

**KURE TECHNOLOGIES, INC.**

**NOTICE OF MEETING AND  
MANAGEMENT INFORMATION CIRCULAR**

**FOR THE**

**ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON MARCH 27, 2018**





February 14, 2018

Dear Shareholder:

We wish to extend to you, on behalf of the Board of Directors and management of Kure Technologies, Inc. (“**Kure**” or the “**Corporation**”), an invitation to attend the Corporation’s 2018 Annual Meeting of Shareholders (the “**Meeting**”).

As indicated in the accompanying Notice, the Meeting will be held at Suite 800, Wildeboer Dellelce Place, 365 Bay Street, Toronto Ontario on March 27, 2018 at 10:30 a.m. (Toronto Time).

Details of the matters to be voted upon by shareholders and other relevant information are contained in the management information circular that has been prepared in connection with the Meeting. We urge you to review these materials and to then plan to attend the Meeting on March 27, 2018. If you are not able to be present in person at the Meeting, please complete, date, sign and return your proxy form so that your shares will be represented at the Meeting.

The management information circular can be found under the Kure profile at [www.sedar.com](http://www.sedar.com), as well as on the Corporation’s website at [www.kuretechnologies.com](http://www.kuretechnologies.com).

If you wish to receive paper copies of the Meeting materials, you may request copies by calling toll-free in North America at 1-866-600-5869. Meeting materials will be sent to shareholders at no cost to them within three business days of their request, if such requests are received by March 16, 2018.

Thank you for participating in the future of Kure.

Yours very truly,

*“Daniel Marks”*

Chief Executive Officer

**KURE TECHNOLOGIES, INC.**

**NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 27, 2018**

**NOTICE IS HEREBY GIVEN THAT** the 2018 Annual Meeting of Shareholders (the “**Meeting**”) of Kure Technologies, Inc. (the “**Corporation**”) will be held:

Place: Suite 800  
Wildeboer Dellelce Place  
365 Bay Street  
Toronto, ON, M5H 2V1

Date: March 27, 2018

Time: 10:30 a.m. (Toronto Time)

The purposes of the Meeting are:

1. to receive the audited financial statements of the Corporation for the financial years ended August 31, 2017 and August 31, 2016 and the reports of the auditors thereon;
2. to elect directors of the Corporation to hold office until the next annual general meeting of the Corporation’s shareholders (“**Shareholders**”) held for the purpose of electing directors;
3. to appoint Dale Matheson Carr-Hilton Labonte LLP as the auditors of the Corporation until the next annual general meeting of the Shareholders, and to authorize the board of directors of the Corporation (the “**Board of Directors**”) to fix their remuneration;
4. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular, which accompanies this Notice of Meeting and forms part hereof.

As described in the notice-and-access notification mailed to Shareholders, the Corporation has decided to deliver the Meeting materials to Shareholders by posting the Meeting materials on its website ([www.kuretechnologies.com](http://www.kuretechnologies.com)). The use of this alternative means of delivery is more environmentally friendly as it will help reduce the use of paper and it will also reduce the Corporation’s printing and mailing costs. It is anticipated that the Meeting materials will be available on the Corporation’s website as of February 14, 2018 and will remain on the website for one full year thereafter. The Meeting materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of February 14, 2018.

All Shareholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. Shareholders who wish to receive paper copies of the Meeting materials may request copies from the Corporation by calling toll-free in North America at 1-866-600-5869. Meeting materials will be sent to such Shareholders at no cost to them within three business days of their request, if such requests are received by March 16, 2018.

The Board of Directors has by resolution fixed the close of business on February 14, 2018 as the record date for the determination of Shareholders entitled to receive notice of and vote at the Meeting or any adjournments thereof.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign, and return the enclosed form of proxy or voting instruction form, as applicable, so that as large a representation of Shareholders as possible may be had at the Meeting. Proxies to be used at the Meeting must be deposited with the Corporation’s

registrar and transfer agent, TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 prior to 5:00 p.m. (Toronto Time) on March 23, 2018.

If you have any questions that are not answered by the accompanying Circular or need any additional information, please contact your professional advisors. You may also contact TSX Trust Company should you have any questions with regard to voting your Common Shares. For any updated information relating to the Meeting and other information relating to the Corporation, please refer to the Corporation's public filings available on SEDAR at [www.sedar.com](http://www.sedar.com). Information contained in the accompanying Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

DATED at Toronto, Ontario February 14, 2018

BY ORDER OF THE BOARD OF DIRECTORS

*"Daniel Marks"*

Chief Executive Officer

## KURE TECHNOLOGIES, INC.

### MANAGEMENT INFORMATION CIRCULAR

#### PART 1 - SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (“Circular”) is furnished in connection with the solicitation by the management of Kure Technologies, Inc. (the “Corporation”) of proxies to be used at the 2018 Annual Meeting (the “Meeting”) of Shareholders of the Corporation (“Shareholders”) to be held at the time and place and for the purposes set out in the Notice of Meeting.

The solicitation will be made solely by mail and by posting the Meeting materials on the Corporation’s website. The total cost of solicitation of proxies will be borne by the Corporation. Except as otherwise stated, the information contained herein is given as of February 14, 2018.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors or legal representatives of the Corporation. A Shareholder has the right to appoint as his or her proxy a person, who need not be a Shareholder, other than those whose names are printed on the accompanying form of proxy. **A Shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.** Where the Shareholder is a company, the form of proxy must be executed by an individual duly authorized to represent the company.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a company, under its corporate seal or by an officer or attorney thereof duly authorized. **The revocation of a proxy, in order to be acted upon, must be deposited with TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 prior to 5:00 p.m. (Toronto Time) on March 23, 2018 or, in the case of any adjournment of the Meeting, by no later than 5:00 p.m. (Toronto Time) on the business day immediately preceding the date of such adjourned Meeting.**

#### NOTICE-AND-ACCESS

In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing physical copies of the materials.

The Corporation has decided to deliver the Meeting materials to Shareholders by posting the Meeting materials on its website ([www.kuretechnologies.com](http://www.kuretechnologies.com)). It is anticipated that the Meeting materials will be available on the Corporation’s website as of February 14, 2018 and will remain on the website for one full year thereafter. The Meeting materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders who wish to receive paper copies of the Meeting materials may request copies from the Corporation by calling toll-free in North America at 1-866-600-5869.

Meeting materials will be sent to such Shareholders at no cost to them within three business days of their request, if such requests are received by March 16, 2018.

All Shareholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting (the “**Notice-and-Access Materials**”).

#### EXERCISE OF DISCRETION BY PROXIES

Common Shares represented by properly executed proxies in favour of the persons designated in the form of proxy provided by the Corporation, in the absence of any direction to the contrary, will be voted: (i) **FOR** the election of the management proposed nominees as directors of the Corporation; and (ii) **FOR** the appointment of the auditors. Instructions with respect to voting will be respected by the persons designated in the form of proxy provided by the Corporation. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such Common Shares will be voted by the persons so designated in their discretion. At

the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or senior officers of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

## SHARES

As of February 14, 2018, there were 15,097,800 common shares of the Corporation (“**Common Shares**”) and no Class A non-voting shares of the Corporation (“**Class A Shares**”) issued and outstanding. The holders of Common Shares are entitled to one vote for each share held of record on all matters to be voted on by such holders. The Class A Shares do not entitle the holders thereof to vote. According to the Corporation’s Articles, a holder of Class A Shares shall have the right, at his or her option, to convert such Class A Shares into Common Shares on a one-for-one basis if such holder provides to the Corporation written evidence satisfactory to the Corporation that: (a) beneficial ownership and control of the Class A Shares is exercised, directly or indirectly, exclusively by one or more Canadians (within the meaning set out in the Corporation’s Articles); and (b) the acquisition by such holder of all Class A Shares held by it was effected in conformity with the Corporation’s Articles.

The Corporation has fixed February 14, 2018 as the record date (the “**Record Date**”) for the purpose of determining shareholders entitled to receive notice of and to vote at the Meeting. Pursuant to the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to receive notice of and to vote at the Meeting that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during normal business hours at the head office of the Corporation and at the Meeting or at the place where the Corporation’s central securities register is maintained.

The Class A Shares are identical to the Common Shares in all material respects with the exception of the right to vote at meetings of the Corporation’s shareholders, and certain conversion rights and other attributes designed to ensure continued compliance with applicable regulations under the *Broadcasting Act* (Canada) concerning Canadian ownership of broadcasting undertakings (as was required when the Corporation indirectly held a controlling stake in LOOK Communications Inc. (now ONEnergy Inc.)).

### ***Take-Over Bid Protection***

As required by National Instrument 51-102 *Continuous Disclosure Obligations*, the following is a summary of the right of holders of Class A Shares to participate if a take-over bid is made for the Common Shares.

In the event that an offer (an “**Offer**”) is made to purchase Common Shares and the Offer is one which must, pursuant to applicable securities legislation, be made to all or substantially all the holders of Common Shares, each Class A Share will become convertible into one Common Share at the option of the holder, at any time commencing eight days after the Offer is made and ending at the expiration of the Offer. The conversion right may be exercised only for the purpose of depositing the resulting Common Shares in response to the Offer and the transfer agent and registrar of the Corporation will deposit the resulting Common Shares on behalf of the shareholder. If: (i) Common Shares resulting from the conversion and deposited pursuant to the Offer are subsequently withdrawn by the shareholder or are not taken up by the offeror; or (ii) the Offer is abandoned or withdrawn by the offeror, such Common Shares will be re-converted into Class A Shares.

## NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Common Shares, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In

accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice-and-Access Materials to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Notice-and-Access Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (often called a “voting instruction form”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form (as instructed on such form) and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to TSX Trust Company at the address set out above.

**In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.**

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

### PRINCIPAL SHAREHOLDERS

As at February 14, 2018, to the best knowledge of the Corporation, obtained in some cases through a review of public filings, the only persons who beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the issued and outstanding Common Shares are:

Name	Number of Common Shares	Number of Issued Shares	Percentage of Total Issued Shares
2064818 Ontario Inc., a corporation owned by a trust established by the family of Alex Dolgonos, Toronto, Ontario	4,045,828	15,097,800	26.80%
Clarest LP, Toronto, Ontario	1,680,000	15,097,800	11.13%

**PART 2 – THE MEETING**  
**BUSINESS OF THE MEETING**

To the knowledge of the board of directors of the Corporation (the “**Board of Directors**”), the only matters to be brought before the Meeting are the following.

***Receipt of Financial Statements***

The audited consolidated financial statements of the Corporation for the fiscal years ended August 31, 2016 and August 31, 2017 and the report of the auditors thereon which accompany this Circular, will be submitted to the Meeting. Receipt at the Meeting of the report of the auditors and the Corporation’s audited consolidated financial statements for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein.

***Election of Directors***

The articles of the Corporation provide for a minimum of three and a maximum of 15 directors. By way of special resolution dated October 15, 1998, the Shareholders granted the directors of the Corporation the power to set the number of directors. At a Board of Directors’ meeting held January 17, 2018, the directors resolved to fix the number of directors of the Corporation at three. Accordingly, three Directors are to be elected at the Meeting. **It is the intention of the nominees designated in the form of proxy provided by the Corporation to vote the Common Shares in respect of which they are appointed as proxy in favour of the three nominees whose names are set out below, or otherwise in accordance with the directions of the Shareholder who has given such proxy.** Each director will hold office until the next annual meeting of Shareholders or until the election of his successor, unless such person resigns or his office becomes vacant by removal, death or other cause.

The following table sets out the name of each of the persons proposed to be nominated for election as director, his municipality of residence, all positions and offices with the Corporation now held by such person, his principal occupation, the year in which such person became a director of the Corporation and the number of Common Shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below:

Name and Municipality of Residence	Principal Occupation	Director Since	Position with the Corporation	Number of Common Shares Owned Directly or Indirectly or Controlled <sup>(1)</sup>
Daniel Marks <sup>(2)</sup> Toronto, ON	President and Principal of Stonehouse Capital Management Inc.	May 4, 2015	Chief Executive Officer and Director	1,161,100
Henry Kloeppe <sup>(2)</sup> Toronto, ON	Chief Executive Officer, NWT Uranium Corp.	May 4, 2015	Acting Chief Financial Officer and Director	Nil
Alex Dolgonos <sup>(2)(3)</sup> Toronto, ON	Technology Consultant	February 28, 2017	Director	4,045,828

Notes :

- (1) The information as to Common Shares owned directly or indirectly or controlled, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) Shares are owned by 2064818 Ontario Inc., a corporation owned by a trust established by the family of Alex Dolgonos.

Management has no reason to believe that any of the nominees will be unable to serve as a director but, if a nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the Shareholder has specified in the proxy that his or her shares are to be withheld from voting in respect of the election of directors.

As at the date of this Circular, the current directors, as a group, directly or indirectly, beneficially own or exercise control or direction over 5,206,928 Common Shares, representing approximately 34.49% of the issued and outstanding Common Shares.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually.

The principal occupations, business or employment of each of the Corporation's nominees for election as directors within the past five years are disclosed in the following biographies.

**Henry J. Kloepper.** Mr. Kloepper has worked in investment banking and structured finance over a 30 year career. He brings a rounded knowledge of the capital markets, strategic growth and investments. In the past, Mr. Kloepper has worked in executive positions with JP Morgan, Citibank, Bank of America, and North American Trust in Canada, the US and Europe. Currently, Mr. Kloepper is interim CEO of NWT Uranium Corp and is a director of a number of public companies listed in Canada and the US which are involved in consumer finance, merchant banking, manufacturing and distribution.

**Daniel S. Marks.** Mr. Marks is the President and Principal of Stonehouse Capital Management Inc., a portfolio management firm specializing in active investments in Canadian microcap companies. Mr. Marks currently serves on the board of directors of Intrinsic Technologies Corporation (TSX:ITC) and is Chair of the Executive Committee. Since joining the company in April 2013 he has helped lead the repositioning of the engineering services company to take advantage of growth opportunities in the intelligent connected devices technology sector.

From June 2010 to May 2012, Mr. Marks was a director of Pacific Safety Products Inc., Canada's leading soft body armour company, where he also served as Executive Chairman from September 2010 to May 2012. In that role, he oversaw a strategic turnaround in the company, through a process that involved the introduction of a new board and management team and ultimately a merger with Zuni Holdings Inc.. From June 2009 to December 2010, Mr. Marks was a director of MTI Global Inc. (renamed Zuni Holdings Inc. in June 2010), a company involved in the design, development and manufacturing of products used primarily in the aerospace industry.

Mr. Marks also served as President, Chief Executive Officer and Interim Chief Financial Officer of Zuni Holdings Inc. from June 2010 to December 2010. Mr. Marks has over twenty years of investment management experience, including positions with Polar Securities Inc., Citibank, Republic National Bank of New York and TD Securities. Mr. Marks holds a Chartered Financial Analyst (CFA) designation and an MBA from McMaster University.

**Alex Dolgonos.** Mr. Dolgonos graduated from Radio College of Canada with an Engineering Technologist Degree. Immediately out of school, he founded a business called RGB Electronics and developed various RF heating devices used in cancer research. In 1990, he incorporated the Corporation and focused on high power RF amplifiers based on solid state and tube technology. The Corporation successfully launched XM and Sirius terrestrial technology.

Currently, Mr. Dolgonos is developing RF systems for diagnostic MRI systems and hyperthermia field applications.

None of the foregoing nominees for election as director of the Corporation: (a) is, or within the last ten years has been, a director or executive officer of any company that: (i) while that person was acting in that capacity, was subject to a cease trade or similar order, or an order that denied such company access to any exemption under applicable securities legislation; (ii) was subject to a cease trade or similar order, or an order that denied such company access to any exemption under applicable securities legislation, that was issued after that person ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity of a director or executive officer; or (iii) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the last ten years, 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 his assets.

None of the foregoing nominees for election as director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

### **Confirmation and Appointment of Auditors**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, the current auditors of the Corporation, have been the auditors of the Corporation since July 28, 2016.

Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of Dale Matheson Carr-Hilton Labonte LLP as auditors of the Corporation, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, as the auditors of the Corporation until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.

## **PART 3 – COMPENSATION**

### **EXECUTIVE COMPENSATION**

#### **Summary of Compensation**

The following table sets out all annual and long-term compensation for services in all capacities to the Corporation earned for the fiscal years ended August 31, 2017 and August 31, 2016 by (i) each individual who acted as chief executive officer of the Corporation for any part of the most recent fiscal year ended August 31, 2017; (ii) each individual who acted as chief financial officer of the Corporation for the fiscal year ended August 31, 2016, (iii) each of the three most highly compensated “executive officers” of the Corporation (as such term is defined in National Instrument 51-102 -Continuous Disclosure Obligations) who earned more than \$150,000 during the fiscal year ended August 31, 2017, and (iv) each individual who would have been one of the three most highly compensated executive officers of the Corporation but for the fact that such individual was not an executive officer of the Corporation at the end of the fiscal year ended August 31, 2017 (collectively, the “Named Executive Officers” or “NEOs”).

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All other Compensation <sup>(1)</sup>	Total Comp (\$)
					Annual Incentive Plan	Long-term Incentive Plan			
Daniel Marks <sup>(2)</sup> Chief Executive Officer	2017	—	—	—	—	—	—	50,000 <sup>(3)</sup>	50,000
	2016	—	—	—	—	—	—	102,000	102,000
	2015	—	—	—	—	—	—	33,534	33,534
Henry Kloeppe Interim Chief Financial Officer <sup>(4)</sup>	2017	—	—	—	—	—	—	10,000 <sup>(3)</sup>	10,000
	2016	—	—	—	—	—	—	35,000	35,000
	2015	—	—	—	—	—	—	11,507	11,507

#### **Notes :**

- (1) Refer to the table below for a breakdown of All Other Compensation.
- (2) Daniel Marks was appointed Chief Executive Officer on May 4, 2015.
- (3) Commencing September 1, 2016, executive compensation has been accrued to conserve cash.
- (4) On May 4, 2015, Henry Kloeppe was appointed Interim Chief Financial Officer (“CFO”) of the Corporation for purposes of the certification of disclosure under National Instrument 52-109 only. Mr. Kloeppe is not considered to be an “executive officer” but is included as a NEO as a person who may be considered to be acting in a similar capacity as a CFO. Mr. Kloeppe does not receive a salary from the Corporation in his role as the Interim CFO for purposes of the certification of disclosure under National Instrument 52-109.

The breakdown of All Other Compensation noted in the table above is set out in the following table:

Name	Year	Executive Services Fees (\$)	Director Fees (\$)	Committee Fees (\$)	Other (\$)	Total (\$)
Daniel Marks	2017	50,000	—	—	—	50,000
	2016	102,000	—	—	—	102,000
	2015	33,534	—	—	—	33,534
Henry Kloepper	2017	—	10,000	—	—	10,000
	2016	—	35,000	—	—	35,000
	2015	—	11,507	—	—	11,507

### ***Employment Agreements***

Commencing May 4, 2015, the Corporation entered into a consulting agreement with Stonehouse Capital Management Inc. (“Stonehouse”) to provide the executive services of Mr. Daniel Marks. The consulting agreement expired in May, 2016. Commencing September 1, 2016, the annual base fee payable to Stonehouse was reduced to \$50,000 per fiscal year.

## **INCENTIVE PLANS**

### ***Stock Option Plan***

All outstanding stock options were granted under the Corporation’s stock option plan (the “**Option Plan**”). The purpose of the Option Plan is to enhance the Corporation’s ability: (a) to attract and retain persons to serve as directors, officers and employees of the Corporation and its affiliates or to render consulting services to the Corporation; and (b) to promote a greater alignment of interest between such directors, officers, employees and consultants and the Shareholders. The following is a summary of the Option Plan:

In August 2000, the Board of the Corporation established the Option Plan for the Corporation’s directors, employees and consultants. The Option Plan was approved by Shareholders on November 9, 2000. The Option Plan was drafted to conform to the then-applicable policies of the Canadian Venture Exchange. Since that time, the TSX Venture Exchange (the successor to the Canadian Venture Exchange) revised its policies regarding incentive stock options. On August 31, 2004, the Board of the Corporation amended and restated the Option Plan. The amended and restated Option Plan was approved by the Shareholders on February 17, 2005.

Under the Option Plan, the Board may by resolution grant options to directors, officers and employees of, and consultants to, the Corporation, provided that the total number of shares issued under the Option Plan does not exceed 1,976,560. The total number of shares, which may be issued under the amended and restated Option Plan, represents 13.09% of the Corporation’s currently issued and outstanding shares. The exercise price of the options is determined by the Board at the time of the grant of an option, but cannot be lower than the closing market price of the Corporation’s shares on the TSX Venture Exchange or such other market on which the Corporation’s shares are listed on the day immediately prior to the date on which the option is granted. The maximum period during which an option may be exercised is ten years from the date on which it is granted. Each option granted under the Option Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of a deceased optionee.

Under the Option Plan, upon an optionee’s employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies or becomes permanently disabled, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of death or permanent disability. Such option may be exercised within a period of one year after the date of death or 90 days after the occurrence of the optionee’s permanent disability (or such longer period as may be determined by the Board) or prior the expiration of the term of the option, whichever occurs earlier. Upon an optionee’s employment, office or directorship or consulting services ending other than by reason of death, permanent disability or termination for cause, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of such termination. Such option may be exercised within a period of 90 days after such termination (or such longer period as may be determined by the Board) or prior to the expiration of the term of the option, whichever occurs earlier.

### *Incentive Plan Awards*

The outstanding option-based and share-based awards as at August 31, 2017 for the NEO are as follows:

	Option-based Awards			Value of unexercised in-the-money options (\$)	Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date		Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Daniel Marks	—	—	—	—	—	—
Henry Kloepper	—	—	—	—	—	—

### *Incentive plan awards – value vested or earned during the year*

	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Daniel Marks	—	—	—
Henry Kloepper	—	—	—

### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

There are no outstanding contracts with NEOs that contain termination and change of control benefits.

### **DIRECTORS COMPENSATION**

#### *Compensation of Directors*

For fiscal 2017, the level of director compensation was set at \$10,000 per year.

### **Remuneration Paid to Directors**

The following table sets out the amounts earned by the directors for their services as directors during the fiscal year ended August 31, 2017:

	<b>Fees earned<sup>(1)</sup></b> <b>(\$)</b>	<b>Share-based awards</b> <b>(\$)</b>	<b>Option-based awards</b> <b>(\$)</b>	<b>Non-equity incentive plan compensation</b> <b>(\$)</b>	<b>Pension value</b> <b>(\$)</b>	<b>All other compensation</b> <b>(\$)</b>	<b>Total</b> <b>(\$)</b>
Alex Dolgonos <sup>(2)</sup>	5,000	—	—	—	—	—	5,000
Henry Kloeppe	10,000	—	—	—	—	—	10,000
Daniel Marks <sup>(3)</sup>	—	—	—	—	—	—	—
Riadh Zine <sup>(2)</sup>	—	—	—	—	—	—	—

*Notes :* \_\_\_\_\_

- (1) Commencing September 1, 2016, director fees have been accrued to conserve cash.
- (2) During the Annual and Special Meeting of Shareholders held on February 28, 2017, Mr. Alex Dolgonos was elected to the Board of the Directors, replacing Mr. Riadh Zine.
- (3) Mr. Marks does not receive director fees in addition to his executive compensation.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out certain details as at August 31, 2017, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by security holders	—	—	1,976,560
Equity compensation plans not approved by security holders	—	—	—
<b>Total</b>	—	—	1,976,560

## PART 4 – CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE

The Board is committed to ensuring that the Corporation has an effective corporate governance system, which adds value and assists the Corporation in achieving its objectives. For the Corporation, corporate governance means the process and structure used to supervise the Corporation’s business and affairs. The process and structure define the division of authority and responsibilities and establish mechanisms for achieving accountability by the Board and management.

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices:

#### 1. *Board of Directors*

During fiscal 2017, the Board was composed of three directors. The Board considered that two of the directors are independent, according to the definition of “independence” set out in Multilateral Instrument 52-110 *Audit Committees*. The two independent directors in fiscal 2017 were Mr. Dolgonos and Mr. Kloepper. Mr. Kloepper was appointed Chairman of the Board. Since July 2013, the Corporation has been without a CFO.

#### 2. *Directorships*

The following directors of the Corporation are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name	Issuer
Daniel Marks	Intrinsyc Technologies Corporation
Henry Kloepper	NWT Uranium Corp., LiveReel Media Inc. and Sofit Mobile Inc.

#### 3. *Orientation and Continuing Education*

The Corporation has not prepared a formal orientation program for new directors.

#### 4. *Ethical Business Conduct*

The Board has not adopted a formal Code of Ethics for the Corporation. The Board has determined that the senior officers of the Corporation should observe and promote the following principles with respect to the business of the Corporation: (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) full, fair, accurate, timely and understandable disclosure in public communications and in reports and documents that are filed with, or submitted to, the securities regulatory authorities; and (c) compliance with applicable laws, rules and regulations.

The Board is also committed to taking steps to help ensure that no senior officer of the Corporation takes any action to: (i) fraudulently influence, coerce, manipulate or mislead the auditors of the Corporation; or (ii) retaliate against “whistle blowers” (that is, employees who provide information or assist in a government or supervisory investigation of the Corporation).

Directors and officers are required to disclose any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

## 5. *Nomination of Directors*

Due to its small size, the Corporation does not have a separate Nomination Committee. The whole Board of Directors reviews qualified candidates for the Board and, as appropriate, periodically reviews the effectiveness of the Board and its individual directors. The Board assesses potential candidates to fill perceived needs of the Board for required skills, expertise, independence and other factors.

## 6. *Compensation*

The Board of Directors periodically conducts a review of the appropriateness and adequacy of directors' and officers' compensation.

In making compensation decisions, the Board of Directors has the authority to engage independent counsel and other advisors as it determines necessary. The Corporation's policies on compensation are intended to provide appropriate compensation for directors and officers within the context of the Corporation's current financial situation.

The Board of Directors did not retain the services of any compensation consultant during fiscal 2017.

## 7. *Other Board Committees*

The Corporation only has an Audit and Corporate Governance Committee.

## 8. *Assessments*

The Board itself is responsible for a periodic review of the effectiveness of the Board, its committees and individual directors.

To assist in its review, the Board has the authority to conduct informal surveys of the directors. As part of the assessments, the Board or the individual committees or the individual directors may review their respective roles and responsibilities.

# **AUDIT AND CORPORATE GOVERNANCE COMMITTEE**

## *Charter of the Audit and Corporate Governance Committee*

The Charter of the Audit and Corporate Governance Committee is annexed to this Management Information Circular as Appendix "A".

## *Composition of the Audit and Corporate Governance Committee*

The Audit Committee is currently composed of Daniel Marks, Henry Kloeppe and Alex Dolgonos. Under National Instrument 52-110 *Audit Committees*, a director of an audit committee is "independent" if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board, reasonably be expected to interfere with the exercise of the member's independent judgment. The Board has determined that two of the directors, Mr. Dolgonos and Mr. Kloeppe, are independent members of the Audit Committee.

The Board has determined that each of the three members of the Audit Committee is "financially literate" within the meaning of section 1.6 of Multilateral Instrument 52-110 *Audit Committees*, that is, each member has 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 Corporation's financial statements.

## *Relevant Education and Experience*

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of an audit committee are set out below.

**Alex Dolgonos.** Mr. Dolgonos graduated from Radio College of Canada with an Engineering Technologist Degree. Immediately out of school, he founded a business called RGB Electronics and developed various RF heating devices used in cancer research. In 1990, he incorporated the Corporation and focused on high power RF amplifiers based on solid state and tube technology. The Corporation successfully launched XM and Sirius terrestrial technology.

Currently, Mr. Dolgonos is developing RF systems for diagnostic MRI systems and hyperthermia field applications.

**Henry Kloeppe.** Mr. Kloeppe has worked in investment banking and structured finance over a 30 year career. He brings a rounded knowledge of the capital markets, strategic growth and investments. In the past, Mr. Kloeppe has worked in executive positions with JP Morgan, Citibank, Bank of America, and North American Trust in Canada, the US and Europe. Currently, Mr. Kloeppe is interim CEO of NWT Uranium Corp and is a director of a number of public companies listed in Canada and the US which are involved in consumer finance, merchant banking, manufacturing and distribution.

**Daniel S. Marks.** Mr. Marks is the President and Principal of Stonehouse Capital, a portfolio management firm specializing in active investments in Canadian microcap companies. Mr. Marks currently serves on the board of directors of Intrinsic Technologies Corporation (TSX:ITC) and is Chair of their Executive Committee. Since joining the company in April 2013 he has helped lead the repositioning of the engineering services company to take advantage of growth opportunities in the intelligent connected devices technology sector.

From June 2010 to May 2012, Mr. Marks was a director of Pacific Safety Products Inc., Canada's leading soft body armour company, where he also served as Executive Chairman from September 2010 to May 2012. In that role, he oversaw a strategic turnaround in the company, through a process that involved the introduction of a new board and management team and ultimately a merger with Zuni Holdings Inc. From June 2009 to December 2010, Mr. Marks was a director of MTI Global Inc. (renamed Zuni Holdings Inc. in June 2010), a company involved in the design, development and manufacturing of products used primarily in the aerospace industry.

Mr. Marks also served as President, Chief Executive Officer and Interim Chief Financial Officer of Zuni Holdings Inc. from June 2010 to December 2010. Mr. Marks has over twenty years of investment management experience, including positions with Polar Securities Inc., Citibank, Republic National Bank of New York and TD Securities. Mr. Marks holds a Chartered Financial Analyst (CFA) designation and an MBA from McMaster University.

#### ***Pre-Approval Policies and Procedures***

The Audit Committee pre-approves all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

#### ***External Auditor Service Fees (By Category)***

**Audit Fees:** The aggregate fees billed by the Corporation's external auditor for audit fees were \$9,500 in the fiscal year ended August 31, 2016 and \$9,500 in the fiscal year ended August 31, 2017.

**Audit-Related Fees:** The aggregate fees billed by the Corporation's external auditor for assurance and related services that are reasonably related to the performance of the audit of the Corporation's financial statements and not reported under "Audit Fees" above were \$665 in the fiscal year ended August 31, 2016 and \$665 in the fiscal year ended August 31, 2017. The nature of such services included professional fees in connection with quarterly filings and administrative charges.

**Tax Fees:** The aggregate fees billed by the Corporation's external auditor for tax compliance, tax advice and tax planning were \$3,500 in the fiscal year ended August 31, 2016 and \$3,500 in the fiscal year ended August 31, 2017.

**All Other Fees:** The aggregate fees billed by the Corporation's external auditor for products and services other than the services described under "Audit Fees", "Audit-Related Fees" and "Tax Fees" above were \$nil in the fiscal year ended August 31, 2016 and \$nil in the fiscal year ended August 31, 2017.

## **PART 5 – OTHER INFORMATION**

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at February 14, 2018, none of the executive officers, directors, employees or former executive officers, directors or employees of the Corporation or a subsidiary thereof, and no person who is a nominee for election as director of the Corporation, and no associate of any such executive officer, director or proposed nominee was indebted to the Corporation, a subsidiary of the Corporation or any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation in connection with a purchase of securities or for any other matter.

During the fiscal year ended August 31, 2017, none of the foregoing persons was indebted to the Corporation or any subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the fiscal year ended August 31, 2017 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation, in connection with a security purchase program or any other program.

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

For the purposes of this Circular, “informed person” means: (i) a director or executive officer of the Corporation; (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (iii) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or company as underwriter in the course of a distribution; and (iv) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the best of the Corporation’s knowledge, no informed person of the Corporation, and no associate or affiliate of the foregoing persons, at any time since the beginning of its last completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its last completed financial year that has materially affected the Corporation or any of its subsidiaries, or in any proposed transaction that could materially affect the Corporation or any of its subsidiaries, or in any matter to be acted upon at this Meeting, except as may be disclosed in this Circular.

### **DIRECTORS’ AND OFFICERS’ LIABILITY INSURANCE**

Liability insurance coverage in the amount of \$6 million in aggregate was purchased by the Corporation for the protection of all directors and officers of the Corporation and its subsidiaries against liability incurred by them in their capacities as directors or officers of the Corporation and its subsidiaries. Such coverage applies on the same basis for all directors and officers of the Corporation as a group. The premium paid by the Corporation for the policy period ending September 30, 2017 was \$34,992 for the directors and officers as a group. This policy applies only to the Corporation and its wholly owned subsidiaries and carries a \$50,000 deductible in any claim in which the Corporation is permitted to reimburse the insured persons.

### **OTHER MATTERS**

Management of the Corporation knows of no other matters to come before the Meeting, other than those referred to in the Notice of Meeting. However, if any other matters, which are not known to management, should properly come before the Meeting, the form of proxy provided by the Corporation confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

### **ADDITIONAL INFORMATION**

Financial information about the Corporation is contained in its audited consolidated financial statements and Management’s Discussion and Analysis for the fiscal year ended August 31, 2017, and additional information about the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

If you would like to obtain, at no cost to you, a copy of any of the following documents: (a) the audited consolidated financial statements of the Corporation for the fiscal year ended August 31, 2017 together with the accompanying report of the auditors thereon and any interim unaudited consolidated financial statements of the Corporation for periods subsequent to August 31, 2017 and Management's Discussion and Analysis with respect thereto; and (b) this Circular, please send your request to: Kure Technologies, Inc., c/o TSX Trust Company, 200 University Avenue, Suite 300, Toronto Ontario M5H 4H1.

#### **AUTHORIZATION**

The contents of this Circular have been approved by the Board of Directors.

*"Daniel Marks"*  
Chief Executive Officer  
DATED February 14, 2018

**APPENDIX “A”  
CHARTER OF THE AUDIT COMMITTEE**

**1. General**

The Board of Directors (the “Board”) of Kure Technologies, Inc. (the “Corporation”) has delegated the responsibilities, authorities and duties described below to the Audit Committee of the Board of Directors (the “Audit Committee”). For the purpose of these terms of reference, the term “Corporation” shall include the Corporation and its subsidiaries except to the extent that a subsidiary has its own audit committee that complies with the requirements of any applicable Canadian securities laws, rules and guidelines and any applicable stock exchange requirements or guidelines.

The Audit Committee will provide independent review and oversight of the Corporation’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation’s external auditors. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

**2. Members**

The Audit Committee shall be composed of a minimum of three members. Members of the Audit Committee shall be appointed by the Board. In this regard, the Board, at its first meeting held after an annual meeting of shareholders, shall appoint the members of the Audit Committee to hold office until the next annual meeting of shareholders. The Board may at any time appoint additional members of the Audit Committee, remove or replace any member of the Audit Committee, or fill any vacancy on the Audit Committee. Any member of the Audit Committee ceasing to be a director shall cease to be a member of the Audit Committee. The Board shall fill a vacancy if the membership of the Audit Committee is less than three directors as a result of such vacancy. The Chair of the Audit Committee may be designated by the Board or, if it does not do so, the members of the Audit Committee may elect a Chair by vote of a majority of the full Audit Committee membership.

A majority of the members of the Audit Committee shall not be employees, “Control Persons” or officers of the Corporation or any of its “Associates” or “Affiliates”, as such terms are defined in the TSX Venture Exchange Corporate Finance Manual. In addition, a majority of the members of the Audit Committee shall be “independent” within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

**3. Meetings**

The Audit Committee shall meet at least quarterly at such times and locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and the related management’s discussion and analysis and earnings press releases. The external auditor or any two members of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold *in camera* sessions of the Audit Committee, without management present, at every meeting. The Audit Committee may invite such other persons to its meetings as it deems appropriate in order to carry out its duties.

The Audit Committee shall submit the minutes of all meetings to the Board, and when so requested, shall review the matters discussed at an Audit Committee meeting with the Board.

A quorum for any meeting shall be two members of the Audit Committee.

The Audit Committee shall have the authority to require the attendance of the Corporation’s officers at meetings of the Audit Committee, as it deems appropriate or necessary.

#### **4. Committee Charter**

The Audit Committee shall review and reassess the adequacy of this charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board, if necessary.

#### **5. Duties of the Audit Committee**

The Audit Committee shall have the following duties:

##### **(a) *Oversight of Financial Information and Reporting***

- (i) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (ii) The Audit Committee shall review, with management and the external auditor, if deemed necessary, and recommend to the Board for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (iii) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other public disclosure document of the Corporation.
- (iv) The Audit Committee shall consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than disclosure referred to above), and periodically assess the adequacy of such procedures.

##### **(b) *Relationship with External Auditors***

- (i) The Audit Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (ii) The external auditor shall report directly to the Audit Committee and the Audit Committee should have a clear understanding with the external auditor that such external auditor must maintain an open and transparent relationship with the Audit Committee, and that the ultimate accountability of the external auditor is to the shareholders of the Corporation.
- (iii) The Audit Committee shall recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, having regard to the qualifications and independence of any candidates, and shall recommend to the Board the compensation of the external auditor. The external auditor is required to be an auditor registered with the Canadian Public Accountability Board ("CPAB") that is in compliance with any restrictions or sanctions imposed by the CPAB.

##### **(c) *Pre-Approval of Audit and Non-Audit Services***

The Audit Committee shall pre-approve all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

##### **(d) *Complaints Procedure***

The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

*(e) Hiring Policies*

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

*(f) Reporting*

The Audit Committee shall report regularly to the Board regarding any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the external auditor, or the internal audit function.

**6. Authority to Engage Independent Counsel and Advisors**

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board, for: (a) payment of compensation to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report; (b) payment of compensation to any advisers employed by the Audit Committee; and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee shall have the authority, within the scope of its responsibilities, to seek any information it requires from any employee of the Corporation and from external parties.