as per the instructions provided on the Proxy.

In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment or postponement thereof at which the Proxy is to be used.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof,

or in any other manner provided by law.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see “Voting by Non-Registered Shareholders” below for further information on how to vote your Common Shares.

Exercise of Discretion by Proxyholder

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

- (i) each matter or group of matters identified therein for which a choice is not specified;
- (ii) any amendment to or variation of any matter identified therein;
- (iii) any other matter that properly comes before the Meeting; and
- (iv) exercise of discretion of the proxyholder.

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

Given the fact that voting will only be permitted by proxy due to the COVID-19 pandemic, Management does not intend to allow new matters not contemplated in the Notice of Meeting to be considered at the Meeting.

Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

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

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Computershare). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The voting instruction form sent by Computershare or Broadridge will name the same persons as the Company's proxy to represent you at the Meeting. Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity. To exercise this right to attend the meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

Voting by Proxy Generally

Proxies will not be accepted at the Meeting. All Proxies must be submitted to Computershare by 11:00 a.m. (EST) on June 14, 2021 (the "**Proxy Deadline**"). Registered shareholders and validly appointed proxyholders may attend the Meeting by contacting Chris Olney, CFO at ir@edgewaterwireless.com to obtain a web link that will permit them to attend the Meeting by video conference.

As there will be no in person attendance or voting at the Meeting, votes received by the Proxy Deadline for each matter set out in the Notice will be tabulated in advance of the Meeting by Computershare and compiled in a Proxy report (the "**Proxy Report**"). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Since no in person voting will be permitted due to the COVID-19 pandemic and voting results respecting matters set out in the Notice will be determined solely on the basis of the voting results set out in the Proxy Report, **no ballots will be permitted at the Meeting.** All results will be determined by reference to the Proxy Report. Management of the Company will advise at the Meeting the voting results for each matter set out in the Proxy Report and Shareholders will be entitled to request a copy of the Proxy Report from Management after the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the approval of the stock option plan, the appointment of auditor and as set out herein. For the purpose of this paragraph, “**Person**” shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company’s last fiscal year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

RECORD DATE AND QUORUM

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on May 14, 2021 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company’s by-laws, the quorum for the transaction of business at the Meeting is one Shareholder entitled to vote at a meeting of Shareholders, present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date there were 186,963,263 Common Shares issued and outstanding, each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote by Proxy at the Meeting or any adjournment or postponement thereof.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, there are no Shareholders who beneficially own, or exercise control or direction, directly or indirectly, 10% or more of the voting rights attached to the Common Shares of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company’s directors, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and more particularly discussed below.

Presentation of Financial Statements

The audited annual financial statements of the Company for the financial year ended April 30, 2020 and the auditor’s report thereon, will be placed before the Meeting. The Company’s financial statements are available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

Election of Directors

The Company proposes to fix the number of directors of the Company at four (4) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the management nominees; their positions and offices in the Company; their principal occupations or employment; the period of time that they have been directors of the Company; and the number of Common Shares of the Company that each beneficially owns or over which control or direction is exercised, directly or indirectly.

Name, Residence and Present Position within the Company	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised ⁽¹⁾	Principal Occupation ⁽¹⁾
Andrew Skafel ⁽²⁾ Ontario, Canada Director, President and CEO	February 22, 2018	3,105,000	President and CEO of the Company.
Brian Imrie ⁽²⁾ Ontario, Canada Director	December 14, 2016	2,111,156	Retired investment banker. Chairman/owner of Debro Inc., a privately owned chemical distribution company, since 2014. Chairman of PPX Mining Corp., and an Advisory Director of ARB Labs Inc.
Hubert A.J. Whyte ⁽²⁾ Kent, UK Director	March 22, 2012	144,320	Retired business executive.
Ralph Garcea Ontario, Canada <i>Proposed Director</i>	<i>Proposed Director</i>	Nil	Managing partner and co-founder of Focus Merchant Group.

(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least the five preceding years.

(2) Member of the Audit Committee.

Ralph Garcea - Mr. Garcea co-founded Focus Merchant Group in September 2018 and has more than 22 years experience in senior positions at major domestic and international firms, as well as boutiques. He was a top-ranked research analyst, well regarded for the depth and breadth of knowledge of Canadian technology, gaming and industrial companies across a broad range of market capitalizations. Over the years, he has received top three rankings from Brendan Woods, Greenwich, Starmine and Thomson Reuters surveys. Before becoming a sell-side analyst, he was a research engineer for Bombardier Aerospace, and a business unit manager for Michigan-based LMS North America to manage sales, marketing, and services efforts. Mr. Garcea holds a Bachelor's degree (Honours) in Engineering Science (Aerospace) from the University of Toronto and an M.B.A. (Honours) from the Schulich School of Business at York University. He is a member of the Professional Engineers of Ontario (PEO), the American Institute of Aeronautics and Astronautics (AIAA), and the Society of Automotive Engineers (SAE). Mr. Garcea currently serves as a Director on the board of TSX-listed Converge Technology Solutions.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer, or
 - (ii) was subject to an order that was issued after the 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,
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in the 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;

- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or 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 or executive officer;
- (d) has been subject to 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
- (e) has been subject to 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.

For the purposes of subsection (a) above, “order” means:

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

that was in effect for more than 30 consecutive days.

The Company was subject to a cease trade order issued by the British Columbia Securities Commission (“**BCSC**”) on October 9, 2013 for failure to file its interim financial statements within the time prescribed under National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”). The order was revoked on October 16, 2013 after the Company filed the required records.

Andrew Skafel, CEO, was subject to a management cease trade order (“**MCTO**”) issued by the Ontario Columbia Securities Commission (“**OSC**”) on October 9, 2020 for the Company’s failure to file its interim financial statements and related MD&A within the time prescribed under NI 51-102. The MCTO was revoked on October 15, 2020 and a cease trade order was issued to the Company by the OSC.

The Company was subject to a cease trade order issued by the OSC on October 15, 2020 for failure to file its annual financial statements and related MD&A within the time prescribed under under NI 51-102. The cease trade order was revoked on January 14, 2021 after the Company filed the required records.

Brian Imrie was a director of PPX Mining Corp. (“**PPX**”) when it was subject to a cease trade order issued by the BCSC and the OSC on May 20, 2020 for the Company’s failure to file its annual financial statements for the year ended September 30, 2019 and related MD&A within the time prescribed under NI 51-102. The cease trade order was revoked on July 27, 2020 after PPX filed the required records.

Brian Imrie was a director of PPX when it was subject to a cease trade order issued by the BCSC on February 3, 2021 for PPX’s failure to file its annual financial statements for the year ended September 30, 2020 and related MD&A within the time prescribed under NI 51-102.

Appointment of Auditor

At the Meeting, Shareholders will be asked to approve the appointment of the auditor of the Company. Management is recommending that Shareholders vote to appoint KPMG LLP, of Suite 1800 – 150 Elgin Street, Ottawa, Ontario, K2P 2P8, as the auditor for the Company until the next annual meeting of the Shareholders, and to authorize the directors to fix the remuneration to be paid to the auditor. KPMG LLP were first appointed as auditor for the Company in 2011.

Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to approve the continuation of the Company’s 2014 stock option plan (the “**Plan**”). The purpose of the Plan is to provide an incentive to directors, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The following summary of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan.

1. Eligible Participants. Incentive stock options (“**Options**”) may be granted under the Plan to directors or officers of the Company or an affiliate of the Company (collectively, the “**Directors**”), employees of the Company (collectively, the “**Employees**”), consultants of the Company or its affiliate (collectively, the “**Consultants**”) or Management Company Employees (as that term is defined in Policy 4.4 of the TSX Venture Exchange (the “**Exchange**”) Corporate Finance policy manual). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Plan.
2. Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the Common Shares of the Company from time to time at the date of granting of Options (including all options granted by the Company prior to the adoption of the Plan and under the Plan). Options which are cancelled or expire prior to exercise continue to be issuable under the Plan.
3. Limitations. Under the Plan, the aggregate number of Options granted to any one person in a 12 month period must not exceed 5% of the issued and outstanding shares of the Company, calculated on the date the Option is granted. The aggregate number of Options granted to any one Consultant in a 12 month period must not exceed 2% of the issued and outstanding shares of the Company, calculated at the date the Option is granted. The aggregate number of Options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding shares of the Company in any 12 month period, calculated at the date an Option is granted to any such person.
4. Term of Options. Subject to the termination and change of control provisions noted below, the terms of any Option granted under the Plan is determined by the Board and may not exceed ten years from the date of grant.
5. Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the Discounted Market Price, as that term is defined in the Exchange’s Corporate Finance policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies from time to time, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to insiders may not be decreased without disinterested shareholder approval at the time of the proposed amendment.
6. Vesting. All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board.
7. Termination. Any Options granted pursuant to the Plan will terminate upon the earliest of:
 - (a) such date as the Board has fixed when the Option is granted, provided that the date is no more than one year from the date on which the holder ceases to be eligible (the “**Cessation Date**”) to hold the Option;
 - (b) the end of the term of the Option;
 - (c) if the Cessation Date is as a result of dismissal for cause or regulatory sanction, then immediately on the Cessation Date; or
 - (d) if the Cessation Date is as a result of death or disability, then the date that is one year from the date of such death or disability.

Disinterested shareholder approval will be sought in respect of any material amendment to the Plan.

Shareholder Approval

Shareholders will be asked at the Meeting to approve with or without variation the following ordinary resolution:

“BE IT RESOLVED THAT:

- (a) the Company’s 2014 Stock Option Plan be approved, and that in connection therewith a maximum of 10% of the Company’s issued and outstanding Common Shares at the time of each grant be approved for granting as options; and
- (b) the Board of Directors of the Company be authorized in its absolute discretion to administer the 2014 Stock Option Plan, and amend or modify the 2014 Stock Option Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange; and

- (c) any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

A copy of the Plan is available at the records office of the Company at #1200 – 750 West Pender Street, Vancouver, British Columbia until the business day immediately preceding the date of the Meeting. A copy will also be made available at the Meeting.

OTHER BUSINESS

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a “**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) the chief executive officer of the Company (“**CEO**”) during any part of the most recently completed financial year;
- (b) the chief financial officer of the Company (“**CFO**”) during any part of the most recently completed financial year;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at the end of the Company’s most recently completed financial year ended April 30, 2020, the Company had two (2) NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and Named Executive Officer Compensation

The following table is a summary of compensation (excluding compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company, for each of the Company’s two most recently completed financial years ended April 30, 2020 and April 30, 2019.

Table of compensation excluding compensation securities							
Name and position	Year Ended April 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Andrew Skafel President, CEO and Director	2020	\$180,000	Nil	Nil	Nil	Nil	\$180,000
	2019	\$180,000	Nil	Nil	Nil	Nil	\$180,000
Robert Harper⁽¹⁾ Former CFO	2020	\$114,000	Nil	Nil	Nil	Nil	\$114,000
	2019	\$114,000	Nil	Nil	Nil	Nil	\$114,000
Brian Imrie Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position	Year Ended April 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Hubert A.J. Whyte Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jane Barratt ⁽²⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Stephen Andrews ⁽³⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Chris McGillivray ⁽⁴⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Richard Nottenburg ⁽⁵⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
J. Lewis Dillman ⁽⁶⁾ Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Robert Harper resigned as the CFO on November 29, 2020.
(2) Jane Barratt resigned as a director of the Company on November 25, 2020.
(3) Stephen Andrews resigned as a director of the Company on January 21, 2021.
(4) Chris McGillivray resigned as a director of the Company on November 26, 2020.
(5) Richard Nottenburg resigned as a director of the Company on January 21, 2021.
(6) J. Lewis Dillman resigned as a director of the Company on April 24, 2019.

Stock Options and Other Compensation Securities

The following table contains information on compensation securities granted or issued to directors and NEOs by the Company in the two most recently completed financial years ended April 30, 2020 and April 30, 2019 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Dr. Richard Nottenburg ⁽¹⁾ Former Director	Options	250,000	Nov. 8, 2019	\$0.085	\$0.085	\$0.05	Nov. 8, 2029 ⁽¹⁾

Notes:

- (1) Dr. Nottenburg resigned as a director of the Company on January 21, 2021. The stock options expire one year from the date of his resignation.

The following table contains information on outstanding options of the Company held by each NEO and director as at the end of the most recently completed financial year ended April 30, 2020.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Andrew Skafel President, CEO and Director	Options	1,000,000	July 31, 2013	\$0.10	\$0.065	\$0.05	July 30, 2023
	Options	1,500,000	Dec. 16, 2014	\$0.05	\$0.020	\$0.05	Dec. 15, 2024
	Options	1,000,000	Dec. 16, 2015	\$0.27	\$0.265	\$0.05	Dec. 15, 2025
	Options	1,000,000	Feb. 17, 2017	\$0.31	\$0.310	\$0.05	Feb. 16, 2027
	Options	990,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028
Robert Harper ⁽¹⁾ Former CFO	Options	250,000	Dec. 16, 2014	\$0.05	\$0.020	\$0.05	Dec. 15, 2024 ⁽¹⁾
	Options	220,000	Dec. 16, 2015	\$0.27	\$0.265	\$0.05	Dec. 15, 2025 ⁽¹⁾
	Options	220,000	Feb. 17, 2017	\$0.31	\$0.310	\$0.05	Feb. 16, 2027 ⁽¹⁾
	Options	250,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028 ⁽¹⁾
Hubert A. J. Whyte Director	Options	250,000	July 31, 2013	\$0.10	\$0.065	\$0.05	Mar. 21, 2022
	Options	500,000	Dec. 16, 2014	\$0.05	\$0.020	\$0.05	Dec. 15, 2024
	Options	200,000	Dec. 16, 2015	\$0.27	\$0.265	\$0.05	Dec. 15, 2025
	Options	200,000	Feb. 17, 2017	\$0.31	\$0.310	\$0.05	Feb. 16, 2027
	Options	250,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028
Jane Barratt ⁽²⁾ Former Director	Options	200,000	Feb. 17, 2017	\$0.31	\$0.310	\$0.05	Feb. 16, 2027 ⁽²⁾
	Options	275,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028 ⁽²⁾
Brian Imrie Director	Options	200,000	Feb. 17, 2017	\$0.31	\$0.310	\$0.05	Feb. 16, 2027
	Options	325,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028
Stephen Andrews ⁽³⁾ Former Director	Options	300,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028 ⁽³⁾
Chris McGillivray ⁽⁴⁾ Former Director	Options	125,000	Nov. 7, 2018	\$0.16	\$0.13	\$0.05	Nov. 7, 2028 ⁽⁴⁾
Dr. Richard Nottenburg ⁽⁵⁾ Former Director	Options	250,000 ⁽¹⁾	Nov. 8, 2019		\$0.085	\$0.05	Nov. 8, 2029 ⁽⁵⁾

- (1) Robert Harper resigned as the CFO on November 29, 2020. The stock options expire one year from the date of his resignation.
- (2) Jane Barratt resigned as a director of the Company on November 26, 2020. The stock options expire one year from the date of her resignation.
- (3) Stephen Andrews resigned as a director of the Company on January 21, 2021. The stock options expire one year from the date of his resignation.
- (4) Chris McGillivray resigned as a director of the Company on November 25, 2020. The stock options expire one year from the date of his resignation.
- (5) Dr. Richard Nottenburg resigned as a director of the Company on January 21, 2021. The stock options expire one year from the date of his resignation.

No compensation securities were exercised by the directors and NEOs during the two most recently completed financial years ended April 30, 2020 and April 30, 2019.

Stock Option Plans and Other Incentive Plans

The Company's 2014 Stock Option Plan was approved by the Shareholders at the Company's Annual General Meeting on April 24, 2019. For details of the material terms of the Company's 2014 Stock Option Plan, please see "*Particular of Matters to be Acted Upon – Approval of Incentive Stock Option Plan*".

Employment, Consulting and Management Agreements

There are no management functions of the Company or a subsidiary thereof, which are to any substantial degree performed by a person other than the directors or executive officers of the Company, or a subsidiary thereof.

There were no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the company or any of its subsidiaries that were performed by a director or NEO.

Oversight and Description of Director and NEO Compensation

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill and experience levels and the current stage of development of the Company. Executive officers are compensated on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value. The Company's compensation program provides that total compensation for senior management may include a combination of base salary, and objective-based incentives as well as the same health and insurance benefit programs as provided to all other employees. The Company does not provide pension or other benefits to the executive officers.

The base compensation of the executive officers is reviewed and set annually by the Board. The CEO has substantial input in setting annual compensation levels. The CEO is directly responsible for the financial resources and operations of the Company. In addition, the CEO and Board from time to time determine the stock option grants to be made pursuant to the Company's Stock Option Plan. Previous grants of stock options are taken into account when considering new grants. The Board awards bonuses at its sole discretion. The Board does not have pre-existing performance criteria or objectives.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the policies of the TSX Venture Exchange.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's financial year ended April 30, 2020 with respect to compensation plans under which equity securities of the Company are authorized for issuance.

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 plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (Stock Option Plan)	12,717,501	\$0.1737	4,256,362
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	12,717,501	-	4,256,362

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, proposed nominees for election as directors or their associates are, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or above, no informed person (a director, officer or holder of 10% or more common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. See "Statement of Executive Compensation".

MANAGEMENT CONTRACTS

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than by the directors or NEO's of the Company or subsidiary.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day to day management of the Company. The Canadian Securities Administrators ("CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices*, which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The composition of the Board currently consists of three directors - Andrew Skafel, Brian Imrie and Hubert A.J. Whyte. It is proposed that the current directors be nominated at the Meeting, and one additional member to the Board, Ralph Garcea, be nominated for election.

The Board consists of a majority of individuals who qualify as independent directors. For this purpose, a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgment. All of the directors are considered to be independent, except for Andrew Skafel (President and CEO).

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers:

<i>Name</i>	<i>Name of other reporting issuer</i>
Andrew Skafel	Green Panda Capital Corp.
Brian Imrie	PPX Mining Corp.
Ralph Garcea ⁽¹⁾	Converge Technology Solutions Corp.

(1) Nominee that is not a current member of the Board of Directors.

Orientation and Continuing Education

Orientation of new members of the Board is conducted by informal meetings with members of the Board, briefings by management, and the provision of copies of or access to the Company’s documents.

Ethical Business Conduct

The Board has not adopted a formal code of business conduct and ethics. The Board is of the view that the fiduciary duties placed on individual directors by the Company’s governing legislation and common law together with corporate statutory restrictions on an individual director’s participation in Board decisions in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual general meeting. The Board takes into account the number of directors required to carry out the Board’s duties effectively and to maintain diversity of views and experience.

The Board has not established a nominating committee and this function is currently performed by the Board as a whole.

Compensation

The Board has not established a formal compensation committee. Rather the independent Board members are responsible for reviewing and determining the adequacy and form of compensation paid to the Company’s executives and key employees. The independent Board members evaluate the performance of the Chief Executive Officer and other senior management measured against the Company’s business goals and industry compensation levels.

Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board, its committees and individual directors are not regularly assessed with respect to their effectiveness and contribution. The Board believes that such assessments are more appropriate for companies of a larger size and complexity which may have significantly larger boards of directors. Where appropriate, the chair of the Board meets with individual directors to discuss their contribution and that of the other directors. Arising from such meetings, if appropriate, the Board considers procedural and substantive changes to increase the effectiveness of the Board, its committees and members.

Director Term Limits and Other Mechanisms of Board Renewal

The Company has not adopted formal term limits or a formal retirement policy for its directors. Board composition is assessed by the Nominating Committee to ensure that the Board has the right mix of skills and experience that will enable the Board to provide strong stewardship for the Company.

Policies Regarding the Representation of Designated Groups on the Board

The Company has not adopted a written policy relating to the identification and nomination of (i) women; (ii) Indigenous persons (iii); persons with disabilities; or (iv) members of visible minorities (collectively, the “**Designated Groups**”) on the Board or in senior management positions. The Company recognizes the benefits of diversity within its Board, at the executive level and all levels of the organization. The nomination of directors who are members of Designated Groups are taken into consideration. The Board annually reviews its policies to ensure diversity of their Board.

Consideration of the Representation of Designated Groups in the Director Identification and Selection Process

The level of representation of members of Designated Groups on the Board is one of many factors taken into consideration in identifying and nominating candidates for election or re-election to the Board.

Consideration Given to the Representation of Designated Groups in Executive Officer Appointments

The Company’s position with respect to the representation of Designated Groups in executive officer positions is the same as its position with respect to the representation of such groups on the Board. The level of representation of members of Designation Groups is one of many factors taken into consideration in making executive officer appointments.

Issuer’s Targets Regarding the Representation of Designated Groups on the Board and in Executive Officer Positions

As of the date of this Circular, the Company has not adopted targets for members of the Designated Groups to hold position on the Board, as it believes that imposing targets based on specific selection criteria would limit the Company’s ability to ensure that the overall composition of the Board meets the needs of the Company and its shareholders. The Board believes that it is a combination of the skills, experience and character of an individual that are the most important qualities in assessing the value that such individual can bring to the Board.

Diversity targets at the executive level have not been adopted as the Company is of the view that diversity is one factor of many to be considered in advancement and hiring decisions, but emphasis should be placed on hiring or advancing the most qualified individuals.

Number of Designated Groups on the Board and in Executive Officer Positions

As of the date of this Circular, the Company has a total of three directors and two members of senior management (one of which is also a director of the Company). There are currently no directors or executive officers who self-identify as members of the Designated Groups.

AUDIT COMMITTEE

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

Audit Committee Disclosure

Pursuant to Section 171(1) of the *Canada Business Corporations Act* and NI 52-110 the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company as a venture issuer, to disclose annually in its information circular certain information concerning the make up of its audit committee and its relationship with its independent auditor.

The primary function of the audit committee (the “**Committee**”) is to assist the Board in fulfilling its financial oversight responsibilities by: (i) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (ii) reviewing the systems for internal corporate controls which have been established by the Board and management; and (iii) overseeing the Company’s financial reporting processes generally. In meeting these responsibilities, the Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Committee is also mandated to review and approve all material related party transactions.

Composition of the Audit Committee

The Committee is comprised of the following members: Brian Imrie (Chair), Hubert A.J. Whyte and Andrew Skafel. The members of the Committee are considered to be financially literate, as defined by NI 52-110, in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee are elected by the Board at its first meeting following the annual Shareholders’ meeting. Unless a chair is elected by the full Board, the members of the Committee designate a chair by a majority vote of the full Committee membership.

Relevant Education and Experience

Brian Imrie, Chair - Brian Imrie -Mr. Imrie is a retired investment banker with over 30 years of experience, primarily with global firms, providing advice and raising capital for companies in multiple industries. He was with Morgan Stanley in New York and Toronto from 1983-1997, Credit Suisse First Boston from 1997-2001, ran Mergers & Acquisitions for National Bank Financial from 2001-2008 and built and ran a global M&A business for KPMG Corporate Finance from 2009-2012. He currently is the Chairman/owner of Debro Inc, a chemical distribution company and serves on several other public and private Boards. He received his MBA from Harvard University in 1987 and his BA in Economics from the University of Toronto in 1983.

Hubert A.J. Whyte - Mr Whyte is a retired business executive with over 40 years of experience in the communication technology industry. He has had successful careers at British Telecom, Ericsson, Shell Oil, Siemens and Mitel. During the mid 1980’s he was an early member of Newbridge Networks team and managed Newbridge’s successful Access Business unit generating over \$120 million in revenue per annum. He then became President and CEO of the start up Advanced Computer Communication, which he successfully sold to Ericsson for approximately \$300 million. Thereafter he became President and CEO of Network Equipment, a New York listed company (“*NWK*”) for 6 years. In his final years of his career he helped manage a number of early start ups principally from the Wesley Clover portfolio. Mr. Whyte has numerous technical and business qualifications. Before launching his career in business, he attended Canterbury Technical College.

Andrew Skafel – Mr. Skafel has worked with both multinational equipment vendors and a number of start-up network operators, and he has significant multinational experience. He was based in Asia for seven years where he worked for Newbridge Networks/Alcatel; Silicon Valley-based, InterWAVE Communications and the Commercial Division of the Canadian High Commission (Malaysia). His roles included strategic marketing, international business development and business planning. Mr. Skafel founded an innovative GSM operator in Brasil, taking the project from concept to fundraising, license acquisition and launch phases. Mr. Skafel holds an MBA from INSEEC (Paris), a graduate diploma from the McRae Institute of International Management (Vancouver) and a BA in Economics & Politics from the University of Western Ontario.

The Audit Committee’s Charter

The Company has adopted a Charter of the Audit Committee of the Board of Directors a copy of which is annexed hereto as Schedule “A”.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Company’s Board has not failed to adopt a recommendation of the Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 (De Minimis Non-Audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), or under Part 8 (Exemption) of NI 52-110.

Pre-Approval Policies and Procedures

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
April 30, 2020	\$60,197	Nil	\$1,445	Nil
April 30, 2019	\$73,295	Nil	\$16,264	\$5,350

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

Financial information is provided in the Company’s comparative annual financial statements and management’s discussion and analysis (“MD&A”) for its most recently completed financial year, and is available online at www.sedar.com. Shareholders may also request copies of the Company’s financial statements and MD&A by (i) mail to 408 Churchill Avenue North, Ottawa, Ontario K1Z 5C6; or (ii) telephone to: +1-613-271-3710.

DIRECTORS’ APPROVAL

The contents and the sending of the accompanying Notice of Meeting and this Information Circular have been approved by the Board.

DATED at Ottawa, Ontario, this 14th day of May, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

“Andrew Skafel”

Andrew Skafel, President and CEO

SCHEDULE “A”

EDGEWATER WIRELESS SYSTEMS INC. (the “Company”)

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditor;
- provide an open avenue of communication among the Company's auditor, financial and senior management and the Board of Directors; and
- report regularly to the Board of Directors the results of its activities.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in Multilateral Instrument 52-110 entitled “Audit Committees”), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Audit Committee should have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting or until their successors are duly elected. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review
 - (a) review and update this Audit Committee Charter annually;
 - (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental

body, or to the public, including any certification, report, opinion, or review rendered by the external auditor; and

- (c) review regular summary reports of directors and officers expense account claims at least annually. Establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chairman of the Audit Committee or of the Compensation Committee to approve expense reports of the President and the CEO and the CEO to approve those of the directors and officers.

2. External Auditor

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board of Directors the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and
 - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

3. Financial Reporting Processes

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (l) on at least an annual basis, review with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

4. Authority

The Audit Committee will have the authority to:

- (a) review any related-party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee;
- (d) communicate directly with the auditors; and
- (e) conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.