

BY-LAW ONE

being the

GENERAL BY-LAWS

OF

GENIUS METALS INC.

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BY-LAW ONE
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GENERAL BY-LAWS

OF
GENIUS METALS INC.

(the "Corporation")

1. **INTERPRETATION**

The following words and phrases, wherever used in the by-laws of the Corporation, shall, unless there be something in the context inconsistent therewith, have the following meanings:

"**Act**" means the *Canada Business Corporations Act* and any other statute which may be substituted therefor, as amended from time to time;

"**articles**" means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution, articles of revival and includes any amendments thereto;

"**by-laws**" means the general by-laws of the Corporation and all other by-laws of the Corporation from time to time in force and effect;

"**director**" means a person occupying the position of director by whatever name called and "**directors**" and "**board of directors**" include a single director;

"**regulations**" means the *Canada Business Corporations Regulations (2001)* and any other regulations which may be substituted therefor, as amended from time to time.

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein.

The titles herein have been inserted for convenience of reference only and shall not affect the interpretation of the terms and provisions hereof.

Words importing the singular number shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender.

2. NAME OF CORPORATION, REGISTERED OFFICE AND CORPORATE SEAL

2.1 Name

2.1.1 The corporate name of the Corporation is as set out in the articles of the Corporation.

2.1.2 The Corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Corporation. Subject to the foregoing and to the Act, the Corporation may carry on business under or identify itself by a name other than its corporate name.

2.2 Registered Office

2.2.1 The registered office of the Corporation is situated in the province or territory set out in the articles of the Corporation and at the address stated in the notice of registered office filed at the time of incorporation. The Corporation may, from time to time to time, by resolution of the board of directors change the address of its registered office within the province or territory set out in its articles and, by articles of amendment change the province or territory in which its registered office is situated.

2.2.2 In addition to its registered office, the Corporation may establish and maintain, such other offices, places of business, branches and agencies elsewhere, inside or outside Canada.

2.3 Seal

2.3.1 The corporate seal of the Corporation, if any shall, in particular, bear the name of the Corporation and, if deemed appropriate, the year of its incorporation.

2.3.2 Any officer or director of the Corporation or any person authorized to do so, from time to time, by the board of directors shall have authority to affix the corporate seal of the Corporation to any document requiring same.

3. SHAREHOLDERS

3.1 Annual Meetings

The annual meeting of the shareholders shall be called not later than eighteen (18) months after the Corporation comes into existence and thereafter not later than fifteen (15) months after the last preceding annual meeting but not later than six (6) months after the end of each financial year. The annual meeting of the shareholders shall be held on such date as the board of directors may determine, from time to time, by resolution.

3.2 **Special Meetings**

3.2.1 Special meetings of the shareholders may be called, at any time and from time to time, by the chairman of the board or the president or a vice-president who is a director or by the board of directors, by resolution, and shall be called whenever the holders of not less than five percent (5%) of the outstanding shares of the Corporation carrying voting rights at such meeting shall, in writing, request the same. Any such resolution or requisition shall state the business to be transacted at the meeting and each of these requisitions shall be sent to each director and to the registered office of the Corporation.

3.2.2 It shall be the duty of the chairman of the board or, in his absence, the president or, in his absence, a vice-president who is a director, upon adoption of such a resolution or on receipt of such a requisition, to cause the meeting to be called forthwith by the secretary or any other officer of the Corporation in conformity with the terms of such resolution or requisition. If the secretary or any other officer of the Corporation does not call the meeting within twenty-one (21) days after the adoption of the resolution or the receipt of the requisition, any director may call such meeting or the same may be called by any shareholder who signed the requisition in accordance with and subject to the provisions of the Act.

3.3 **Place of Meetings**

Annual and special meetings of the shareholders shall be held at the registered office of the Corporation or at any other place in Canada previously approved by resolution of the board of directors or at any other place outside Canada specified in the articles or agreed to by all the shareholders entitled to vote thereat.

3.4 **Notice of Meetings**

3.4.1 Notice specifying the time and place of each annual and of each special meeting of shareholders shall be given by sending the notice to each shareholder entitled to vote at the meeting through the mail, postage prepaid, to his latest address as shown on the books of the Corporation, to each director and to the auditor of the Corporation not less than twenty-one (21) clear days nor more than sixty (60) clear days prior to the date fixed for such meeting. Neither the day upon which such notice is sent nor the day upon which such meeting is to be held shall be counted in calculating such notice. Such notice may also be delivered by hand to its addressee.

3.4.2 Any notice, document or other information which must be provided to the shareholders, directors, auditors or to other persons (an "addressee" or "addressees"), pursuant to the Act or the regulations or the by-laws may be provided by the provision of an electronic document if:

- a) the addressee has consented in the manner prescribed by the regulations and has designated an information system for their receipt; and
- b) the electronic document is provided to the designated information system, unless otherwise prescribed by the regulations.

The addressee may revoke his consent in the manner prescribed by the regulations.

- 3.4.3 The notice of meeting may determine that the meeting shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.
- 3.4.4 In the case of joint holders of a share, all notices shall be given to that one of them whose name stands first in the books of the Corporation, and notice so given shall be sufficient notice to each of such joint holders.
- 3.4.5 A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of a meeting of shareholders, either before or after the holding thereof, and attendance of any such person at a meeting of shareholders is a waiver of notice of the meeting, except where he attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- 3.4.6 Notice of a meeting of shareholders at which special business is to be transacted shall state:
 - a) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon; and
 - b) the text of any special resolution to be submitted to the meeting.
- 3.4.7 All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the financial statements, auditor's report, election of directors and reappointment of the incumbent auditor, is deemed to be special business.
- 3.4.8 Irregularities in the notice or in the giving thereof to, or the accidental omission to give notice to, or the non-receipt of any such notice by any of the shareholders shall not invalidate any action taken by or at any such meeting.

3.5 **Chairman of the Meeting**

The chairman of the board or, in his absence, the president or, in his absence, one of the vice-presidents who is a director (to be designated by the meeting, in the event of more than one such vice-president being present) shall preside at meetings of the shareholders. If all of the aforesaid officers are absent or decline to act, the persons present may choose one person

among them to act as chairman of the meeting. In the event of an equality of votes, the chairman of any meeting shall not be entitled to cast a second or casting vote in respect of any matter submitted to the vote of the meeting.

3.6 Quorum and Adjournments

3.6.1 A quorum for an annual meeting of shareholders, as well as a quorum for a special meeting of shareholders, is present, irrespective of the number of persons actually present at the meeting, if the holders of shares entitled to more than ten per cent (10%) of the votes that may be cast at such meeting are present in person or represented by proxy. If a quorum is present at the opening of a meeting, the shareholders present, in person or by proxy, may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting.

3.6.2 Should a quorum not be present at any meeting of the shareholders, the meeting, if convened on the requisition of shareholders, shall be dissolved. In any other case, the shareholders present in person or represented by proxy and entitled to be counted for the purpose of forming a quorum shall have power to adjourn the meeting to the place, date and hour fixed by them by resolution.

3.6.3 If a meeting of shareholders is adjourned for less than thirty (30) days, it is not necessary to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given in the manner and within the time period stipulated in section 3.3 of this by-law.

3.6.4 The quorum, at this second meeting or adjourned meeting, shall consist solely of the persons present thereat and entitled to vote. At this second meeting or adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

3.7 Vote and Participation

3.7.1 Any person who holds shares in the capital of the Corporation carrying voting rights at any meeting of shareholders, or at any meeting of shareholders of any class of the Corporation, shall act and vote thereat through a proxy or, if a body corporate or association, through a duly authorized representative who need not necessarily be a shareholder of the Corporation.

3.7.2 At all meetings of shareholders, each shareholder entitled to vote thereat, who shall be present or represented shall be entitled, on a show of hands, to one (1) vote and, upon a poll, to one (1) vote for each share carrying voting rights at such meeting and registered in his or its name on the books of the Corporation, unless,

under the terms of the articles of the Corporation, some other scale of voting is fixed, in which event, such other scale of voting shall be followed.

3.7.3 Any matter submitted to a meeting of shareholders shall be decided by a majority of the votes cast at such meeting, except matters as to which a number of votes or the consent of the holders of shares entitled to more than the majority of the votes cast is required or directed by the applicable laws, by the articles of the Corporation or by the by-laws of the Corporation.

3.7.4 Any matter submitted to a meeting of shareholders shall be decided by a show of hands unless a poll be demanded in accordance with the following subsection. Following a show of hands, the declaration by the chairman of the meeting that a resolution has been carried or not carried and an entry to such effect in the minutes of the meeting shall be conclusive evidence of such fact without proof of the number or proportion of votes received in favour of or against the motion.

3.7.5 The chairman of the meeting as well as any shareholder or proxy, including the authorized representative of a body corporate or association, may demand (either before or after the declaration of the outcome of any vote by show of hands) a poll in respect of any matter submitted to the vote of the shareholders.

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

3.7.7 Any person entitled to attend a meeting of shareholders may participate in the meeting by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility, and shall then be deemed to be present at the meeting.

3.8 Proxy and Proxies Solicitation

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

3.8.2 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor be a body corporate, either under the hand of an officer or attorney so authorized; such proxy is valid only at the meeting in respect of which it is given or any adjournment thereof.

- 3.8.3 A shareholder may revoke a proxy by depositing an instrument in writing executed by him or by his attorney authorized in writing at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or an adjournment thereof, at which the proxy is to be used, or with the chairman of the meeting on the day of the meeting or an adjournment thereof.
- 3.8.4 The directors may specify in a notice calling a meeting of shareholders a time not exceeding forty-eight (48) hours, excluding Saturdays and holidays, preceding the meeting or an adjournment thereof before which time proxies to be used at the meeting must be deposited with the Corporation or its attorney.
- 3.8.5 If the Corporation is a distributing corporation or has more than fifty (50) shareholders, two or more joint holders being counted as one shareholder, the management of the Corporation shall, concurrently with giving notice of a meeting of shareholders, send a form of proxy and a proxy circular, both in the form prescribed by the Act, to the auditor of the Corporation, to each shareholder who is entitled to receive notice of the meeting and to the director appointed under the Act.

3.9 **Scrutineers**

The chairman at any meeting of shareholders may appoint one (1) or more persons (who need not be directors, officers, employees or shareholders) to act as scrutineer or scrutineers at such meeting.

3.10 **Resolutions in Writing**

All motions or resolutions of shareholders shall be adopted at duly convened meetings. However, except in the case of resignation, removal or expiration of the term of office of a director or of an auditor and in those cases where a meeting of shareholders is otherwise required under the Act, the signature of all the shareholders of the Corporation, entitled to vote thereat, to any instrument (which may be signed in counterparts) setting out a motion or resolution which could be adopted by the shareholders shall give to such motion or resolution the same force and effect as if the same had been adopted by the shareholders entitled to vote at a meeting duly convened and held for that purpose.

4. **BOARD OF DIRECTORS**

4.1 **Number of Directors**

The board of directors of the Corporation shall consist of the fixed number or minimum and maximum numbers of directors set out in the articles of the Corporation. In the latter case, the precise number thereof shall be the number determined from time to time by resolution of the board of directors, failing which it shall be, the number of directors corresponding to the number thereof elected at the last annual meeting of shareholders.

4.2 Qualification and Term of Office

- 4.2.1 Each director shall (except as herein otherwise provided) be elected at the annual meeting of the shareholders by a majority of the votes cast in respect of such election. It shall not be necessary that the voting for the election of the directors be conducted by poll, unless voting by poll is requested by the chairman of the meeting or someone present and entitled to vote at the meeting at which such election takes place. Each director so elected shall hold office until the election of his successor, unless he shall resign or his office become vacant by death, removal or other cause.
- 4.2.2 If a meeting of shareholders fails to elect the number or the minimum number of directors required by the articles by reason of the lack of consent, disqualification, incapacity or death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.
- 4.2.3 The office of a director shall automatically be vacated in any of the following events, to wit:
- a) if he becomes bankrupt or makes an authorized assignment of his property for the general benefit of his creditors; or
 - b) if a protective supervision concerning such director is instituted or if he is declared incapable or inapt.
- 4.2.4 At least twenty-five per cent (25 %) of the directors of the Corporation must be resident Canadians. However, if the Corporation has less than four (4) directors, at least one director or the sole director, as the case may be, must be a resident Canadian.
- 4.2.5 An individual who is elected or appointed to hold office as director is not a director and is deemed not to have been elected or appointed to hold office as a director unless:
- a) he was present at the meeting when the election or appointment took place and he did not refuse to hold office as a director; or
 - b) he was not present at the meeting when the election or appointment took place and (i) he consented to hold office as a director in writing before the election or appointment or within ten (10) days thereafter or (ii) he has acted as director pursuant to the election or appointment.

4.3 Nominations of Directors

4.3.1 Subject to the provisions of the Act and the articles, a nominee will not be eligible for election as director of the Corporation unless such nomination is made in accordance with the following procedures. Nominations of a person for election to the board of directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board of directors or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a “**Nominating Shareholder**”) (i) who, at the close of business on the date of the giving of the notice provided for below in this section 4.3 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this section 4.3:

- a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the registered office of the Corporation in accordance with this section 4.3.
- b) To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Corporation must be made:
 - (i) In the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the “**Notice Date**”) on which the first Public Announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (ii) In the case of a special meeting (other than an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the board of directors may, in its

sole discretion, waive any requirement in this paragraph (b). In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

- c) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the share capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below). The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- d) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this section 4.3; provided, however, that nothing in this section 4.3 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- e) For purposes of this section 4.3, (i) **"Public Announcement"** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System

of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

- f) Notwithstanding any other provision of these General By-laws, notice given to the Corporate Secretary of the Corporation pursuant to this section 4.3 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Montreal time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

4.4 **Power to Declare Dividends**

- 4.4.1 The directors may, from time to time, as they may deem advisable, but subject to the provisions of the Act and of the articles of the Corporation, if any, declare and pay dividends to the shareholders, out of any funds available for dividends, according to their respective rights and interest in the Corporation.
- 4.4.2 The directors may, before declaring any dividend or making any distribution of profits, set aside, out of the profits of the Corporation, such sums as they think proper as a reserve or reserves which shall at the discretion of the directors be applicable for any purpose to which the profits of the Corporation may be properly applied.
- 4.4.3 The directors may, by resolution, provide that the amount of any dividend that they may lawfully declare shall be paid, in whole or in part, in shares of the capital of the Corporation, and, for that purpose, they may authorize the allotment and issue of shares in the capital of the Corporation as fully paid.
- 4.4.4 Any dividend in cash may be paid by cheque or warrant made payable to, and mailed to the address on the books of the Corporation, of the shareholder entitled thereto and, in the case of joint holders, to that one of them whose name stands first in the books of the Corporation, and the mailing of such cheque or warrant

shall constitute payment, unless the cheque or warrant is not paid upon presentation.

4.5 Time and Place of Meetings and Notice

4.5.1 Subject to the articles, meetings of directors may be held at any place within or outside Canada as the directors may from time to time determine or the person convening the meeting may give notice. A meeting of the board of directors may be convened by the Chairman of the Board, if any, the President, if any, a Vice-President who is also a director, if any, or any two directors at any time. The Secretary, if any, shall upon direction of any of the foregoing convene a meeting of the board of directors.

4.5.2 Notice of the time and place for the holding of any such meeting shall be delivered, mailed, telegraphed, cabled, telexed, telecopied or communicated by any other means to each director at his latest address as shown on the records of the Corporation not less than two days, exclusive of the day on which the notice is delivered, mailed, telegraphed, cabled, telexed, telecopied or communicated by any other means, but inclusive of the day for which notice is given, before the date of the meeting; provided that meetings of the board of directors may be held at any time without notice if all the directors have waived notice.

For the first meeting of the board of directors to be held immediately following the election of directors at an annual or special meeting of the shareholders, no notice of such meeting need be given to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

A notice of a meeting of directors shall specify any matter referred to in subsection 114(5) of the Act that is to be dealt with at the meeting.

4.5.3 Notice of any meeting of the board of directors or any irregularity in any meeting or in the notice thereof may be waived by any director in writing or by telegram, cable or telex addressed to the Corporation or in any other manner, and such waiver may be validly given either before or after the meeting to which such waiver relates. The attendance of a director at a meeting of directors is a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4.5.4 A director may, if all the current directors of the Corporation consent thereto, either before, during or after the meeting, participate in a meeting of directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means shall be deemed to be present at that meeting.

4.5.5 Any meeting of the board of directors may be adjourned, from time to time, by the chairman of the meeting, to a fixed time and place and no notice of the time and place for the continuance of the adjourned meeting need be given to any director. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

4.6 **Chairman of the Meeting**

The chairman of the board or, in his absence, the president, if he is a director, or, in his absence, one of the vice-presidents who is a director (to be designated by the meeting, in the event of more than one such vice-president being present) shall preside at meetings of the directors. If all of the aforesaid officers be absent or decline to act, the persons present may choose one of their number to act as chairman of the meeting. The chairman of any meeting of the directors shall be entitled to vote as director in respect of any matter submitted to the vote of the meeting, but, in the event of an equality of votes, shall not be entitled to cast a second or casting vote.

4.7 **Quorum**

4.7.1 Subject to the Act, the directors may, from time to time, fix by resolution the quorum for meetings of directors, but until otherwise fixed, a majority of directors in office from time to time shall constitute a quorum.

4.7.2 Any meeting of directors at which a quorum is present, provided that twenty-five per cent (25%) of the directors present are resident Canadians or, if the Corporation has less than four (4) directors, at least one (1) of the directors present is a resident Canadian, shall be competent to exercise all or any of the authorities, powers and discretions by the Act or under the articles or by-laws of the Corporation for the time being vested in or exercisable by the directors generally, notwithstanding any vacancy among the directors. The quorum must be maintained throughout the meeting.

4.7.3 Notwithstanding the provisions of the preceding subsection, directors may transact business at a meeting of directors where the number of resident Canadian directors required hereunder is not present if:

- (a) a resident Canadian director who is unable to be present approves in writing or by telephonic, electronic or other communication facility the business transacted at the meeting; and
- (b) the required number of resident Canadian directors would have been present had that director been present at the meeting.

4.7.4 Questions arising at any meetings of directors shall be decided by the affirmative vote of a majority of the directors present thereat.

4.8 **Vacancies**

4.8.1 Except for a vacancy resulting from an increase in the number or the minimum or maximum number of directors or from a failure to elect the number or minimum number of directors provided for in the articles of the Corporation, the directors then in office may, if they constitute a quorum, fill any vacancy among the directors, and any director so appointed shall hold office for the unexpired term of his predecessor.

4.8.2 If the directors then in office do not constitute a quorum or if the vacancy results from an increase in the number or minimum number of directors or from a failure to elect the number or minimum number of directors required by the articles of the Corporation, the directors then in office shall immediately call a meeting of the shareholders for the purpose of filling the vacancy. If the directors fail to call such a meeting or if there are no directors then in office, any shareholder of the Corporation may call said meeting.

4.9 **Remuneration of Directors**

4.9.1 Each of the directors shall receive such remuneration as the board of directors shall fix, from time to time, by resolution.

4.9.2 The directors shall be entitled to be repaid by the Corporation all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the directors or shareholders or which they may otherwise incur in or about the normal course of business of the Corporation.

4.9.3 Any director who, by request of the directors or an authorized officer, performs special services for the Corporation may be paid such extra remuneration as the board of directors may determine.

4.10 **By-laws and Resolutions**

All by-laws and resolutions of the directors shall be adopted at duly convened meetings. However, the signature of all the directors of the Corporation to any instrument (which may be signed in counterparts) setting out a by-law or resolution which could be adopted by the directors shall give to such by-law or resolution the same force and effect as if the same had been adopted by the vote of the directors at a meeting duly convened and held.

5. COMMITTEES

5.1 Committee of Directors

5.1.1 The directors may constitute a committee of directors, however designated, and delegate to such committee any of their powers except those which under the Act, a committee of directors has no authority to exercise.

5.1.2 Members of such committee need not be resident Canadians.

5.1.3 Subject to the provisions of subsection 4.5.4, the powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.

6. OFFICERS

6.1 Management

6.1.1 The management of the Corporation shall consist of at least a president and a secretary. There may also be elected or appointed a chairman of the board, one or more vice-presidents (one of whom may be appointed executive vice-president), a treasurer and one or more assistant secretaries or assistant treasurers.

6.1.2 Such officers shall be elected or appointed, as the case may be, by the board of directors at the first meeting of the board of directors after each annual meeting of the shareholders and shall hold office until their successors shall have been elected or appointed. There may also be appointed such other officers as the board of directors may, from time to time, deem necessary.

6.1.3 Such officers shall respectively perform the duties, specified in the by-laws, and those as shall, from time to time, be prescribed by the board of directors. The same person may hold more than one (1) office. None of such officers of the Corporation need be a shareholder of the Corporation and none of them, except the chairman of the board, need be a director of the Corporation.

6.2 Chairman of the Board

The chairman of the board shall be chosen from among the directors. He shall preside at meetings of the shareholders and of the board of directors. He shall have such other powers and duties as the board of directors may determine, from time to time, by resolution.

6.3 President

The president may but shall not necessarily be chosen from among the directors. In the absence of the chairman of the board, he shall preside at all meetings of the shareholders and, if he is a director, of the board of directors. He shall be the chief executive officer of the Corporation and shall exercise a general control of and shall supervise the management of the affairs of the Corporation. He shall have such other powers and perform such other duties as the board of directors may determine, from time to time, by resolution.

6.4 Vice-President or Vice-Presidents

The vice-president or vice-presidents, whether or not chosen from among the directors, shall have such powers and perform the duties as may be assigned to him or them respectively, by resolution of the board of directors. In case of absence or disability of the chairman of the board and of the president, such vice-president as may have been appointed executive vice-president or such other vice-president as may be designated by the chairman of the board or the president may exercise the powers and perform the duties of the chairman of the board or of the president. If any such vice-president exercises any of the powers or performs any of the duties of the chairman of the board or of the president, the absence or disability of the chairman of the board or of the president shall be presumed.

6.5 Treasurer and Assistant Treasurers

6.5.1 The treasurer shall have general charge of the finances of the Corporation. He shall deposit all sums of money and other valuable effects of the Corporation in the name and to the credit of the Corporation, in such banks, savings and credit unions, trust companies or other depositaries, as the board of directors may, from time to time, designate, by resolution. He shall have charge and custody of and be responsible for the keeping of the books, accounts and other documents required under the laws governing the Corporation. He shall render to the board of directors, whenever directed by the board, an account of the financial condition of the Corporation and of all his operations as treasurer. He shall perform all the acts relating to the office of treasurer, as well as those that may be assigned to him, from time to time, by resolution of the board of directors, the whole subject to the control of the board of directors.

6.5.2 Assistant treasurers may perform any of the duties of the treasurer delegated to them, from time to time, by the board of directors or by the treasurer.

6.6 Secretary and Assistant Secretaries

6.6.1 The secretary shall attend to the giving of all notices of the Corporation and shall draft and keep the minutes of all meetings of the shareholders and of the board of directors and of committees of directors in a book or books to be kept for that purpose. He shall keep in safe custody, if any, the corporate seal of the

Corporation. He shall have charge of the records of the Corporation, including books containing the names and addresses of the shareholders and directors together with copies of all reports made by the Corporation, and such other books and papers as the board of directors may direct and/or entrust to him. He shall be responsible for the keeping and filing of all books, reports, certificates and other documents required by the applicable laws to be kept and filed by the Corporation. He shall perform such other duties as appertain to his office or as may be required, from time to time, by resolution of the board of directors.

6.6.2 Assistant secretaries may perform any of the duties of the secretary delegated to them, from time to time, by the board of directors or by the secretary.

6.7 **Removal**

The board of directors may, by resolution, remove any officers and dismiss them as employees of the Corporation, either with or without cause. Any employee of the Corporation, other than an officer appointed by the board of directors, may be discharged from his position and dismissed either with or without cause, by the president or any vice-president. If, however, there be no cause for such removal or dismissal and there be a special contract derogating from the provisions of this section, such removal or dismissal shall be subject to the provisions of such contract.

6.8 **Remuneration**

The remuneration of all officers of the Corporation shall be fixed, from time to time, by resolution of the board of directors.

7. **SECURITIES**

7.1 **Security Certificates**

Certificates representing securities of the Corporation shall be, subject to the provisions of section 49 of the Act, in such form as shall be approved by the board of directors. Such certificates shall bear the signature of the president or any vice-president and that of the secretary or any assistant secretary of the Corporation, or of any other officer or any director, but the signature of the president or vice-president may be engraved, lithographed or otherwise mechanically reproduced thereon, as well as, should the Corporation have appointed a transfer agent, the signature of the secretary or any assistant secretary or of any other officer or any director. Any certificate bearing the facsimile reproductions of the signature of any of such authorized officers shall be deemed to have been manually signed by them and shall be as valid, to all intents and purposes, as if they had been manually signed, notwithstanding that the persons whose signatures are so reproduced shall, at the time that the certificate is issued or on the date of such certificate, have ceased to be officers of the Corporation. If the board of directors is made up of only one director, such certificates may be signed by such director or the president, acting alone.

7.2 Registrar and Transfer Agent

7.2.1 The board of directors may from time to time by resolution appoint or remove one or more registrars and/or branch registrars, which may but need not be the same person, to keep the register of security holders and/or one or more transfer agents and/or branch transfer agents, which may but need not be the same person, to keep the register of transfers, and, subject to section 50 of the Act, may provide for the registration of issues and the registration of transfers of the securities of the Corporation in one or more places and such registrars and/or branch registrars and/or transfer agents and/or branch transfer agents shall keep all necessary books and registers of the Corporation for the registration of the issuance and the registration of transfers of the securities of the Corporation for which they are so appointed. All certificates issued after any such appointment representing securities issued by the Corporation shall be countersigned by or on behalf of one of the said registrars and/or branch registrars and/or transfer agents and/or branch transfer agents, as the case may be.

7.3 Record Date

7.3.1 The board of directors may at any time and from time to time, fix in advance, within the period prescribed from time to time by the regulations, a date as the record date for the purpose of determining the shareholders:

- (a) entitled to receive payment of a dividend;
- (b) entitled to participate in a liquidation distribution;
- (c) entitled to receive notice of a meeting of shareholders;
- (d) entitled to vote at a meeting of shareholders; or
- (e) for any other purpose.

7.3.2 Subject to any amendment to the regulations, for the purposes of subsections (a), (b) and (e) above, the period prescribed for the directors to fix the record date is not more than sixty (60) days before the particular action to be taken and, for the purposes of subsections (c) and (d), is not less than thirty (30) days and not more than sixty (60) days before the date of the meeting.

7.3.3 Unless notice is waived in writing by every holder entitled thereto, a notice of the record date fixed as aforesaid shall be given within the period prescribed from time to time by the regulations by advertisement in a daily newspaper published or distributed in the place where the Corporation has its registered office and in each place in Canada where it has a transfer agent or where a transfer of its shares may be recorded and by written notice to each stock exchange in Canada on which the shares of the Corporation are listed for trading, as the case may be.

7.3.4 Only shareholders of record on any record date fixed as aforesaid shall be entitled to take advantage of the rights hereinabove mentioned, but failure to receive a notice does not deprive a shareholder of the right to vote at the meeting.

8. FINANCIAL YEAR

8.1 Financial Year

The financial year of the Corporation shall end on the date determined, from time to time, by resolution of the board of directors.

9. EXECUTION OF CONTRACTS, CHEQUES, DRAFT AND DEPOSITS

9.1 Contracts

9.1.1 Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by one person, which holds the office of chairman of the board, president, vice-president, director, secretary, treasurer, assistant-secretary or assistant-treasurer or any other office created by by-law or by resolution of the board of directors. All contracts documents or instruments in writing signed shall be binding upon the Corporation without any further authorization or formality. The board of directors is authorized from time to time by resolution to appoint one or several persons on behalf of the Corporation either to sign contracts, documents or instruments in writing.

9.1.2 The corporate seal, if any, may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the board of directors.

9.1.3 The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or moveable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, warrants, bonds, debentures or other securities and all paper writings.

9.1.4 In particular, without limiting the generality of the foregoing, one person which holds the office of chairman of the board, president, vice-president, director, secretary, treasurer, assistant-secretary or assistant-treasurer or any other office created by by-law or by resolution of the board of directors are hereby authorized to sell, assign, transfer, exchange, convert or convey all shares, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Corporation and to sign and execute, under the seal of the Corporation or otherwise, all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning,

transferring, exchanging, converting or conveying or enforcing or exercising any voting rights in respect of any such shares, bonds, debentures, rights, warrants or other securities.

9.1.5 The signature or signatures of any officer or director of the Corporation or of any other officer or officers, person or persons appointed as aforesaid by resolution of the board of directors may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon all contracts, documents or instruments in writing or, subject to subsections 49(4) and 49(5) of the Act, bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation on which the signatures of any of the foregoing officers, directors or persons shall be so reproduced, by authorization by resolution of the board of directors, shall, subject to subsections 49(4) and 49(5) of the Act, be deemed to have been duly signed by such officers, shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers, directors or persons whose signature or signatures are reproduced may have ceased to hold office at the date of the delivery of such contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation.

9.2 Cheques and Drafts

All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued, accepted or endorsed in the name of the Corporation shall be signed by such person or persons and in such manner as shall be determined, from time to time, by resolution of the board of directors.

9.3 Deposits

The funds of the Corporation may be deposited, from time to time, to the credit of the Corporation with one or more banks, savings and credit unions or other depositaries as the board of directors may, by resolution, appoint as bankers of the Corporation.

10. DECLARATIONS, AUTHORIZED REPRESENTATIVES AND PROXIES

10.1 Declarations

The chairman of the board, the president, any vice-president, the treasurer, the secretary, the secretary-treasurer, any assistant treasurer, any assistant secretary, the controller and any other officer or person nominated for the purpose by the president or any vice-president are, and each of them is, authorized and empowered:

- (a) to appear and make answer for, on behalf and in the name of the Corporation, to all writs, orders and interrogatories upon articulated facts issued out of any court;
- (b) to declare for, on behalf and in the name of the Corporation, and answer to writs of attachment by way of garnishment in which the Corporation is garnishee and to make all affidavits and sworn declarations in connection therewith or in connection with any and all judicial proceedings to which the Corporation is a party;
- (c) to make demands of abandonment or petition for winding-up or bankruptcy orders upon any debtor of the Corporation; and
- (d) to attend and vote at all meetings of creditors of the Corporation's debtors and grant proxies in connection therewith.

10.2 Representation at Meetings

- 10.2.1 The president or, in his absence, any vice-president or, in his absence, the secretary or, in his absence, the treasurer of the Corporation or any other person so authorized by resolution of the board of directors shall have full power and authority to represent the Corporation and act on its behalf at any meeting, assembly or other reunion of shareholders, partners, members or persons holding an interest in any body corporate, partnership, trust, joint venture, unincorporated association or organization in which the Corporation holds shares, partnership units or any interests, to attend and to vote thereat, to waive notice of any meeting and execute any document setting out a motion or resolution and to exercise any and all rights and privileges attached to such interests.
- 10.2.2 Any officer or person authorized under the subsection 10.2.1 shall, in addition, be empowered to date and execute any instrument appointing any of the aforesaid persons proxy or attorney to represent the Corporation at any such meeting, assembly or other reunion.

11. INDEMNIFICATION OF DIRECTORS AND OFFICERS

11.1 Indemnification

Subject to the restrictions prescribed by the Act and to those provided for in this section 11, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal,

administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.

11.2 Advance of Costs

The Corporation may advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in section 11.1. The individual shall repay the moneys if the individual does not fulfil the conditions of section 11.3.

11.3 Limitation

The Corporation may not indemnify an individual under section 11.1 unless the individual:

- (a) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

11.4 Indemnification in Derivative Actions

The Corporation may, with the approval of a court, indemnify an individual referred to in section 11.1, or advance moneys under section 11.2, in respect of an action by or on behalf of the Corporation or other entity to procure a judgment in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in section 11.1 against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in section 11.3.

11.5 Right to Indemnity

Despite section 11.1, an individual referred to in that section is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defense of any civil, criminal, administrative, investigative, or other proceeding to which the individual is subject because of the individual's association with the Corporation or other entity as described in section 11.1, if the individual seeking indemnity:

- (a) was not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and
- (b) fulfils the conditions set out in section 11.3.

11.6 Insurance

The Corporation may purchase and maintain insurance for the benefit of an individual referred to in section 11.1 against any liability incurred by the individual:

- (a) in the individual's capacity as a director or officer of the Corporation; or
- (b) in the individual's capacity as a director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

12. BORROWING POWERS - BANKS AND FINANCIAL INSTITUTIONS

In addition to the powers conferred upon the directors by the Act and without restricting the generality of the powers conferred on the directors by section 189 of the Act, the board of directors is hereby authorized, at any time and from time to time:

- (a) to borrow money on the credit of the Corporation, from any bank, savings and credit union, lending institution or other person, upon such terms, covenants and conditions, at such time, in such sums, to such extent and in such manner as the board of directors, in its discretion, may deem expedient;
- (b) to limit or increase the amounts to be borrowed;
- (c) to issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation
- (d) to give a guarantee on behalf of the Corporation to secure performance of an obligation of any person;
- (e) to mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation and, in particular, to give such security on the property of the Corporation as may be taken by a bank under the provisions of the *Bank Act*, and to renew, alter, vary or substitute such security from time to time, with authority to enter into promises to give such security under the *Bank Act* for any indebtedness contracted or to be contracted by the Corporation to any bank;
- (f) to raise and assist in raising money for, and to aid by way of bonus, loan, promise, endorsement, suretyship, guarantee or otherwise, any person and to guarantee the performance or fulfilment of any contracts or obligations of any such person; and

- (g) unless the articles or by-laws of or a unanimous shareholder agreement relating to the Corporation otherwise provide, to delegate to a director, a committee of directors or an officer, by resolution, all or any of the foregoing powers hereby conferred upon the board of directors.

The powers of borrowing and giving security hereby authorized shall be deemed to be continuing powers and may be exercised from time to time hereafter, until the repeal of this by-law and notice thereof has been given in writing to whomsoever may be acting on the faith thereof.

13. ENACTMENT, REPEAL AND AMENDMENT OF BY-LAWS

The board of directors may, from time to time, adopt by-laws regulating the business or affairs of the Corporation, not contrary to the Act or to the articles of the Corporation and may, amend or repeal any by-laws of the Corporation. Every such by-law (excepting such by-laws as by the provisions of the Act are required to be approved by the shareholders before becoming effective) and every amendment or repeal thereof, is effective from the date of the resolution of the directors and shall be submitted to the shareholders at the next meeting of shareholders, and the shareholders may, by ordinary resolution approve, amend or reject such by-law. If a by-law, an amendment or a repeal is rejected by the shareholders, or if the directors do not submit a by-law, an amendment or a repeal to the shareholders, the by-law, amendment or repeal ceases to be effective.

Adopted by the directors on May 28, 2018

Ratified by the shareholders on May 28, 2018.



Guy Goulet
President and Chief Executive Officer



René Branchaud
Secretary