

COMPANY INFORMATION SHEET

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Company Name (Stock code): Persta Resources Inc. (3395)

Stock Short Name: PERSTA

This information sheet is provided for the purpose of giving information to the public on Persta Resources Inc. (the “**Company**”) as at the date hereof. It does not purport to be a complete summary of the information relevant to the Company and/or its securities.

RESPONSIBILITY STATEMENT

The directors of the Company (the “**Directors**”) as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in this information sheet is accurate and complete in all material respects and not misleading or deceptive and that there are no other matters the omission of which would make any information inaccurate or misleading.

The Directors also collectively and individually undertake to publish this information sheet on a yearly basis, when the Company publishes its annual report, this information sheet reflecting, if applicable, the changes to the information since the last publication.

SUMMARY CONTENT

Document Type

A. Waivers and Exemption	Date
Latest version	9 March 2017
B. Key Canadian Legal and Regulatory Matters	
Latest version	9 March 2017
C. Summary of the Articles and By-Laws of the Company and Alberta Corporation Laws	
Latest version	9 March 2017
D. Constitutional Documents	
Latest version	9 March 2017

Date of this information sheet: 9 March 2017.

Unless the context requires otherwise, capitalized terms used herein shall have the meanings given to them in the Company's Prospectus (the "**Prospectus**") dated 28 February 2017 and, if any, references to sections of the Prospectus shall be construed accordingly.

A. WAIVERS AND EXEMPTION

The Company has applied for, and the Stock Exchange and/or SFC has granted, several waivers and exemption in connection with the Global Offering:

MANAGEMENT PRESENCE

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. As our principal place of business, our principal business operations and all our senior management are based in Calgary, Alberta, Canada, we do not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong for the purposes of satisfying the requirement under Rule 8.1.2 of the Listing Rules. We have therefore applied for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to the following measurements put in place:

- (a) we have appointed Mr. Bo, our President, Chairman of the Board, Chief Executive Officer and executive Director and Ms. Chau Hing Ling, our joint company secretary who is ordinarily resident in Hong Kong, as the two authorized representatives of our Company pursuant to Rules 2.11 and 3.05 of the Listing Rules, and who will act as our principal communication channels with the Stock Exchange at all times. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange, readily contactable by telephone, facsimile or e-mail and is authorized to communicate on our behalf with the Stock Exchange;
- (b) each of the authorized representatives has the means to contact the Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matter. We have provided the address, office and mobile phone numbers, facsimile number and e-mail address of each of our Directors and joint company secretaries to the Stock Exchange;
- (c) each Director has confirmed that he possesses valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange in Hong Kong within a reasonable period of time, upon the request of the Stock Exchange;
- (d) we have, in compliance and in accordance with Rule 3A.19 of the Listing Rules, appointed Changjiang Corporate Finance (HK) Limited as our compliance adviser to act as an additional channel of communication between ourselves and the Stock Exchange; and
- (e) we will inform the Stock Exchange promptly in respect of any change in our authorized representatives and the compliance adviser.

COMPANY SECRETARY

Rule 8.17 of the Listing Rules provides that an issuer must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. Rule 3.28 of the Listing Rules provides that an issuer must appoint as its company secretary an individual who, by virtue of his or her academic or professional qualifications is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Mr. Bennett Ka-Ying Wong (“**Mr. Wong**”), who is not a resident in Hong Kong, as the company secretary of our Company since July 2015. We believe that having regard to Mr. Wong’s knowledge and past experience in handling corporate matters, he has a thorough understanding of our operations and our Board, and is able to perform his duties as our company secretary. Please refer to the section headed “Directors and Senior Management” in the Prospectus for further details of Mr. Wong’s qualifications.

However, Mr. Wong does not possess full qualifications as required under Rule 3.28 of the Listing Rules and as he has not previously had personal experience of the Hong Kong regulatory system, he may not be able to fulfil the requirements under Rule 3.28 of the Listing Rules. As such, we have appointed Ms. Chau Hing Ling (“**Ms. Chau**”) to act as a joint company secretary and to provide joint company secretarial support and assistance to Mr. Wong so as to enable Mr. Wong to acquire the relevant experience as required under Rule 3.28 of the Listing Rules and to duly discharge the functions of a company secretary. While Mr. Wong has not previously had personal experience of the Hong Kong regulatory system, he will be assisted and have the resources and expertise of Ms. Chau as a joint company secretary.

Ms. Chau has over 15 years of experience in the company secretarial field and has been a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries since May 2013. Accordingly, Ms. Chau satisfies the requirements of a company secretary as stipulated under Rule 3.28 of the Listing Rules.

In light of the above, we have applied for, and the Stock Exchange has granted us a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules for an initial period of three years from the date of the Proposed Listing and the following arrangements have been made to satisfy the requirements:

- (a) we propose to engage Ms. Chau as a joint company secretary for a minimum period of three years commencing from the Listing Date. During such period of engagement, Ms. Chau will work closely with Mr. Wong and ensure that she will be available at all times to provide assistance to Mr. Wong for his discharge of duty as a company secretary as described above, including but not limited to communicating regularly with Mr. Wong on matters relating to corporate governance, the Listing Rules, as well as the applicable Hong Kong laws and regulations which are relevant to us. We will further ensure that Mr. Wong will receive the relevant training and support to enable him to be familiar with the Listing Rules and the responsibilities of a company secretary as required under the Listing Rules. Given the joint company secretaries are not employees of our Company and are external service providers, they may contact Ms. Jun Xiang, the Interim Chief Financial Officer of our Company, for matters relating to our Company as and when they require;

- (b) furthermore, pursuant to Rule 3.29 of the Listing Rules, each of Mr. Wong and Ms. Chau will attend in each financial year no less than 15 hours of relevant professional training courses to familiarize themselves with the requirements of the Listing Rules and other Hong Kong regulatory requirements;
- (c) upon expiry of the three-year period, we will re-evaluate the qualifications and experience of Mr. Wong and determine whether he satisfies the requirements as stipulated under Rules 3.28 and 8.17 of the Listing Rules;
- (d) if Ms. Chau ceases to provide assistance to Mr. Wong, the waiver will be revoked by the Stock Exchange with immediate effect; and
- (e) at the end of the three-year period as mentioned above, the Stock Exchange will revisit the situation. We shall then demonstrate to the Stock Exchange's satisfaction that Mr. Wong, having had the benefit of the assistance of Ms. Chau for three years, would have acquired the relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

BASIC CONDITIONS IN RELATION TO QUALIFICATIONS FOR LISTING

Pursuant to Rule 8.05 of the Listing Rules, a new applicant must satisfy either the profit test Rule 8.05(1) or the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules. Pursuant to Rule 8.05B of the Listing Rules, the Stock Exchange may vary or waive the profit or other financial standards requirement in Rule 8.05 of the Listing Rules in respect of, among others, mineral companies to which the provisions of Chapter 18 of the Listing Rules apply.

Pursuant to Rule 18.04 of the Listing Rules, if a Mineral Company (as defined under Chapter 18 of the Listing Rules) is unable to satisfy either the profit test in Rule 8.05(1), the market capitalization/revenue/cash flow test in Rule 8.05(2), or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules, it may still apply to be listed if it can establish to the Stock Exchange's satisfaction that its directors and senior management, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the Mineral Company is pursuing. Individuals relied on must have a minimum of five years relevant industry experience. Details of the relevant experience must be disclosed in the listing document of the new applicant.

We have a management team consisting of an executive Director and the management with significant experience in the natural gas and oil industry. Our core technical team (the "**Core Technical Team**") comprises Mr. Bo, Mr. Pingzai Wang (the Senior Vice President of Exploration), Mr. Binyou Dai (the Vice President of Engineering), Ms. Jun Xiang (the Interim Chief Financial Officer) and Mr. Lei Song (the Production Engineer) who have approximately 11, 28, 24, 5 and 5 years of experience in exploration and extraction and the natural gas and oil industry respectively. Please refer to the section headed "Directors and Senior Management" in the Prospectus for further details of experience of the Core Technical Team. Together with each other's expertise in the natural and gas industry, the Core

Technical Team is experienced in exploration, production, operation and project management and is responsible for formulating and implementing our three-year development plan. In this regard, we believe that our executive Director and senior management, taken together, have sufficient experience that is specifically relevant to the exploration and/or extraction activity that we are pursuing.

The Stock Exchange's Guidance Letter HKEx-GL22-10 also sets out the pre-conditions for a waiver from the financial standards requirements for new applicant Mineral Companies under Rule 18.04 of the Listing Rules.

We confirm that our inability to satisfy either the profit test in Rule 8.05(1), the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules is due to the fact that throughout the Track Record Period, we have been in a pre-production, exploration and/or development phase with regard to the large amount of Junior Assets we have acquired and accumulated. Our production activities have been operating in a mere 2.9% of our net acreage of land on a small and limited scale. We also consider that we are able to demonstrate a clear path to commercial production with our three-year development plan which is fully disclosed in the section headed "Business — Three-year Development Plan" in the Prospectus.

In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the profit or other financial standard requirements contained in Rule 8.05 of the Listing Rules in reliance on Rule 18.04 of the Listing Rules.

INSPECTION OF LEGISLATION AND REGULATIONS

Rule 19.10(6) of the Listing Rules provides that an overseas issuer must offer for inspection a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of the jurisdiction in which the overseas issuer is incorporated. In our case these include, among others, the ABCA, the Securities Act, the UPPVP Act, ICA and the ITA. Copies of these statutes and regulations are lengthy and it would be difficult to deliver copies to Hong Kong in physical format. In addition, such copies can be readily accessed via the internet. For further details about how to access copies of this legislation via the internet, please refer to the section headed "Appendix VII — Documents Delivered to the Registrar of Companies and Available for Inspection" to the Prospectus. As such, we have sought, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 19.10(6) of the Listing Rules.

BY-LAWS AND CHAPTER 13 OF THE LISTING RULES

Appendix 3 to the Listing Rules states that the articles of association or equivalent document must conform with the provisions set out in that appendix (the "**Articles Requirements**"). Our By-Laws, equivalent to the articles of association, do not comply with certain Articles Requirements. In many cases an Articles Requirement may not strictly be met but is covered by a broadly commensurate provision in our By-Laws, the ABCA and/or other applicable Canadian laws, rules or regulations and we have not applied for a waiver from strict compliance in these cases. We have applied for, and the Stock Exchange has granted us, waivers from strict compliance with the following Articles

Requirements and Rules 13.38 and 13.44 of the Listing Rules. Further information about our By-Laws are set out in the section headed “Appendix V — Summary of the Articles and By-Laws of Our Company and Alberta Corporation Laws” to the Prospectus.

By-Laws

As Regards Directors

Paragraph 4(1) of Appendix 3 to the Listing Rules requires that any director prohibited from voting because of his interest in a material transaction shall not be counted in the quorum present at the meeting. This requirement is not consistent with Canadian corporate law or practice, in which a director prohibited from voting would still be counted in the quorum for the meeting. We believe that strict compliance with this rule may result in situations where we will be unable to approve matters put to the Board. Shareholder rights will not be prejudiced in that Shareholder protection is available from three sources: (i) the disclosure requirements under our By-Laws and the ABCA will provide information about the extent of the interest of each Director in a transaction or contract; (ii) the general overriding duty that Directors are required to act honestly and in good faith with a view to the best interests of our Company; and (iii) a transaction or contract where a Director has a material interest may be void or voidable if it is not fair and reasonable to our Company at the time it was entered into.

Paragraph 4(4) of Appendix 3 to the Listing Rules requires that the minimum length of the period during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least seven days. This is inconsistent with Canadian corporate practice and we believe that it may be perceived by Shareholders to be detrimental to the fundamental right of shareholders in Canada to nominate directors at meetings without notice to the company.

Paragraph 4(5) of Appendix 3 to the Listing Rules requires that the period for lodgment of the notices referred to in Paragraph 4(4) of Appendix 3 to the Listing Rules will commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting. We have sought a waiver from this provision for the reasons described in the discussion of paragraph 4(4) of Appendix 3 to the Listing Rules above.

As Regards Accounts

Paragraph 5 of Appendix 3 to the Listing Rules requires that a copy of either: (i) the directors’ report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and the profit and loss account or income and expenditure account; or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member. There is no equivalent provision in our By-Laws, although under the ABCA annual meeting notices of an Alberta incorporated company must be sent at least 21 days and no more than 50 days before the date of the annual general meeting. Our existing shareholder communications follow market practice in Alberta and provide a commensurate standard of shareholder protection.

As Regards Rights

Paragraph 6(2) of Appendix 3 to the Listing Rules requires that the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class. We sought a waiver from strict compliance with the requirement in paragraph 6(2) of Appendix 3 to the Listing Rules on the basis that such a quorum requirement is uncommon in Canada. Under Alberta law, a quorum of shareholders is present at a meeting of shareholders, irrespective of the number of persons actually present at the meeting, if the holder or holders of a majority of the shares entitled to vote at the meeting are present in person or represented by proxy, unless the by-laws otherwise provide. There are no provisions in our By-Laws which provide a specific quorum requirement for meetings of separate classes of shareholders. Our By-Laws provide that the quorum for a Shareholders' meeting, including a meeting of any class of shareholders, is two or more persons holding no less than 5% of the issued Shares carrying the right to vote at such meeting. We believe that the ABCA and our By-laws provide a sufficient level of shareholder protection.

As Regards Non-Voting or Restricted Voting Shares

Paragraph 10(1) of Appendix 3 to the Listing Rules states that where the capital of the issuer includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Although our By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.

Paragraph 10(2) of Appendix 3 to the Listing Rules states that where the capital of the issuer includes shares with different voting rights, the designation of each class of shares, other than those with the most favorable voting rights, must include the words "restricted voting" or "limited voting". Although our By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.

As Regards Proxies

Paragraph 11(1) of Appendix 3 to the Listing Rules states that where provision is made in our By-Laws as to the form of proxy, this must be worded so as not to preclude the use of a two-way form. Our By-Laws do not contain such requirement as the ABCA and Canadian securities laws preclude the use of two-way voting for the appointment of an auditor and the election of directors. The form of proxy that we provide to Shareholders must comply with, and conform to Part 9 of NI 51-102. Specifically, subsection 9.4(6) of NI 51-102 states that a form of proxy sent to security holders of a reporting issuer must provide an option for the security holder to specify that the securities registered in the name of the security holder must be voted or withheld from voting in respect of the appointment of an auditor or the election of directors.

Appointment of Auditors

Pursuant to our By-Laws, our Shareholders shall, by ordinary resolution, at each annual general meeting, appoint an auditor to audit the accounts of our Company to hold office until the close of the next annual general meeting. If our Company does not put forward a proposed resolution for the appointment of auditors for our Shareholders to vote on at an annual general meeting and therefore an auditor is not appointed at a general meeting, the incumbent auditor continues in office until the auditor's successor is appointed. Under the terms of reference of our audit and risk committee, the audit and risk committee will determine on an annual basis the appointment and reappointment of the auditor and put it to our Shareholders for approval at each annual general meeting.

Given the preclusion of the use of two-way voting for appointment of auditors under the ABCA and Canadian securities law, at our Company's annual general meeting, our Shareholders can only vote "for" or "withheld from voting" in respect of appointment of auditors. The majority voting policy for election of our Directors adopted by our Company as disclosed at below and page V-11 of Appendix V to the Prospectus does not apply to appointment of auditors. The reason is that if the majority voting policy applies to the appointment of auditors, a newly elected auditor whose appointment is not approved by a majority vote (i.e. the "for" votes are less than the "withheld" votes) will be forced to resign and a vacancy will thus be created. Furthermore, under the applicable Canadian corporate law, the majority voting policy cannot bind outside parties like the auditors and the auditors are under no obligations to abide to the majority voting policy implemented by our Company. This is a standard corporate practice as adopted by other public companies in Canada and strikes a balance that, while allowing shareholders to express their objection, a corporation will not be bereft of an auditor as required under the ABCA. In the opinion of the Canadian Legal Advisers, this approach is consistent with Canadian corporate law.

Election of Directors

Pursuant to our By-Laws, our Shareholders are to elect Directors by ordinary resolution at the first meeting of the Shareholders and at each succeeding annual general meeting at which an election of Directors is required, provided that each Director must be elected by a separate resolution and multiple Directors may not be elected pursuant to the same resolution. The elected Directors are to hold office for a term expiring not later than the close of the next annual general meeting of Shareholders following the election. A Director not elected for an expressly stated term ceases to hold office at the close of the first annual general meeting of Shareholders following the Director's election. If Directors are not elected at a meeting of Shareholders, the incumbent Directors continue in office until their respective successors are elected.

Given the preclusion of the use of two-way voting for the election of directors under the ABCA and Canadian securities laws, our Company has adopted a majority voting policy to all meetings (i.e. both contested and uncontested) for the election of our Directors. The Canadian Legal Advisers do not consider Director nominees to be "outside parties", especially considering the fact that they voluntarily put themselves up for nomination to become Directors and insiders of our Company, while an auditor will remain an outside arm's length adviser to our Company. Pursuant to the majority voting policy,

each Director must be elected individually (rather than as a slate) by a majority (50% plus one vote) of the votes cast (i.e., more votes “for” than votes “withheld”) with respect to his or her election. If a Director nominee is not elected by at least a majority of the votes cast with respect to his or her election, he or she must immediately tender his or her resignation to the Board. A “withheld” vote will be considered to be an “against” vote for the purpose of the election of Directors on the application of the majority voting policy. Please refer to the section headed “Summary of the Articles and By-Laws of our Company and Alberta Corporation Laws” at page V-11 of Appendix V to the Prospectus for details of election of Directors and the majority voting policy. In the opinion of the Canadian Legal Advisers, this approach is consistent with Canadian corporate law.

Removal of Auditors and Directors

Pursuant to section 109 and section 165 of the ABCA, directors and auditors can also be respectively removed if more than 50% of the votes cast, in person or by proxy, at a special meeting of our Shareholders are in favour of such removal (Shareholders will have the option to vote “for” or “against” such a resolution to remove a Director or an auditor at the meeting). We believe these arrangements provide a sufficient level of shareholder protection.

Under the ABCA, Shareholders who hold in aggregate at least 5% of our issued Shares carrying the right to vote at general meetings may requisition a special meeting of Shareholders. If our Directors do not, within 21 days after the date on which the requisition is received by our Company, send notice of a special meeting, any registered or beneficial holder of Shares who signed the requisition may call the special meeting.

Shareholders’ Protection

We have also established an audit and risk committee (which comprises only our independent non-executive Directors) and a nomination committee (the majority of which are independent non-executive Directors) which will determine and make recommendations on, with delegated responsibilities and in compliance with the requirements of the Listing Rules and on an annual basis, the appointment of auditors and directors. Each of the independent non-executive Directors is also subject to re-election by the Shareholders in each annual general meeting.

Details of the recommendations of the audit and risk committee and the nomination committee, together with their bases, for the appointment of auditors and directors will be set out in the circular to be despatched to the Shareholders for each annual general meeting.

The Canadian Legal Advisers have advised that the applicability of the majority voting policy in uncontested elections of directors is consistent with the standard practice for public companies in Canada and the policy is adopted by virtually all Canadian publicly listed companies in uncontested elections of directors. In the case of our Company, in order to safeguard our Shareholders’ protection and to satisfy the requirements of the Listing Rules, our Company decides to extend the applicability of the majority voting policy to contested elections of Directors and to require the appointment of auditors to be “pre-approved” by our audit and risk committee. Accordingly, our Company considers that the

current proposed arrangement, as compared to the standard practice adopted by other public companies in Canada, is a step forward in terms of shareholders' protection and as a whole should meet the key shareholders protection standards specified under the Listing Rules and the Joint Policy Statement. The Canadian Legal Advisers also consider that the additional safeguards provided in the current proposed arrangement will not provide a lesser degree of shareholders' protection as compared with the standard practice adopted by other public companies in Canada.

Furthermore, where the number of the "withheld" votes exceeds that of the "for" votes of the elected auditors which gives rise to concerns of our Directors regarding the appropriateness of such auditors' appointment, our Directors will, upon consulting our audit and risk committee, call a special meeting of our Shareholders and propose ordinary resolutions to our Shareholders to consider removing the elected auditors and appointing replacement auditors in its stead for the remainder of its term. Our Company considers that this arrangement will allow our Shareholders to express their objection to the appointment of the auditors, and at the same time ensure that our Company will not be bereft of auditors. We will send a circular proposing the removal of the elected auditors (including their written representations) and appointment of the replacement auditors to our Shareholders at least 10 business days and at least 21 (but not more than 50) clear calendar days before the special meeting in accordance with Rule 13.88 of the Listing Rules and the ABCA. The elected auditors will be allowed to attend and make written and/or verbal representations to our Shareholders at the special meeting prior to the voting in relation to their removal.

As a whole, our Company and the Canadian Legal Advisers are of the view that the aforesaid arrangements in the appointment of auditors and election of Directors and their removals will provide sufficient safeguards for shareholder protection.

Rules 13.38 and 13.44

The waivers granted by the Stock Exchange described above in relation to Appendix 3 to the Listing Rules also cover certain provisions contained in Chapter 13 of the Listing Rules that overlap with the Articles Requirements contained in Appendix 3 to the Listing Rules, including, *inter alia*, Rules 13.38 and 13.44 of the Listing Rules, as set out below:

- Rule 13.38 of the Listing Rules which would require us to send, with the notice convening a meeting of holders of listed securities to all persons entitled to vote at the meeting, proxy forms with provision for two-way voting on any resolutions intended to be proposed at a meeting, on the basis that in the case of the election of directors, or the appointment of auditors, the proxy forms will state that the shareholder is only able either to vote for the resolution or abstain from voting, consistent with the ABCA and all applicable Canadian securities law.
- Rule 13.44 of the Listing Rules which would, subject to exceptions, require that a director of the issuer will not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor will he be counted in the

quorum present at the meeting, as we believe that strict compliance with this Listing Rule may result in situations where we will be unable to approve matters put to the Board. The Directors are subject to disclosure obligations under the ABCA and our By-Laws.

Further details of our By-Laws are set out in the section headed “Appendix V — Summary of the Articles and By-Laws of Our Company and Alberta Corporation Laws” to the Prospectus.

WAIVER FROM STRICT COMPLIANCE WITH RULE 4.04(1) OF THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(b) IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (“CO”)

Rule 4.04(1) of the Listing Rules requires a listing applicant to include in the prospectus the consolidated results of the listing group in respect of each of the three financial years immediately preceding the issue of the prospectus or such shorter period as may be acceptable to the Stock Exchange.

Section 342(1)(b) of the CO provides that, subject to section 342A of the CO, it shall not be lawful for any person to issue, circulate or distribute in Hong Kong any prospectus offering for subscription or purchase shares in a company incorporated outside Hong Kong unless, among other things, the prospectus states the matters specified in Part I of the Third Schedule to the CO and sets out the reports specified in Part II of the Third Schedule to the CO.

Paragraph 27 of Part I of the Third Schedule to the CO (“**Paragraph 27**”) requires the listing applicant to include in the prospectus a statement as to, among others, the gross trading income or sales turnover (as may be appropriate) of the listing applicant during each of the three financial year immediately preceding the issue of the prospectus, including an explanation of the method used for the computation of such income or turnover, and a reasonable break-down between the more important trading activities.

Paragraph 31 of Part II of the Third Schedule to the CO (“**Paragraph 31**”) requires the listing applicant to include in the prospectus a report by its auditors with respect to, among others, its profits and losses and assets and liabilities of the listing applicant in respect of each of the three financial years immediately preceding the issue of the prospectus.

Pursuant to section 342A of the CO, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the CO if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

We have adopted December 31 as our financial year end date. The Prospectus contains the audited financial results of our Company for the three years ended December 31, 2013, 2014 and 2015 and the nine months ended September 30, 2016, but does not include the financial results of our Company in respect of the full year immediately preceding the proposed date of issue of the Prospectus, being the full year ended December 31, 2016, as required under Rule 4.04(1), Paragraph 27 and Paragraph 31 as the strict compliance with the requirements thereunder would be unduly burdensome and the waiver and exemption thereof would not prejudice the interest of the investing public for the following reasons:

- (a) there would not be sufficient time for us and the Joint Reporting Accountants to complete the audit work on the financial information for the full year ended December 31, 2016 for inclusion in the Prospectus, which shall be issued on or about February 28, 2017. If the financial information is required to be audited up to December 31, 2016, we and the Joint Reporting Accountants would have to undertake a considerable amount of work, costs and expenses to prepare, update and finalise the Accountants' Report and the relevant sections of the Prospectus will also need to be updated to cover such additional period within a short period of time;
- (b) our Directors are of the view that the benefits of such additional work to be done by the Joint Reporting Accountants to the potential investors would not justify the additional amount of work, costs and expenses as (i) the Accountants' Report covering the three years ended December 31, 2015 and the nine-month period ended September 30, 2016, together with the loss estimate of our Company for the year ended December 31, 2016 as set out in Appendix III to the Prospectus (which complies with Rules 11.17 to 11.19 of the Listing Rules) already provide potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our Company; and (ii) all information that is necessary for the potential investors to make an informed assessment of the activities, assets and liabilities, financial position, management and prospect of our Company has been included in the Prospectus; and
- (c) the Sponsor and our Directors confirmed that they have performed sufficient due diligence to ensure that, up to the date of the Prospectus, there has been no material adverse change in our financial and trading positions or prospects since September 30, 2016 and there is no event since September 30, 2016 which would materially affect the information shown in the Accountants' Report set out in Appendix I to the Prospectus, the loss estimate of our Company for the year ended December 31, 2016 as included in Appendix III to the Prospectus and the section headed "Financial Information" in the Prospectus and other parts of the Prospectus.

In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 4.04(1) of the Listing Rules, by permitting the non-inclusion of the financial results of our Company for the full year ended December 31, 2016, subject to the following conditions:

- (a) our Company must list on the Stock Exchange within three months after the latest year end, i.e. on or before March 31, 2017;

- (b) our Company has obtained a certificate of exemption from the SFC on strict compliance with section 342(1)(b) of the CO in relation to Paragraph 27 and Paragraph 31 (the “**Ordinance Requirements**”);
- (c) a loss estimate for the year ended December 31, 2016 (which must comply with Rules 11.17 to 11.19 of the Listing Rules) is included in the Prospectus;
- (d) a Directors’ statement is included in the Prospectus that there is no material adverse change to its financial and trading positions or prospect with specific reference to the trading results from the end of the stub period to the latest financial year end; and
- (e) we shall publish our results announcement for the financial year ended December 31, 2016 no later than March 31, 2017 in compliance with Rule 13.49(1)(ii) of the Listing Rules.

We have also applied for, and the SFC has granted us, a certificate of exemption from strict compliance with the Ordinance Requirements by permitting the non-inclusion of the financial results of our Company for the full year ended December 31, 2016, on the ground that strict compliance with the Ordinance Requirements would be unduly burdensome for our Company as there would not be sufficient time for us to prepare the full year financial statements for the year ended December 31, 2016 and for the Joint Reporting Accountants to complete the audit thereon prior to the issue of the Prospectus, and the exemption will not prejudice the interest of the investing public on the conditions that:

- (a) the Prospectus shall be issued on or about February 28, 2017;
- (b) our Company must list on the Stock Exchange within three months after the latest year end, i.e. on or before March 31, 2017; and
- (c) the particulars of the exemption shall be set out in the Prospectus.

We have also included a loss estimate (which complies with Rules 11.17 to 11.19 of the Listing Rules) for the financial year ended December 31, 2016 in Appendix III to the Prospectus.

Our Directors further confirmed:

- (a) that all information necessary for the public to make an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Company has been included in the Prospectus and that, as such, the waiver granted by the Stock Exchange and the exemption granted by the SFC from strict compliance with Rule 4.04(1) of the Listing Rules and the Ordinance Requirements, respectively, will not prejudice the interests of the investing public; and
- (b) that our Company will comply with Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the publication of annual results and annual report for the year ended December 31, 2016.

B. KEY CANADIAN LEGAL AND REGULATORY MATTERS

*Our Company was incorporated as a corporation in Alberta, Canada with limited liability on March 11, 2005 under the ABCA and our entire business operation is conducted in Alberta. We are therefore subject to the ABCA and other applicable laws and regulations in Alberta and Canada. The legal and regulatory regime in Hong Kong differs in certain material aspects from that in Alberta and Canada. Set out below is a summary of certain laws and policies in Alberta and Canada that may be relevant to our Shareholders and potential investors. As the information contained below is in summary form, it does not contain all of the information that may be important to you as potential investors. This section should be read in conjunction with “Appendix V — Summary of the Articles and By-Laws of our Company and Alberta Corporation Laws” to the Prospectus. **If you are in any doubt about any content of this section or information contained in the Prospectus in general, you should obtain independent professional advice.***

CERTAIN CANADIAN OVERSEAS OWNERSHIP RESTRICTIONS

The ICA generally prohibits a reviewable investment to be made by an entity that is a “non-Canadian”, unless after review, the minister responsible for the ICA is satisfied that the investment is likely to be of net benefit to Canada.

An investment in the Shares by a non-Canadian who is not a “WTO investor” (which includes governments of, or individuals who are nationals of, member states of the World Trade Organization (including Canada) and corporations and other entities controlled by them), at a time when our Company was not already controlled by a WTO investor, would be subject to a net benefit review under the ICA in two circumstances. First, if it was an investment to acquire control (within the meaning of the ICA, and as described below) and the value of our Company’s assets, as determined under ICA regulations, was C\$5 million or more. Second, the investment would also be reviewable if an order for review was made by the federal cabinet of the Canadian government on the grounds that the investment related to Canada’s cultural heritage or national identity (as prescribed under the ICA), regardless of asset value.

An investment in our Shares by a WTO investor that is not a state-owned enterprise (or by a non-Canadian that is neither a state-owned enterprise nor a WTO investor at a time when our Company was already controlled by a WTO investor) would only be reviewable under the ICA if it was an investment to acquire control and the enterprise value of our Company, as determined under ICA regulations was not less than a specified amount, which is C\$600 million until April 24, 2017 and will increase thereafter in accordance with ICA regulations. The enterprise value of our Company equals our market capitalization plus our liabilities other than operating liabilities minus our cash and cash equivalents, as determined under ICA regulations.

An investment in our Shares by a WTO investor that is also a state-owned enterprise (or by a non-Canadian state-owned enterprise who is not a WTO investor at a time when our Company was already controlled by a WTO investor) would only be reviewable under the ICA if it was an investment to acquire control and the value of our Company's assets, as determined under ICA regulations was not less than a specified amount, which for 2016 is C\$375 million.

In addition to the foregoing circumstances, an investment would also be reviewable if an order for review is made by the federal cabinet of the Canadian government on the grounds that an investment by a non-Canadian could be injurious to national security.

The ICA provides detailed rules to determine if there has been an acquisition of control. For example, a non-Canadian would acquire control of our Company for the purposes of the ICA if the non-Canadian acquired a majority of the Shares. The acquisition of less than a majority, but one-third or more, of the Shares would be presumed to be an acquisition of control of our Company unless it could be established that, on the acquisition, our Company would not in fact be controlled by the acquirer. An acquisition of control for the purposes of the ICA could also occur as a result of the acquisition by a non-Canadian of all or substantially all of our Company's assets.

The Competition Act provides that certain substantial transactions among significant parties may not be consummated unless a pre-merger notification thereof is made to the Commissioner and a stipulated waiting period expires. Where the Commissioner believes that a proposed transaction does not give rise to competition concerns, he may issue an advance ruling certificate (an "ARC") that exempts the parties from the notification requirement and precludes the Commissioner from challenging the transaction in the future.

There are two thresholds that must be met in order for a transaction to be notifiable. The first threshold is the current C\$87 million "size of transaction" threshold. This threshold is set annually by the Canadian government for 2016. If the book value of the assets in Canada of our Company, or the revenues generated from sales in or from Canada by our Company and its affiliates exceed C\$87 million, the second C\$400 million "size of the parties" threshold must also be considered. Assuming the first threshold is exceeded, if the book value of the assets in Canada or the revenues generated in, from and into Canada of the purchaser and its affiliates and our Company and its affiliates exceeds C\$400 million, notification is required.

In connection with the Global Offering, if a person (or affiliated group of persons) acquires more than 20% of the shares pursuant to the Global Offering and the above mentioned thresholds are exceeded, Competition Act approval may be required.

If a transaction is subject to notification, the parties thereto are required to file prescribed information in respect of themselves, their affiliates and the proposed transaction and pay a prescribed filing fee. The parties may also apply for an ARC or a "no action letter" which may be issued by the Commissioner in respect of a proposed transaction if he is satisfied that there are not sufficient grounds on which to apply to the Competition Tribunal for an order challenging the transaction at that time. As the Commissioner retains the right to challenge a transaction for up to one year after closing, the

parties usually agree not to close until the Commissioner has completed her review and has issued either a no-action letter or an ARC. The Commissioner would likely only challenge a proposed transaction if the transaction prevents or lessens, or is likely to prevent or lessen, competition substantially in the market affected.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Gowling WLG (Canada) LLP, counsel to the Company, the following, as at the date of the Prospectus, describes the principal Canadian federal income tax considerations under the ITA to a holder of Shares who, at all relevant times, for purposes of the ITA and any applicable income tax treaty or convention, is neither resident nor deemed to be resident in Canada, deals at arm's length and is not affiliated with the Company, holds the Shares as capital property, does not and is not deemed to use or hold the Shares in, or in the course of, carrying on a business in Canada, has not acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade, does not hold Shares as part of the business property of a permanent establishment in Canada and is not a foreign affiliate of a taxpayer resident in Canada for the purposes of the ITA. In addition, this discussion does not apply to an insurer who carries on business in Canada and elsewhere, an "authorized foreign bank", a "financial institution", a "specified financial institution", or an entity an interest of which is a "tax shelter investment" (all as defined in the ITA).

This discussion is based on the facts set out in the Prospectus, the provisions of the ITA and the regulations thereunder (the "**Regulations**") in force on the date hereof and counsel's understanding of the current administrative policies of and assessing practices of the CRA made publicly available prior to the date hereof. It also takes into account all specific proposals to amend the ITA and the Regulations publicly announced by or on behalf of the Canadian Minister of Finance prior to the date hereof. This discussion does not otherwise take into account or anticipate any changes in law or in the administrative policies or assessing practices of the CRA, whether by legislative, governmental or judicial action or decision, nor does it take into account any other federal, provincial or foreign income tax considerations, which may differ significantly from those discussed herein.

For ITA purposes, each amount relating to the acquisition, holding or disposition of the Shares must be converted to Canadian dollars using the rate quoted by the Bank of Canada at noon on the particular day for the exchange of the particular currency to Canadian currency, or using such other rate that is, acceptable to the CRA, on the effective date that the amount first arose.

This discussion is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in the Shares. Moreover, the income or other tax consequences of acquiring, holding or disposing of Shares will vary depending on the holder's particular circumstances, including the jurisdiction or jurisdictions in which the holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Shares. Investors should consult their own tax advisers for advice with respect to the tax consequences of an investment in Shares based on their particular circumstances.

Dividends on Shares

Dividends paid or credited or deemed to be paid or credited on the shares to a Non-Resident Shareholder will be subject to a Canadian non-resident withholding tax at a rate of 25%.

The non-resident withholding tax of 25% applicable to dividends may be reduced by virtue of the provisions of an applicable income tax treaty or convention between Canada and the country of which the Non-Resident Shareholder is a resident. This non-resident withholding tax rate may be reduced to 15%, or even 5%, for Non-Resident Shareholders entitled to the benefits of the Canada-Hong Kong tax treaty. **Such persons should consult their own tax advisers with respect to the requirements and timelines applicable to obtaining such non-resident withholding tax reductions.**

Non-CCASS Non-Resident Shareholder

A Non-Resident Shareholder that is entitled to a reduction in the rate of withholding tax will be required to furnish our Company with certain documentation in support of such reduced withholding rate. Generally, in order to qualify for reduced non-resident withholding taxes, due to an applicable income tax treaty, the non-resident recipient must establish their entitlement to such tax reductions by providing the applicable Canada Revenue Agency Form NR301, NR302 and/or NR303 to our Company.

CCASS Non-Resident Shareholder

For Non-Resident Shareholders who hold the Shares through CCASS, our Company is not able to ascertain the identities, shareholding percentage and tax residences of these Non-Resident Shareholders due to the inherent characteristics of CCASS. In addition, it is our understanding that CCASS will not be able to provide any supporting documentation in respect of the beneficial holders of the Shares that are on deposit with CCASS and accordingly, such Non-Resident Shareholders will not be entitled to a reduction of the withholding tax at source. However, they may be entitled to obtain a refund from the Canadian taxing authority for any excess amount that may be withheld and remitted.

Applications for non-resident withholding tax refunds for dividends received by Non-Resident Shareholders (“**applicants**”) from our Company must be made within 2 years of the end of the calendar year in which the withheld amount is remitted to the Receiver General of Canada. This application should be made by submitting Canada Revenue Agency Form NR7-R. If the applicant previously received Canada Revenue Agency Form NR4B Supplementary from our Company, the applicant should complete Form NR7-R, including the “Certification” section, and attach copy 3 of Form NR4B Supplementary. If the applicant did not previously receive Form NR4B Supplementary from our Company, the applicant should complete Form NR7-R, including the “Certification” section, and forward the completed Form NR7-R to our Company to have our Company complete the “Certificate of Tax Withheld” section. Completed Form NR7-R, and copy 3 of Form NR4B Supplementary, if applicable, should be mailed to the Canada Revenue Agency, International Taxation Office, 875 Heron Road, Ottawa, Ontario, Canada K1A 1A8.

CCASS Non-Resident Shareholders who believe that they are entitled to a reduction of withholding tax on dividend payments made by our Company will need to apply to Canada Revenue Agency directly on their own behalf to obtain a refund of any such excess taxes withheld and remitted to the Canada Revenue Agency. Generally, such holders need to submit a completed and signed Canada Revenue Agency Form NR7-R together with a monthly investment statement issued to them by their brokers and any other documentation and information that the Canada Revenue Agency may request in order to reflect their identities as the beneficial owners and the numbers of Shares in our Company held by them.

Shareholders should however be aware that the above procedures do not prevail over any applicable Canadian law or tax treaty between Canada and Hong Kong and Shareholders remain subject to tax in Canada on dividends distributed by our Company in accordance with Canadian laws and any applicable tax treaty. Shareholders should consult their own tax adviser with respect to the requirements, procedures, timelines and cost involved in obtain such refunds.

Disposition of Shares

A Non-Resident Shareholder will not be subject to tax under the ITA in respect of any capital gain realized by such Shareholder on a disposition of Shares unless the Shares constitute “taxable Canadian property” (as defined in the ITA) of the Non-Resident Shareholder at the time of disposition, and the Non-Resident Shareholder is not entitled to relief under an applicable income tax treaty or convention. As long as the Shares are listed on a designated stock exchange for the purposes of the ITA (which currently includes the Stock Exchange) at the time of disposition, the Shares generally will not constitute taxable Canadian property of a Non-Resident Shareholder, unless at any time during the 60 month period immediately preceding the disposition: (a) the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder did not deal at arm’s length, or the Non-Resident Shareholder together with all such persons, owned 25% or more of the issued shares of any class in the capital of our Company; and (b) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of: (i) real or immovable property situated in Canada; (ii) Canadian resource properties; (iii) timber resource properties; and (iv) options in respect of, or interests in, or for civil law rights in, property described in any of (i) to (iii) above, whether or not the property exists. Furthermore, in certain circumstances where property was exchanged for or converted into Shares on a tax-deferred basis, the Shares may be deemed to be “taxable Canadian property.” As our Company’s assets and business activities are comprised primarily of natural gas and light oil properties located in Canada, it is likely that the conditions set out in (b) above would be met. As such, where the conditions in (a) above are met for a particular holder, it is likely the Shares will constitute taxable Canadian property for Canadian tax purposes to that particular holder.

If the Shares constitute “taxable Canadian property” and no relief is available under an applicable income tax treaty or convention, then a Non-Resident Shareholder who is an individual and realizes a capital gain on the disposition of Shares in a particular taxation year will generally be subject to tax in Canada on such capital gain at graduated marginal tax rates based on the aggregate amount of income and gains on which such Non-Resident Shareholder may be subject to tax in Canada in that particular year. The highest marginal rate of tax payable on the capital gain is 24.42%. A capital gain realized by

a Non-Resident Shareholder that is a corporation will generally be subject to a tax in Canada at the rate of 12.5%. **The ITA contains various rules relating to the computation of capital gains and capital losses and the carrying forward and back of losses to offset capital gains realized by a taxpayer that are not discussed herein. Non-Resident Shareholders whose Shares may constitute taxable Canadian property should consult their own tax advisers.**

SHAREHOLDER PROTECTION MATTERS

Under Rule 19.05(1)(b) of the Listing Rules, the Stock Exchange may refuse a listing of securities by an issuer if the Stock Exchange is not satisfied that the overseas issuer is incorporated or otherwise established in a jurisdiction where the standards of shareholder protection are at least equivalent to those provided in Hong Kong. The Joint Policy Statement states that for the purpose of determining whether an overseas company demonstrates acceptable shareholder protection standards, the Stock Exchange ordinarily expects an overseas applicant to demonstrate appropriate shareholder protection standards conforming to the key shareholder protection standards as set out in the Joint Policy Statement.

The Stock Exchange has accepted our Company's application for listing on the Stock Exchange on the basis that, with respect to most of the key shareholder protection standards as set out in the Joint Policy Statement, the standards of shareholder protection afforded to shareholders of companies incorporated in Alberta, taken as a whole, are, in all material respects, at least equivalent to, or broadly commensurate with, standards of shareholder protection afforded to shareholders of companies incorporated in Hong Kong.

Not all shareholder protections afforded to shareholders of companies incorporated in Alberta are at least equivalent to those afforded to shareholders of companies incorporated in Hong Kong.

Material Shareholder Protection Matters

With respect to some of the key shareholder protection standards as set out in the Joint Policy Statement, shareholder protections afforded to shareholders of companies incorporated in Alberta are not at least equivalent to those afforded to shareholders of companies incorporated in Hong Kong. In respect of those matters, our Company is satisfied that such items are broadly commensurate with those protections afforded to shareholders of companies incorporated in Hong Kong on the grounds that there are nevertheless material shareholder protections in place in respect of such items.

Variation of Class Rights

The Joint Policy Statement requirement is that a super-majority vote of members is required to approve changes to the rights attached to any class of shares of an overseas company (vote by members of that class). The Joint Policy Statement requires a super-majority vote to mean at least a two-thirds majority where an overseas company has a low quorum requirement (e.g. two members). When an overseas company's threshold for deciding the variation of class rights is a simple majority only (50% plus 1 vote), these matters must be decided by a significantly higher quorum. Alteration of class rights requires a special separate resolution by shareholders of that class under section 176 of the ABCA, as

well as a special resolution of all shareholders pursuant to section 173 of the ABCA. The threshold for a special resolution in Canada is a two-thirds majority and therefore is equivalent to the two-thirds majority required for a Hong Kong incorporated public company. However, as under the Joint Policy Statement, the ABCA requires an affirmative vote of more than a simple majority in order to approve a variation of class rights. There is no specific legislative right in Alberta to petition the court in relation to a variation of class rights by special resolution. However, minority shareholders do have the ability to challenge an improper variation that is oppressive through the Alberta courts through statutory and common law oppression remedies.

Voluntary Winding Up

The Joint Policy Statement requires that a super-majority vote of members is required to approve the voluntary winding up of an overseas company. The Joint Policy Statement requires a super-majority vote to mean at least a two-thirds majority where an overseas company has a low quorum requirement (e.g. two members). When an overseas company's threshold for deciding the voluntary winding up of a company is a simple majority only (50% plus 1 vote), these matters must be decided by a significantly higher quorum. The ABCA has different resolution requirements for voluntary dissolution and liquidation. A company may voluntarily dissolve by passing a special resolution. However, before a company can voluntarily dissolve, it must have no assets and either no liabilities, or liabilities which have been fully assumed by its parent company. These provisions provide protection for shareholders in that all the company's assets will have to be distributed out before dissolution. Liquidation of a company in Alberta requires a special resolution.

Notice of a Special Resolution

The Joint Policy Statement requirement is that an overseas company must give its members reasonable written notice of its general meetings. The ABCA specifies the notice of the time and place of a meeting of shareholders shall be sent not less than 21 days and not more than 50 days before the meeting: (a) to each shareholder entitled to vote at the meeting; (b) to each director; and (c) to the auditor of the corporation. The notice period requirement of our Company under Alberta law is at least equivalent, or broadly commensurate, to that afforded to shareholders of companies incorporated in Hong Kong.

Changes to Constitutional Documents

Changes to our Articles' authorized share structure, name, special rights and restrictions attaching to shares and corporate powers all require approval by a special resolution, while amendments to its By-Laws only requires approval by an ordinary resolution. The ABCA specifies a two-thirds majority for special resolutions. We have amended our By-Laws to provide that any amendments to the By-Laws may only be made by way of a special resolution requiring a two-thirds majority.

Reduction of Share Capital

Under the ABCA, a company can reduce its share capital by special resolution (a two-thirds majority vote), unlike the Companies Ordinance, which requires both special resolution and consent of the court. Except where authorized by a court order, under the ABCA a company may not reduce its share capital if there are reasonable grounds for believing that: (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (b) the realizable value of its assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

Redemption of Shares

The Companies Ordinance requires that a company may only redeem its shares out of distributable profits or fresh proceeds from a new issue of shares or out of capital in accordance with the requirements therein. The primary restriction on redemption of shares for an Alberta company is that redemption is not permitted if there are reasonable grounds for believing that the company is, or would after the reduction be, unable to pay its liabilities as they become due or the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and the amount that would be required to pay the holders of shares that have a right to be paid, on a redemption or liquidation, rateably with or prior to the holders of the shares to be purchased or redeemed.

Distribution of Assets

The Companies Ordinance requires that a Hong Kong incorporated public company may be allowed to make such distribution out of realized profits and if out of assets, the remaining net assets must not be less than the aggregate of its called up share capital plus undistributable reserves. The primary restriction on an Alberta company's ability to pay dividends is that: (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (b) the realizable value of its assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

There is no requirement that dividends have to be paid out of profits, as is the case required under the Companies Ordinance, although an Alberta company does have protections where such distributions would reduce the share capital of the company.

Appointment of Directors

The Listing Rules require that all director appointments are voted on individually. There is no statutory requirement for directors to be elected individually under the ABCA. We have amended our By-Laws to ensure that Directors are voted for on an individual basis in accordance with the requirements under the Listing Rules.

Our Company has also adopted a majority voting policy for the election of our Directors. Please refer to the section headed "Summary of the Articles and By-Laws of our Company and Alberta Corporation Laws" at page V-11 of Appendix V to the Prospectus.

Appendix 3 to the Listing Rules states that the articles of association or equivalent document must conform with the provisions set out in that appendix (the “**Articles Requirements**”). Our By-Laws, equivalent to the articles of association, do not comply with certain Articles Requirements. Our Company has applied for , and the Stock Exchange has granted our Company, waivers from strict compliance with the certain Articles Requirements and Rules 13.38 and 13.44 of the Listing Rules. Where an Articles Requirement may not strictly be met but is covered by a broadly commensurate provision in our By-Laws, the ABCA and/or other applicable Canadian laws, rules or regulations, our Company has not applied for a waiver from strict compliance in these cases. Further information about the waivers from strict compliance with the relevant Listing Rules are set out in the section headed “Waivers from Compliance with the Listing Rules” in the Prospectus.

OTHER MATTERS

The following matters are addressed in significantly divergent manners as between Alberta and Hong Kong laws, and as such it is not possible for our Company or the Sole Sponsor to state or conclude on objective grounds that they are truly comparable.

Loans to Directors

The Companies Ordinance requires that subject to the prohibitions and exceptions provided therein, a company may make loans, including quasi-loans and credit transactions, to a director without the prescribed approval of shareholders. Under the ABCA, there is no prohibition on giving financial assistance to directors, although disclosure is mandated under the ABCA except under limited circumstances. Under the ABCA, full details of any loans to directors must be disclosed to a company’s shareholders.

Financial Assistance

The Companies Ordinance requires that subject to exceptions provided therein, it is not lawful for a company to give financial assistance to a person for the acquisition of its own shares must be clearly stated. Financial assistance is defined under the ABCA to mean a loan, guarantee or otherwise. Under the ABCA, there is no prohibition on giving financial assistance to a person who is acquiring or proposing to acquire shares of a company. Instead, the ABCA requires disclosure of financial assistance for this purpose. Under section 45 of the ABCA, a company is required to disclose to its shareholders all financial assistance which it has given to shareholders or directors of the company or an associate of such person unless the provision of such financial assistance: (a) is the company’s ordinary business; (b) is provided to repay expenditures incurred on behalf of the company; (c) is provided to a subsidiary of the company or a holding body corporate of the company; (d) is provided to employees of the company for the purpose of purchasing or erecting living accommodations or pursuant to a plan for the purchase of securities of the company to be held by a trustee; or (e) is provided and all shareholders of the company have unanimously consented to such assistance.

Payment to Directors for Compensation for Loss of Office or Retirement from Office

The Companies Ordinance requires that any payment to a director or past director of an overseas company as compensation for loss of office or retirement from office needs to be approved by and disclosed to members of the company. Under the ABCA, subject to the articles, by-laws or any unanimous shareholder agreement of a company, the directors of a company may fix the remuneration of the directors, officers and employees of a company. This remuneration is required to be disclosed in prescribed form. Canadian takeover bid rules prohibit the payment of a collateral benefit to any person in connection with a bid for control of a company. Any payment by a bidder to a director or officer upon a change of control as compensation for loss of office where that payment was not previously approved by the board and the compensation committee could constitute a collateral benefit and would be prohibited. We have amended our By-Laws to ensure that payments by directors for loss of office or retirement from office are in accordance with the requirements under the Companies Ordinance.

Individual Members to Approve an Increase in Members' Liability

The Joint Policy Statement requires that there should not be any alteration in an overseas company's constitutional documents to increase an existing member's liability to the company unless such increase is agreed by such member in writing. Under the ABCA, a limited company incorporated in Alberta may convert to an unlimited liability company through obtaining at least a two-thirds majority vote of shareholders who voted at a meeting in person or by proxy or a resolution signed by all the shareholders entitled to vote on that resolution. Upon conversion, the shareholders of the unlimited liability company are liable for the debts and liabilities of the company whether those debts and liabilities arose before or after the conversion. We have amended our By-Laws to ensure that increase in Shareholders' liability is in accordance with the requirement under the Joint Policy Statement.

Circumstances under which Minority Shareholders may be Bought Out or may be Required to be Bought Out after a Successful Takeover

Under the Companies Ordinance, minority shareholders of a Hong Kong-incorporated company may be compulsorily brought out or may require an offeror to buy out their interests on the same terms if the offeror acquires 90% of the issued shares in a successful takeover. Under the relevant Canadian laws and regulations, compulsory acquisitions can be achieved without shareholders' approval to permit a bidder to acquire the target's shares that have not been tendered in a take-over bid made for all the shares of the class to which the bid relates if, within a prescribed period (usually 120 days after the date of a take-over bid), the bid is accepted by the holders of at least 90% of the shares of that class (other than held by the offeror and its associates and affiliates).

Other than the foregoing, there is currently no provision under Canadian laws and regulations similar to the compulsory acquisition regime under the Companies Ordinance that would otherwise allow an offeror in a successful takeover to buy out the minority shareholders on the same terms.

NOTIFIABLE AND CONNECTED TRANSACTIONS

Notifiable Transactions

Under the ABCA, certain transactions require notifications to, and approval by, a company's shareholders. These transactions include any amendments to the articles, amalgamations, plans of arrangement, disposal of all or substantially all of a company's assets, continuances, dissolutions and liquidations.

Canadian securities law also prescribes disclosure requirements with respect to notifiable transactions. However, as our Company is not a reporting issuer in any of the jurisdictions in Canada, the Canadian securities law regime with respect to notifiable transactions does not currently apply to us.

Connected Party Transactions

The ABCA requires directors to disclose their interests in material contracts and transactions and subject to certain exceptions, abstain from voting on such matters. Although Canadian securities law imposes a comprehensive disclosure and shareholder approval regime with respect to connected and related party transactions, our Company is not a reporting issuer in any of the jurisdictions in Canada and, as such, the Canadian securities law regime with respect to connected party transactions does not apply to us.

REPORTING REQUIREMENTS

Reporting Requirements as Reporting Insider in Canada

Under Alberta securities laws, an insider must file insider reports with the ASC electronically in respect of a reporting issuer if the insider is a reporting insider of the reporting issuer. Generally, a person or company that has beneficial ownership of, or control or direction over, directly or indirectly, securities of a company carrying more than 10% of the voting rights attached to all the company's outstanding voting securities, a director or a chief executive officer, chief financial officer or chief operating officer of the company, or an individual responsible for a principal business unit, division or function of the company, would be considered a reporting insider of the company. A reporting insider must file an insider report in respect of the company (once the company has become a reporting issuer) within 10 days of becoming a reporting insider disclosing his, her or its beneficial ownership of, or control or direction over, whether direct or indirect, securities of the company, and interest in, or right or obligation associated with, a related financial instrument involving a security of the company. Subsequent to that, a reporting insider must within 5 days file an insider report disclosing any change in his, her or its beneficial ownership of, or control or direction over, whether direct or indirect, securities of the company, and interest in, or right or obligation associated with, a related financial instrument involving a security of the company.

Reporting Requirements as Reporting Issuer in Canada

If and when our Company becomes a reporting issuer in one or more provinces or territories in Canada (including Alberta), we will have to set up a profile on the System for Electronic Document Analysis and Retrieval for filing of our disclosure documents. We will have to comply with the continuous disclosure requirements imposed by Canadian securities legislation, most notably, NI 51-102. NI 51-102 sets out disclosure obligations applicable to a reporting issuer with respect to annual and interim financial statements, management's discussion and analysis, annual information form, material change reports, business acquisition report, proxy solicitation and information circulars, filing of constating documents, material contracts and report of voting results. A reporting issuer will also be subject to NI 51-101, which shows the level of disclosure required in oil and gas reports. Furthermore, a reporting issuer will need to comply with National Instrument 58-101 *Disclosure of Corporate Governance Practices*, which set out the disclosure obligation with respect to corporate governance policies in a reporting issuer's management information circular. National Instrument 52-110 *Audit Committees* will also be applicable to a reporting issuer's composition of audit committee and the level of independence of its board of directors.

CERTAIN CANADIAN SECURITIES LAW RESTRICTIONS AND STEPS TO ENFORCE RESALE RESTRICTION

All of our Common Shares (including all Class B Shares and Class C Shares converted into Common Shares) that are issued and outstanding prior to the Listing (the "**Pre-IPO Shares**") were issued by us in reliance upon exemptions from the prospectus and registration requirements under Alberta securities laws and the securities laws of the other provinces of Canada and other jurisdictions in which Common Shares were placed. Under Alberta securities laws, resales by purchasers who purchased Common Shares under Alberta private placement exemptions are deemed to be "distributions", and therefore the resale itself is required to be qualified by a prospectus or be completed pursuant to a prospectus exemption. To ensure compliance with these requirements under the applicable Canadian securities law, the share certificates issued in the private placements by our Company prior to the Listing (save for some limited exceptions) include a legend with respect to this resale restriction (the "**Legend**"). The form of share certificates issued in these prior private placements are of a type customary for a Canadian private company and are different in form than the form of certificate that we will use upon the effectiveness of the Listing. Save for our Controlling Shareholders who have provided lock-up undertakings of their Shares (details of which are disclosed in the section headed "Underwriting" in the Prospectus), none of the holders of the Pre-IPO Shares are subject to any contractual lock-up restricting them from selling their Shares following the Listing.

This regulatory resale restriction will remain in place for four months after we become a "reporting issuer" (i.e. a public reporting company) in at least one province or territory in Canada (unless we become a reporting issuer as a result of filing a prospectus with a Canadian securities regulator and obtaining a receipt therefrom, in which case the resale restriction would cease immediately upon us becoming a reporting issuer). We will not automatically become a reporting issuer in Canada on the Listing Date. Instead, we will apply to become a reporting issuer in Alberta by way of an application to the ASC, to have us deemed to be a reporting issuer or, alternatively, through the filing and clearing

with the ASC of a prospectus. We intend to apply to the ASC to be deemed to be a reporting issuer within one month after the Listing Date, on the understanding that the earliest date on which the ASC would grant an order deeming us to be a reporting issuer would be the date that is two months after the Listing Date. This is expected to result in restrictions on trading of all Pre-IPO Shares for approximately six months following the Listing (the “**Restricted Period**”) (save for certain limited trading of the Pre-IPO Shares permitted in Canada on an exempt basis under Alberta securities laws, as described below).

The other rights that attach to the Pre-IPO Shares, such as the right to vote or the right to distributions or dividends, are not affected during the Restricted Period.

As an Alberta corporation, we are subject to Alberta and Canadian securities laws. To ensure that the above resale restrictions are effective under Alberta securities laws, we plan to take the following steps to ensure that the Pre-IPO Shares cannot be traded, other than in exempt transactions, until the end of the Restricted Period will have expired, upon which the resale restriction and the Legend attaching to the share certificates for the Pre-IPO Shares (“**Old Share Certificates**”) will no longer apply:

- (a) We will instruct our Principal Share Registrar and Hong Kong Share Registrar to ensure that all Pre-IPO Shares will remain on the Principal Share Register and will not be entered onto the Hong Kong Share Register until the Restricted Period has lapsed.
- (b) On the basis that we will become a “reporting issuer” in Alberta approximately two months after the Listing Date, the holders of the Pre-IPO Shares will not be issued the new share certificates (“**New Share Certificates**”) until the Restricted Period has lapsed. The New Share Certificates, when issued, will be in the same form as the share certificates for the Common Shares to be issued upon Listing and the Pre-IPO Shares will be eligible to be traded on the Stock Exchange.
- (c) At the end of the Restricted Period, we will send holders of the Pre-IPO Shares a letter of transmittal requesting the return of the Old Share Certificates to the Principal Share Registrar for safekeeping or destruction. Upon the issue of any New Share Certificates to holders of Pre-IPO Shares following the expiry of the Restricted Period, the Principal Share Registrar will mark the Old Share Certificates for such Pre-IPO Shares as cancelled on the Principal Share Register.

Notwithstanding the foregoing, holders of Pre-IPO Shares will be able to transfer such shares pursuant to transactions that are exempt from the prospectus requirements of Canadian securities laws. Common examples of exempt transactions include a sale by a Pre-IPO Share holder to a purchaser who meets certain financial criteria, or in a transaction whose value exceeds C\$150,000 if the purchaser is not an individual.

In the event that a holder of Pre-IPO Shares intends to execute an exempt transfer, we and our Principal Share Registrar will require reasonable evidence that the transaction is being made on an exempt basis before we authorize a transfer to be registered, and will not permit a transfer which may

result in such Pre-IPO Shares being traded on the Stock Exchange. Share certificates representing any Pre-IPO Shares that are transferred in an exempt transaction will continue to bear the Legend, as described above.

We intend to follow the procedures described above for all holders of Pre-IPO Shares including those held by Shareholders outside Canada. There is a slight possibility that a Shareholder outside Canada that holds Pre-IPO Shares subject to the resale restrictions (including a Shareholder who acquired Shares pursuant to an exempt resale) may attempt to sell its Pre-IPO Shares to a non-Canadian purchaser on a non-exempt basis within the Restricted Period. Such a holder might take the view that Canadian securities law resale restrictions do not apply to such a transaction, or that the Canadian securities regulators do not have jurisdiction to regulate such transfers. This could lead to a dispute or potential litigation in Alberta or elsewhere requiring us to register a transfer on a non-exempt basis, or which may result in us paying damages to such a holder to compensate it for its inability to sell its Pre-IPO Shares during the Restricted Period. Although we believe that the likelihood of any such a dispute is low and that the risk of a court finding in favor of such a holder is even lower, there remains a small risk that a court may require us to permit such transfers to be made.

No questions or concerns were raised by any holders of the Pre-IPO Shares at the Annual and Special Meeting, and, as at the Latest Practicable Date, no questions or concerns have been raised with our Company since the date of the Annual and Special Meeting.

EXEMPTIVE RELIEF FROM PROSPECTUS REQUIREMENT

As advised by our Canadian Legal Advisers, no regulatory approval in Canada is required to permit us to be listed on the Stock Exchange. However, in order to facilitate the Listing, we have applied for, and the ASC has granted our Company, exemptive relief from the requirement to file a prospectus in Alberta to qualify the distribution of the Offer Shares pursuant to the Global Offering (other than Offer Shares sold to investors in Canada) including any Shares issued pursuant to the exercise of the Over-Allotment Option. As part of this exemptive relief, one or more existing Shareholders may lend some of their Shares to the Stabilization Manager to allow the Stabilization Manager to satisfy over-allocations in the Global Offering, since such Shares are otherwise presently subject to resale restrictions pursuant to Alberta securities laws. In connection with our exemptive relief application, we intend to apply to the ASC, within one month after completion of the Listing, to become a reporting issuer in Alberta.

Please also refer to the section headed “Underwriting — Canadian Securities Law” for details of the resale restrictions on the Offer Shares.

ONGOING INVESTOR EDUCATION

If we become aware of any material legal or regulatory development which may affect the information contained in this section, we will update the relevant contents on our Company’s website and issue a voluntary announcement.

C. SUMMARY OF THE ARTICLES AND BY-LAWS OF OUR COMPANY AND ALBERTA CORPORATION LAWS

Set out below is a summary of certain provisions of our Articles and By-Laws and the ABCA, the governing corporate law of our Company, that may be relevant to investors. As the information contained below is in summary form, it does not purport to contain all of the information that may be important to our Shareholders and potential investors. This section should be read in conjunction with the section headed “Key Canadian Legal and Regulatory Matters” in the Prospectus, which summarizes the Canadian legal and regulatory provisions as well as a description of shareholder protection matters that are not at least equivalent to or broadly commensurate with those afforded to shareholders of companies incorporated in Hong Kong in effect as at the date of the Prospectus that may be relevant to investors.

GENERAL

We were incorporated as a corporation in Alberta, Canada with limited liability on March 11, 2005 under the ABCA. Our Company’s constitutional documents consist of our Articles and By-Laws. The summary below refers to our Articles and By-Laws effective as at the Listing Date.

SHARE CAPITAL

The rights and restrictions attaching to our Shares are detailed in our Articles and By-Laws, the ABCA and its regulations. There are no restrictions on the number of Shareholders we may have, or on the number of invitations we may make to the public to subscribe for our Shares. Set out below is a summary of some material attributes of our share capital.

Common Shares

Holders of Common Shares are entitled to one vote per Common Share at all meetings of Shareholders of our Company. Holders of Common Shares, are entitled to: (a) receive dividends if, as and when declared by the Directors, subject to prior satisfaction of all preferential rights to dividends attached to all shares of any other classes ranking in priority to the Common Shares in respect of dividends; and (b) in the event of any liquidation, dissolution or winding up of our Company, whether voluntary or involuntary, or any other distribution of our assets for the purpose of winding up our affairs, subject to prior satisfaction of all preferential rights to return of capital on dissolution attached to all shares of any other classes ranking in priority to the Common Shares in respect of return of capital on dissolution, share rateably, together with the holders of shares of any other class ranking equally with the Common Shares in respect of return of capital on dissolution, in such assets of our Company as are available for distribution.

As at the Latest Practicable Date, there were 208,706,520 Common Shares issued and outstanding.

Preferred Shares

Holders of Preferred Shares are not entitled to attend meetings of Shareholders of our Company or to vote at any such meeting. Subject to the preferences provided to holders of any other shares ranking senior to Preferred Shares with respect to priority in the payment of dividends, the holders of the Preferred Shares shall be entitled to receive cumulative dividends at the rate not exceeding 10% per annum on the redemption price of such shares. Subject to the ABCA, and upon 10 days' written notice, our Company may redeem at any time all or from time to time any part of the outstanding Preferred Shares on payment to the holders thereof. Subject to the ABCA, and upon 10 days' written notice, the holders of Preferred Shares may require our Company to purchase or redeem at any time the whole or from time to time any part of the Preferred Shares held by such Shareholder at the redemption price. In the event of the liquidation, dissolution or winding up of our Company, whether voluntary or involuntary, holders of Preferred Shares shall be entitled, in priority to holders of Common Shares on a distribution of capital to be paid an amount equal to the redemption price thereof. No class of shares may be created ranking, as to capital or dividends, in priority to or on parity with the Preferred Shares without the approval of at least two-thirds of the holders of the Preferred Shares.

As at the Latest Practicable Date, there were no Preferred Shares issued and outstanding.

SUMMARY OF KEY ALBERTA CORPORATE LAWS, OUR ARTICLES AND BY-LAWS

Amendments to our Articles and By-Laws were respectively approved by special and ordinary resolutions of the Shareholders on February 26, 2016. The amendments to our Articles will become effective upon filing with the Registrar of Corporations appointed under the ABCA prior to the Listing and the amendments to our By-Laws will be effective conditional upon completion of the Listing. The following is a summary of some key provisions of the ABCA, our Articles and By-Laws.

Objects

We do not have an objects clause in our Articles because an Alberta company, unlike companies incorporated under the laws of Hong Kong, is not required to have an objects clause. Pursuant to section 16 of the ABCA, we have the capacity and, subject to the ABCA, the rights, powers and privileges of a natural person.

Voting Rights

Each Shareholder entitled to vote may vote in person or by proxy, attorney or representative of a body corporate at a general meeting. On a show of hands, and unless a poll vote is requested or required, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder holding a share carrying the right to vote, has one vote. In compliance with Rule 13.39(4) of the Listing Rules, we have amended our By-Laws that any vote of our Shareholders at a general meeting will be taken by way of a poll.

Right to Speak at General Meetings

Our Articles provide that all Shareholders who are eligible to attend and vote at a meeting of Shareholders shall have the right to speak at such meeting.

Dividends

Subject to the ABCA, the Directors may from time to time declare and authorize payments of such dividends as they may deem advisable, including the amount thereof and time and method of payment, provided that the record date for the purpose of determining Shareholders entitled to receive payment of the dividend must not precede the date on which the dividend is to be paid by more than 50 days.

We may pay a dividend by issuing fully paid shares, or in money or property. No dividend may be declared or paid if there are reasonable grounds for believing that: (a) we are, or would after the payment be, unable to pay our liabilities as they become due; or (b) the realizable value of our assets would thereby be less than the aggregate of our liabilities and stated capital of all classes.

In Alberta, the treatment of unclaimed dividends is governed by the UPPVP Act and the associated regulations which provide that a security is presumed to be abandoned five years from the date on which a dividend or other distribution is unclaimed by the apparent owner. The property is then held in trust by the minister under the UPPVP Act for a period of 10 years, during which time the owner of such property is able to make a claim for the return of such property under the UPPVP Act. After such period, the property will vest in the Crown in right of Alberta.

Under the Company's By-Laws, all dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise used by the Board for the Company's benefit until claimed. Any dividend or bonuses unclaimed after a period of six years from the date of declaration will be forfeited and revert to the Company.

Liquidation and Dissolution

The terms "liquidation" and "winding-up" are used interchangeably to refer to the collection of a company's property and funds, the conversion of that property into cash, and the distribution of the cash and unconvertible property to creditors in an effort to discharge all of a company's debts in anticipation of its dissolution. Although companies are required to cease business during liquidation, legally they still exist and, in Alberta, companies can sue and be sued during liquidation as at any other time. "Dissolution", on the other hand, refers to the termination of a company's legal existence after it has been wound-up.

In Alberta, we can be liquidated and dissolved in three ways: i) voluntarily; ii) by the registrar; and iii) by order of the court. Court-ordered wind-ups and dissolutions are usually ordered in the context of a dispute and/or as a remedy for oppressive conduct. Dissolution by the registrar is used in situations where companies are not conducting business for a length of time or are in violation of certain filing requirements under the ABCA. The ABCA provides detailed rules on voluntary liquidation and dissolution of a company, summarized below:

(1) Companies that do not have to undergo a liquidation process or those that can be simply liquidated:

- where a company has no property and no liabilities, and has not issued any shares, it can be dissolved at any time by a resolution of all of its directors.
- companies that have no property and no liabilities but have issued shares can be dissolved by special resolutions passed by a majority of not less than two-thirds of the shareholders in each class of shareholders, whether or not each class is normally entitled to vote.
- where a company's liabilities have been fully assumed by its parent company, it may be dissolved by special resolutions passed by a majority of not less than two-thirds of the shareholders in each class of shareholders, whether or not each class is normally entitled to vote, subject to the following conditions: first, the parent company must be a Canadian company; second, the parent company must own not less than ninety percent of the shares of the company; and third, an officer of the parent company must provide a statutory declaration that the liabilities of the company have been fully assumed by the parent company.
- if a company has issued shares and has property or liabilities, or both, it may dissolve by having each class of shareholders, whether or not entitled to vote, pass a special resolution, of a majority of not less than two-thirds of the shareholders in such class voting in person or by proxy at a shareholders meeting or signed by all the shareholders entitled to vote on that resolution, authorizing the directors to cause the company to distribute all its property and discharge all its liabilities, and by distributing all of its property and discharging all of its liabilities before it sends articles of dissolution to the registrar.

(2) Companies that require a more onerous liquidation process:

- the directors or a voting shareholder of a company may make a proposal for voluntary liquidation and dissolution. The notice of any meeting at which the proposal is to be made must set out the terms of the liquidation and dissolution process. The prerequisite authority for liquidation and dissolution is the same as above namely, passage of a special resolution by a majority of not less than two-thirds of the shareholders in each class of shareholders, whether or not each class is normally entitled to vote.
- once all required resolutions have been passed, the company must send a statement of intent to dissolve to the registrar. Upon receipt of such statement, the registrar issues a certificate of intent to dissolve. Once this certificate is issued, the company must immediately cease all

business except to the extent necessary for the liquidation. This includes all share transfers, undertakings and alterations to shareholder status. The legal existence of the company, however, continues.

- the company must immediately deliver notice of the issuance of the certificate of intent to dissolve to all its creditors and publish similar notice in the Alberta Gazette (or the registrar's periodical) and in a newspaper published or distributed where the company has its head office, and must also take reasonable steps to give notice in every jurisdiction where the company was carrying on business at the time it sent the statement to dissolve to the registrar.
- the company may then proceed with its liquidation: collecting its property, converting what property it can into money, discharging all of its obligations and distributing its remaining property and money to its shareholders according to their rights.
- once the company has complied with the notice and liquidation requirements, it can send the articles of dissolution to the registrar. The registrar will then issue a certificate of dissolution.
- the registrar or any "interested person" may, at any time during the liquidation of a company, apply to the court for an order that the liquidation be continued under the supervision of the court. The application must state the reasons, verified by an affidavit, as to why the court should supervise the liquidation and dissolution process. If the court grants the application, the liquidation and dissolution thereafter continues under the supervision of the court.
- under the ABCA, an "interested person" means a shareholder, a director, an officer, an employee or a creditor of a dissolved company, a person who has a contractual relationship with a dissolved company, a trustee in bankruptcy for a dissolved company or a person designated as an interested person by court order.

Ownership and Transfer of Shares

Subject to the provisions of the ABCA, there are no restrictions on the ownership and transfer of Shares under our Articles.

Amendments to Our Articles and By-Laws

Under the ABCA, any changes to our Articles, including changes to our authorized share structure, name, special rights and restrictions attaching to shares and corporate powers, require approval by a special resolution. Special resolutions are passed by no less than a two-thirds majority vote of the Shareholders at a special meeting of Shareholders of which no less than 21 days' notice has been given. In addition, in certain prescribed circumstances, the ABCA requires that holders of different classes or series of shares of a company be permitted to vote separately as a class or series in respect of a proposal to amend a company's articles, in which case each class or series must approve the special resolution.

Under the ABCA, changes to our By-Laws require approval by an ordinary resolution. Our By-Laws will be amended and conditional effective upon completion of the Listing to provide that any amendments to the By-Laws may only be made by way of a special resolution requiring a two-thirds majority.

Variation of Rights

Under the ABCA, any change in the designation of shares, or the addition, change, or removal of any rights, privileges, restrictions, and conditions attaching to shares must be effected by a special resolution of the Shareholders. In addition to the special resolution of the Shareholders, the holders of shares of a class or of a series are entitled to vote separately as a class or series on a proposal to amend the articles or by-laws that purports to affect the shares of that class or series. The holders of a series of shares of a class are entitled to vote separately as a series only if the series is affected by an amendment in a manner different from other shares of the same class.

The rights conferred on the holders of the shares of any class are deemed not to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares unless otherwise:

- expressly provided by the terms of issue of the first-mentioned shares; or
- required or permitted by the ABCA.

Borrowing Powers

Pursuant to the ABCA, we, if authorized by the Directors, may from time to time:

- borrow money upon the credit of our Company;
- issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness of our Company, whether secured or unsecured;
- give a guarantee on behalf of our Company to secure a performance of an obligation of any person; and
- mortgage, hypothecate, pledge or otherwise create a security interest in all or any of our property, owned or substantially acquired, to secure the payment of any obligation, or evidence of indebtedness, or guarantee of our Company.

In addition, unless our Articles or By-Laws provide otherwise, the Directors may, by resolution, delegate any or all of these powers to one of our Directors, a committee of Directors, or one of our officers.

Issue of Common Shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, but subject to the ABCA, our unissued shares are under the control of the Directors. Our Directors may issue all or any of our unissued shares to such persons, at such times, and on such terms and conditions and, for the issue prices (including any premium at which shares with par value may be issued) that the Directors may determine. However, a share shall not be issued until the consideration for the share is fully paid in money, property or past service that is not less in value than the fair equivalent of the money that we would have received if the share had been issued for money.

Remuneration of Directors

Under the ABCA, and subject to the Articles and By-Laws of our Company, the Directors are entitled to the remuneration for acting as Directors, if any, as the Directors may from time to time determine. That remuneration may be, in addition to any salary or other remuneration, paid to any officer or employee of our Company as such, who is also a Director. Disclosure of the aggregate remuneration of Directors, the aggregate remuneration of officers and the aggregate remuneration of employees shall be made as prescribed by the ABCA.

If any Director who is not an employee or officer performs any professional or other services for us that, in the opinion of the Directors, are beyond the ordinary duties of a Director who is not an employee or officer, or if any Director who is not an employee or officer is otherwise specially occupied in or about our business, he or she may be paid remuneration fixed by the Directors by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

We shall comply with the prohibitions and be subject to the exceptions contained in the Companies Ordinance in relation to loans to Directors.

We shall not make any payment to any Director or past Director by way of compensation for loss of office, or as consideration for, or in connection with, his retirement from office (not being a payment to which the Director is contractually entitled), without particulars with respect to the proposed payment (including the amount thereof) being disclosed to the Shareholders and the proposal being approved by ordinary resolution at a general meeting.

Indemnification

The ABCA provides that except in respect of an action by or on behalf of our Company to procure a judgment in our favor, we may indemnify a Director or officer of our Company, a former Director or officer of our Company or a person who acts or acted at our request as a Director or officer of a body corporate of which we are or were a shareholder or creditor, and the Director's or officer's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Director or officer in respect of any civil, criminal or administrative action or proceeding to which the Director or officer is made a party by reason of being or having been a Director or officer of our Company or body corporate if: (a) the

Director or officer acted honestly and in good faith with a view to the best interests of our Company; and (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Director or officer had reasonable grounds for believing that the Director's or officer's conduct was lawful.

We may with the approval of the Court, indemnify a person referred to above in respect of an action by or on behalf of our Company or body corporate to procure a judgment in its favor, to which the person is made a party by reason of being or having been a Director or an officer of our Company or body corporate, against all costs, charges and expenses reasonably incurred by the person in connection with the action if the person fulfils the conditions set out above.

A person referred to above is entitled to indemnity from our Company in respect of all costs, charges and expenses reasonably incurred by the person in connection with the defence of any civil, criminal or administrative action or proceeding to which the person is made a party by reason of being or having been a Director or officer of our Company or body corporate, if the person seeking indemnity: (a) was substantially successful on the merits in the person's defence of the action or proceeding; (b) fulfils the conditions set out above; and (c) is fairly and reasonably entitled to indemnity.

Disclosure of Directors' Interests

A Director or an officer of our Company who:

- is a party to a material contract or material transaction or proposed material contract or proposed material transaction with our Company; or
- is a Director or an officer of, or has a material interest in any person who is a party to a material contract or material transaction or proposed material contract or proposed material transaction with our Company,

is required to disclose in writing to our Company or request to have entered in the minutes of meetings of Directors, the nature and extent of such Directors' or officers' interest, in the manner required by the ABCA. The ABCA also prohibits Directors from voting on matters relating to such disclosed interests in certain circumstances.

If a Director or officer fails to comply with the requirements to disclose their interests or abstain from voting as described above, subject to certain exemptions, a Court may set aside the material contract or material transaction on any terms that it thinks fit, or require the Director or officer to account to our Company for any profit or gain realized on it, or both.

If a material contract or material transaction is made between our Company and one or more of its Directors or officers, or between our Company and another person of which the Director or officer is a director or officer or in which the Director or officer has a material interest: (a) the contract or transaction is neither void nor voidable by reason only of that relationship, or by reason that a Director with an interest in the contract or transaction is present at or is counted to determine the presence of a quorum at the meeting of Directors or Committee of Directors that authorized the contract or

transaction; and (b) a Director or officer or former director or officer of our Company to whom a profit accrues as a result of the making of the contract or transactions is not liable to account to our Company for that profit by reason only of holding office as a Director or officer, if the Director or officer disclosed the Directors' or officers' interest in accordance with the ABCA and the contract or transaction was approved by the Directors or the Shareholders and it was reasonable and fair of our Company at the time it was approved.

Even if the above conditions are met, a Director or officer acting honestly and in good faith is not accountable to our Company or to its Shareholders for any profit realized from a material contract or material transaction for which disclosure is required and the material contract or material transaction is not void or voidable by reason only of the interest of the Director or officer in the material contract or material transaction if: (a) the material contract or material transaction was approved or confirmed by special resolution at a meeting of the Shareholders; (b) disclosure of the interest was made to the Shareholders in a manner sufficient to indicate the nature before the material contract or material transaction was approved or confirmed; and (c) the material contract or material transaction was reasonable and fair to our Company when it was approved or confirmed.

Restrictions on Directors' Voting

A Director required to disclose interests as noted above shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is: (a) an arrangement by way of security for money lent to or obligations undertaken by the Director, or by a body corporate in which the Director has an interest, for the benefit of our Company or an affiliate; (b) a contract or transaction relating primarily to the Director's remuneration as a director, officer, employee or agent of our Company or an affiliate; (c) a contract or transaction for indemnity or insurance permitted under the ABCA; or (d) a contract or transaction with an affiliate. A Director who holds a disclosable interest in a contract or transaction into which our Company has entered or proposes to enter and who is present at the meeting of Directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the Director votes on any or all resolutions considered at the meeting.

A situation where all Directors have a disclosable interest is extremely rare, but could arise for example, if we ever issue shares to all Directors outside the scope of their remuneration. In this circumstance, all the Directors would declare their interest in the transaction (with such declaration being noted in the minutes or consent resolution) and would then vote on the matter. Additionally, the Directors are subject to their overriding duties to act in the best interests of our Company.

Number of Directors

Our Articles provide that the number of Directors will be a minimum of one Director and, upon the filing of the amendment of our Articles prior to Listing, a maximum of seven Directors. The number of Directors is fixed by ordinary resolution. All Directors must be individuals. At least one-quarter of the Directors must be resident Canadians. A Director is not required to hold Shares issued by our Company.

Directors' Term of Office

Unless a Director dies, resigns or is removed from office in accordance with the ABCA, the term of office of each of the incumbent Directors ends at the conclusion of the next annual meeting of the Shareholders following his or her most recent election or appointment. There is no mandatory retirement age for Directors. Under the ABCA, a Director has to be at least 18 years of age.

General Meetings

Unless an annual general meeting is deferred or waived by the court in accordance with the ABCA, we must hold an annual general meeting at least once in each calendar year and not more than 15 months after the date of the last annual general meeting at such time and place as may be determined by the Directors.

The Directors may, whenever and wherever they think fit, call a Shareholders' meeting. The ABCA provides that if we hold a Shareholders meeting, at least 21 days' and not more than 50 days' notice must be given to the Shareholders of such meeting.

Under the ABCA, Shareholders who hold in aggregate at least 5% of the issued Shares carrying the right to vote at general meetings may requisition a Shareholders' meeting. If the Directors do not, within 21 days after the date on which the requisition is received by us, send notice of a general meeting, any registered or beneficial holder of Shares who signed the requisition may call the meeting. Unless the Shareholders resolve otherwise by an ordinary resolution at the general meeting called by the requisitioning Shareholders, we must reimburse the requisitioning Shareholders for the expenses actually and reasonably incurred by them in requisitioning, calling and holding that meeting.

Election of Directors

At every annual general meeting, the Shareholders entitled to vote at such meeting for the election of Directors are entitled to elect a Board consisting of the number of Directors for the time being set under the Articles, and all the Directors cease to hold office immediately before such election but are eligible for re-election. If the Shareholders fail to elect the minimum number of Directors required by the Articles, the Directors elected at that meeting can proceed to exercise all the powers of the directors provided they have a quorum. In the event that a quorum is not obtained, the Directors then in office shall forthwith call a special meeting of Shareholders to fill the vacancy or if there are no Directors then in office, the meeting may be called by any Shareholder. Our By-Laws provide that Directors shall be elected by a separate resolution in compliance with the Listing Rules.

If we fail to hold an annual general meeting on or before the date by which such meeting is required to be held under the ABCA, or the Shareholders fail at the annual general meeting to elect or appoint any Directors, then each Director then in office continues to hold office until the earlier of:

- the date on which his or her successor is elected or appointed; and
- the date on which he or she otherwise ceases to hold office under the ABCA or the Articles.

Our Company has adopted a majority voting policy, pursuant to which each Director must be elected individually (rather than as a slate) by a majority (50% plus one vote) of the votes cast (i.e., more votes “for” than votes “withheld”) with respect to his or her election. If a Director nominee is not elected by at least a majority of the votes cast with respect to his or her election, he or she must immediately tender his or her resignation to the Board. The Board must, within 90 days, determine whether or not to accept the resignation and issue an announcement in relation to the Board’s decision in that regard. Notwithstanding the aforesaid, a director is validly elected if he or she has any votes “for” as, under Canadian corporate and securities law, votes can only be “withheld”, not voted “against”. A “withheld” vote will be considered to be an “against” vote for the purpose of appointment of Directors on the application of our majority voting policy. In the opinion of the Canadian Legal Advisers, the arrangement with the majority voting policy is not inconsistent with the requirements under the applicable Canadian corporate law.

Categories of Shares

We have two categories of shares: Common Shares without par value and Preferred Shares without par value.

Within the category of Common Shares, our Company has Common Shares authorized for issuance, each as so designated pursuant to our Articles as at the Listing Date. Upon completion of share split on April 29, 2016, we had 208,706,520 Shares issued and outstanding.

Within the category of Preferred Shares, our Company has Preferred Shares authorized for issuance. As at the Latest Practicable Date, we had no Preferred Shares issued and outstanding.

For a description relating to the share capital of our Company, please refer to the section headed “Share Capital” of the Prospectus.

Reduction of Capital

We may by special resolution reduce our stated capital for any purpose including, without limiting the generality of the foregoing, the purpose of: (a) extinguishing or reducing a liability in respect of an amount unpaid on any Share; (b) distributing to the holders of the issued Shares of any class or series of shares an amount not exceeding the stated capital of the class or series; and (c) declaring our stated capital to be reduced by an amount that is not represented by realizable assets.

We shall not reduce our stated capital for any purpose, other than the purpose mentioned in (c) above, if there are reasonable grounds for believing that: (a) we are, or would after the reduction be, unable to pay our liabilities as they become due; or (b) the realizable value of our assets would thereby be less than the aggregate of our liabilities.

Share Repurchases

Subject to the ABCA and our Articles, we may purchase or otherwise acquire our own shares unless there are reasonable grounds for believing that: (a) we are, or would after the payment be, unable to pay our liabilities as they become due; or (b) the realizable value of our assets would after the payment be less than the aggregate of our liabilities and stated capital of all classes.

Subject to a limited number of exemptions, we must comply with a detailed body of rules with the intended purpose that all of our Shareholders are treated equally. For further details, and a summary of the applicable Hong Kong requirements in relation to share repurchases, please refer to the section headed “Appendix VI — Statutory and General Information — A. Further Information About Our Company — 4. Repurchases of Our Own Shares” to the Prospectus.

Statutory Shareholders Remedies and Protection of Minority Shareholders

The ABCA provides shareholders, directors and officers, creditors, and other aggrieved parties with a broad range of remedies against the misconduct of a company. Under the ABCA, the following statutory remedies are available to Shareholders:

- (a) leave from the court to bring a derivative action on behalf of a company or any of its subsidiaries;
- (b) a court order that any act or omission of a company or any of its affiliates is oppressive, unfairly prejudicial, or unfairly disregards the interests of the complainant (defined below); and
- (c) a court order directing an investigation to be made of a company and any of its affiliates.

Derivative Actions: A shareholder (present or former/registered or beneficial), director (present or former), creditor or any other person as the court determines (the “**Complainant**”) may, with leave of a court of competent jurisdiction, prosecute a legal proceeding in the name and on behalf of the company for the purpose of prosecuting, defending, or discontinuing an action on behalf of the body corporate. A Complainant may also intervene in an existing action to which any such body corporate is a party.

With leave of a court of competent jurisdiction, a Complainant may, in the name and on behalf of the company, defend a legal proceeding brought against the company.

A court of competent jurisdiction may grant leave on terms it considers appropriate if:

- the Complainant has made reasonable efforts to cause the directors to prosecute or defend the legal proceeding;
- notice of the application for leave has been given to the company and any other person that the court may order;
- the Complainant is acting in good faith; and

- it appears to the court that it is in the best interests of the company for the legal proceeding to be prosecuted or defended.

Oppressive Actions: The ABCA provides that a court may make an order to rectify the matters complained of where a court is satisfied that, in respect of the company or any of its affiliates:

- any act or omission of the company or any of its affiliates effects a result;
- the business or affairs of the company or any of its affiliates are or have been carried on or conducted in a manner; or
- the powers of the directors of the company or any of its affiliates are or have been exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer of the company.

On application, the court may, with a view to remedying or bringing to an end the matters complained of, make any interim or final order it considers appropriate, including an order:

- directing or prohibiting any act;
- directing an amendment of the company's articles of incorporation or by-laws;
- appointing a receiver or receiver-manager;
- directing an issue or conversion or exchange of shares;
- appointing directors in place of or in addition to all or any of the directors then in office;
- directing the company to purchase some or all shares of a shareholder and, if required, to reduce its capital in the manner specified by the court, unless the company is insolvent or the purchase would render it insolvent;
- directing a shareholder to purchase some or all shares of any other shareholder;
- directing the company, unless the company is insolvent, or the payment would render it insolvent, or any other person, to pay to a shareholder all or any part of the money paid by that shareholder for shares of the company;
- varying or setting aside a transaction to which the company is a party and directing any party to the transaction to compensate any other party to the transaction;
- requiring the company, within a time specified by the court, to produce to the court or to an interested person financial statements or an accounting in any form the court may determine;
- directing the company to compensate an aggrieved person;

- directing correction of the registers or other records of the company;
- directing that the company be liquidated and dissolved and appointing one or more liquidators, with or without security;
- directing that an investigation be made under the ABCA;
- requiring the trial of any issue; or
- authorizing or directing that legal proceedings be commenced in the name of the company against any person on the terms the court directs.

Investigation: Under relevant provisions of the ABCA, any Shareholder of the Company may apply to the court either ex parte or on any notice that the court may require for an order directing an investigation to be made of the Company and any of its affiliated companies. If it appears to the court that there are sufficient grounds to conduct an investigation, the court is empowered to order an investigation into the business or affairs of the Company and any of its affiliated companies.

The court may make an investigation order if it appears to the court that there are sufficient grounds to conduct an investigation to determine whether:

- the business of the Company or any of its affiliates is or has been carried on with intent to defraud any person;
- the business or affairs of the Company or any of its affiliates are or have been carried on or conducted, or the powers of the Directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interest of a Shareholder;
- the Company or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or
- persons concerned with the formation, business, or affairs of the Company or any of its affiliates have in that connection acted fraudulently or dishonestly.

Disposal of Assets

Under the ABCA, we may not sell, lease or otherwise dispose of all or substantially all of our assets and undertaking unless we do so in the ordinary course of our business or we have been authorized to do so by our Shareholders pursuant to a special resolution. Otherwise, there are no specific restrictions under the ABCA on the power of the Directors to dispose of our assets. Under the ABCA, in the exercise of those powers, the Directors must discharge their duties of care to act in good faith, for a proper purpose and in the best interests of our Company.

Accounting and Auditing Requirements

The ABCA requires that our financial statements, the auditor's report, and any further information respecting the financial position of our Company and the results of our operations be placed before the annual meeting of Shareholders. There is no requirement in the ABCA for the Shareholders to approve the financial statements or the report of the auditor, however this is often done as a matter of practice.

Securities Registers

We must maintain, at a location designated by the Directors, a central securities register in which it registers the Shares issued by our Company, all transfers of Shares so issued and details of such issuances and transfers. Our Company may also maintain one or more branch registers at locations designated by the Directors. Our By-Laws provide that we shall maintain a branch register in Hong Kong on terms as set out in the Companies Ordinance at all times our securities may be listed on the Stock Exchange. Particulars of each issue or transfer of a Share registered in a branch securities register must also be promptly registered in the central securities register.

Inspection of Books and Records

A Shareholder may, during usual business hours and without charge, inspect our records, other than certain records prescribed under the ABCA as records that a Shareholder is not entitled to inspect.

Special Resolutions

The ABCA provides that a resolution of a company is a special resolution when it has been passed by a majority of at least two-thirds of the votes cast on the resolution.

Subsidiary Owning Shares in Parent

Except as provided in the ABCA, a company shall not own shares in its holding body corporate and shall not permit any of its subsidiaries to acquire shares of it. A subsidiary may hold shares in its holding body corporate provide not more than one percent (1%) of the issued shares of each class of shares of the holding body corporate are owned by all the subsidiaries. If a subsidiary holds more shares than permitted, it is only permitted to hold such shares in its holding body corporate for a maximum of 30 days, at which point the shares will be cancelled and the consideration returned. In any event, a holding body corporate shall cause its subsidiaries that hold shares of the holding body corporate to sell or otherwise dispose of those shares within five years from the date that the body corporate became a subsidiary of the holding body corporate, or the holding body corporate was continued under the ABCA.

Notwithstanding the above, a subsidiary may hold shares in its holding body corporate in the capacity of a legal representative unless it or the holding body corporate, or a subsidiary of either of them, has a beneficial interest in the shares. A company may hold shares in its holding body corporate by way of security for the purposes of a transaction entered into by it in the ordinary course of business that

includes the lending of money. A company holding shares in its holding body corporate shall not vote or permit those shares to be voted unless the company holds the shares in the capacity of a legal representative and has complied with the ABCA.

Arrangements and Other Fundamental Corporate Transactions

The ABCA provides for arrangements and other fundamental corporate transactions involving our Company, Shareholders, creditors and other persons. The relevant provisions of the ABCA permit fundamental changes to take place with respect to our Company affecting Shareholders, creditors and other persons if certain approvals are obtained from the affected Shareholders, creditors and other persons. In the case of arrangements, the prior approval of a court of competent jurisdiction is also required.

Arrangements are typically used for numerous forms of acquisitions, going-private transactions, substitutions of new shares for arrears of dividends on existing shares, exchanges of shares for shares or other securities of our Company or of another body corporate, exchanges of shares or other securities for money and, in the case of creditors, debt reorganizations.

Dissent and Appraisal Rights

The ABCA provides that Shareholders are entitled to exercise dissent rights in respect of certain matters and to be paid the fair value of their shares in connection therewith. The right of dissent is applicable in respect of:

- a resolution to alter the Articles, to add, change or remove any provisions restricting the issue or transfer of shares, to alter restrictions on the powers of our Company or on the business it is permitted to carry on;
- a resolution to adopt an amalgamation agreement or otherwise approve an amalgamation;
- a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of our Company's undertaking; or
- a resolution to authorize the continuation of our Company into a jurisdiction other than Alberta.

The ABCA sets out the process and procedures that must be followed for a Shareholder to exercise dissent rights.

Stamp Duty on Transfers

No Canadian or Alberta stamp duty is payable on a transfer of shares of a company that is incorporated or continued in Alberta.

Purchase By Our Company of its Own Securities

Except as provided in the ABCA, a company shall not own shares in itself. If a company holds shares in itself, it is only permitted to hold such shares for a maximum of 30 days, at which point the shares will be cancelled and the consideration returned.

Notwithstanding the above, a company may hold shares in itself in the capacity of a legal representative unless it or its subsidiaries, or a subsidiary of either of them, has a beneficial interest in the shares. A company may hold shares in itself by way of security for the purposes of a transaction entered into by it in the ordinary course of business that includes the lending of money. A company holding shares in itself shall not vote or permit those shares to be voted unless the company holds the shares in the capacity of a legal representative and has complied with the ABCA.

Subject to the ABCA and our Articles, our Company may purchase or otherwise acquire shares issued by it. However, our Company shall not make any payment to purchase or otherwise acquire shares issued by it if there are reasonable grounds for believing that: (a) we are, or would after the payment be, unable to pay our liabilities as they become due; or (b) the realizable value of our assets would thereby be less than the aggregate of our liabilities and stated capital of all classes.

Subject to any unanimous shareholder agreement, a company that is not a distributing company shall, within 30 days after the purchase of any of its issued shares, notify its shareholders in accordance with the ABCA: (a) of the number of shares it has purchased; (b) of the names of the shareholders from whom it has purchased the shares; (c) of the price paid for the shares; (d) if the consideration was other than cash, of the nature of the consideration given and the value attributed to it; and (e) of the balance, if any, remaining due to shareholders from whom it purchased the shares. A shareholder of a company other than a distributing company is entitled on request and without charge to a copy of the agreement between the company and any of its other shareholders under which the company has agreed to purchase, or has purchased, any of its own shares.

Voting For Directors and Auditors

At the time of incorporation of an ABCA company, the incorporators file information relating to the first directors and these directors hold office as directors until the first meeting of shareholders. Thereafter, shareholders shall by ordinary resolution elect directors at the first and each subsequent annual meeting of the company. For details of election of directors, please refer to the paragraph under “Election of Directors” at page V-11 of Appendix V to the Prospectus.

Under the ABCA, the directors may appoint an auditor to hold office until the first annual meeting of shareholders. However, an auditor should be appointed at the first meeting of Shareholders following incorporation and, thereafter, at each annual meetings. The term of a company’s auditor shall be until the close of the next annual meeting of shareholders, provided that if an auditor is not appointed at a meeting of shareholders, the auditor in office remains in office until a successor is appointed. The ABCA provides that the shareholders of a private company may resolve not to appoint an auditor. Such a resolution is valid only if the resolution is consented to by all shareholders, including shareholders

not otherwise entitled to vote. A company, a shareholder or a director may apply to the Alberta courts to determine any controversy with respect to an election or appointment of a director or auditor of the company. Furthermore, shareholders are entitled to remove a director and/or an auditor by ordinary resolution in a special meeting of shareholders.

The remuneration of an auditor shall be fixed by ordinary resolution of the Shareholders at the annual general meeting or the Shareholders may delegate the fixing of such remuneration to the Board. Furthermore, subject to the ABCA, the Shareholders may, by ordinary resolution, at a special meeting, remove the auditor from office at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another auditor in his stead for the remainder of his term. We have amended our By-Laws in this regard.

Our Company has also adopted a majority voting policy for the election of our Directors. Please refer to the paragraph under “Election of Directors” at page V-11 of Appendix V to the Prospectus.

Our Audit and Risk Committee will determine, with delegated responsibility and in compliance with the requirements of the Listing Rules and on an annual basis, the appointment and reappointment of the auditor and put it to our Shareholders for approval at our Company’s annual general meeting.

D. CONSTITUTIONAL DOCUMENTS

AMENDED AND RESTATED ARTICLES OF INCORPORATION

Corporate Access Number: 2011577448

Legal Entity Name: PERSTA RESOURCES INC.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Share Structure: SEE ATTACHED SHARE STRUCTURE SCHEDULE

Share Transfers Restrictions: NO RESTRICTIONS.

Number of Directors:

Min Number Of Directors: 1

Max Number Of Directors: 7

Business Restricted To: NONE: THE CORPORATION IS NOT RESTRICTED TO ANY PARTICULAR BUSINESS.

Business Restricted From: NONE: THE CORPORATION IS NOT RESTRICTED FROM ANY PARTICULAR BUSINESS.

Other Provisions: SEE ATTACHED OTHER RULES OR PROVISIONS SCHEDULE

BCA Section/Subsection: 173(1)(D),(E),(F),(H),(M),(N)

SHARE STRUCTURE SCHEDULE

REFERRED TO IN THE FOREGOING

ARTICLES OF AMENDMENT

The classes and any maximum number of shares that the Corporation is authorized to issue:

Unlimited number of Common Shares;

Unlimited number of Preferred Shares;

all without nominal or par value and subject to the rights, privileges, restrictions and conditions as set out below.

COMMON SHARES

1. The Common Shares shall respectively carry and be subject to the following rights, privileges, restrictions and conditions, namely:
 - (a) The Common Shares shall be entitled to one (1) vote in respect of each such Common Share held at all meetings of the shareholders of the Corporation;
 - (b) In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation (except payment of dividends) among shareholders for the purpose of winding up its affairs, the holders of the Common Shares shall rank equally in the distribution of all or any part of the property and assets of the Corporation, which property and assets shall be distributed to the holders of Common Shares pro rata to the number of the Common Shares issued and outstanding on the date of such distribution;
 - (c) The Directors shall have full and absolute discretion to declare and pay dividends to the holders of the Common Shares in proportion to the number of shares held by them.

PREFERRED SHARES

2. The holders of the Preferred Shares are entitled or subject to the following preferences, priorities, rights, limitations and conditions:
 - (a) The holders of the Preferred Shares shall not be entitled (except as expressly provided in the Business Corporations Act) to receive notice of or to attend any meeting of the shareholders of the Corporation and shall not be entitled to vote at such meeting;
 - (b) To receive in priority to the Common Shares, cumulative dividends when declared by the Directors to be payable on the Preferred Shares up to but not exceeding 10% per annum of the Fixed Amount of the Preferred Shares;
 - (c) To receive in priority to the Common Shares, the remaining property of the Corporation on dissolution up to a maximum amount equal to the Redemption Amount of the Preferred Shares. The Preferred Shares shall not be entitled to share any further in the distribution of the profits, property or assets of the Corporation;
 - (d) The redemption price for each Preferred Share shall be fixed at \$1.00 (the “Fixed Amount”), plus any declared but unpaid dividends thereon, both referred to as the “Redemption Amount”; and
 - (e) By Resolution of the Directors of the Corporation, all or any part of the Preferred Shares at any time outstanding may, at any time and from time to time, be redeemed by the Corporation on the date fixed for such resolution, at an amount equal to the Redemption Amount.

OTHER RULES OR PROVISIONS SCHEDULE

REFERRED TO IN THE FOREGOING

ARTICLES OF AMENDMENT

OTHER PROVISIONS, IF ANY

1. The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.
2. Any meeting of the board of directors or shareholders may be held outside the province of Alberta.
3. All shareholders of the Corporation eligible to attend and vote at a meeting of shareholders shall have the right to speak at such meeting.

SCHEDULE 173(1)(F)

REFERRED TO IN THE FOREGOING

ARTICLES OF AMENDMENT

1. In accordance with Section 173(1)(f) of the Business Corporations Act (Alberta), THE CLASSES, AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE, of the Articles of the Corporation are hereby amended as follows:
 - (a) the 12,000,173 Class “B” Common Shares issued and outstanding in the capital stock of the Corporation are hereby exchanged into 12,000,173 Common Shares, on the basis of each 1 Class “B” Common Share being exchanged into 1 Common Share.
 - (b) the 92,352,087 Class “C” Common Shares issued and outstanding in the capital stock of the Corporation are hereby exchanged into 92,352,087 Common Shares, on the basis of each 1 Class “C” Common Share being exchanged into 1 Common Share.
 - (c) the 104,353,260 Common Shares issued and outstanding in the capital stock of the Corporation are hereby changed into a total of 208,706,520 Common Shares, subject to rounding, on the basis of each 1 Common Share being changed into 2 Common Shares.

BY-LAWS NO. 2

1. INTERPRETATION

1.01 Definitions

Unless the context requires or specifies, in this By-laws all terms and expressions (other than terms or expressions expressly defined herein) which are defined in the Act shall have the meanings given to them in the Act and, additionally:

- (a) “Act” means the *Business Corporations Act* (Alberta) or any statute that may be substituted therefor or, if the Corporation is continued under the incorporating statute of another jurisdiction, the statute under which it is continued, as from time to time amended;
- (b) “Articles” include the original or restated Articles of Incorporation, Articles of Amendment, Articles of Amalgamation, Articles of Continuance, Articles of Reorganisation, Articles of Arrangement, Articles of Dissolution, or Articles of Revival of the Corporation, as from time to time amended, as applicable;
- (c) “Auditor” means the auditor of the Corporation, if any;
- (d) “Board” means the board of Directors of the Corporation;
- (e) “business day” means any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities. For the avoidance of doubt, a day on which the Hong Kong Stock Exchange is closed for the business of dealing on securities for the reasons of a tropical cyclone warning no. 8 or above or a “black rainstorm warning” signal is hoisted in Hong Kong, such day shall be counted as business day for the purpose of this By-laws;
- (f) “By-laws” means the by-laws of the Corporation in force and effect, as from time to time amended;
- (g) “clear business days” in relation to the period of a notice, that period excluding the business day when the notice is given or deemed to be given and the business day for which it is given or on which it is to take effect;
- (h) “clearing house” means a clearing house recognised by the laws of the jurisdiction in which the shares of the Corporation are listed or quoted on a stock exchange in such jurisdiction;
- (i) “Corporation” means the above-named Corporation;
- (j) “Designated Stock Exchange” means a stock exchange in respect of which the shares of the Corporation are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Corporation;
- (k) “Director” means a director of the Corporation occupying such position at any time;

- (l) “Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China;
- (m) “Hong Kong Companies Ordinance” means the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong);
- (n) “Hong Kong Stock Exchange” means The Stock Exchange of Hong Kong Limited;
- (o) “Listing Rules” means the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
- (p) “Meeting of Shareholders” includes an annual or other general meeting of Shareholders and a Special Meeting of Shareholders;
- (q) “Officer” means an officer of the Corporation occupying such position at any time;
- (r) “ordinary resolution” means a resolution (i) passed by a majority of the votes cast by the Shareholders who voted in respect of that resolution, or (ii) signed by all the Shareholders entitled to vote on that resolution;
- (s) “Secretary” means any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Corporation and includes any assistant, deputy, temporary, acting or joint secretary(ies);
- (t) “share(s)” means share(s) in the capital of the Corporation;
- (u) “Shareholder” means a registered shareholder of the Corporation;
- (v) “Special Meeting of Shareholders” means a meeting of any class or classes of Shareholders; and
- (w) “special resolution” means a resolution (i) passed by a majority of not less than 2/3 of the votes cast by the Shareholders who voted in respect of that resolution, or (ii) signed by all the Shareholders entitled to vote on that resolution.

1.02 Included Words

In this By-laws, unless the context otherwise requires or specifies:

- (a) words importing singular include the plural and vice versa;
- (b) words importing gender include masculine, feminine and neuter genders;
- (c) words importing persons include individuals, firms, bodies corporate, associations, and legal representatives of persons; and

(d) a reference to any statute shall extend to any amendment thereof or substitution therefor and any regulation, rule or other provision made thereunder or authorised thereby, amendments thereof or substitutions therefor.

1.03 By-laws Subordinate

This By-laws is made pursuant to and is subordinate to the Act, any unanimous shareholder agreement having application to the Shareholders, and the Articles.

1.04 Partial Invalidity

The invalidity or unenforceability of any provision of this By-laws shall not affect the validity or enforceability of the remaining provisions of this By-laws.

1.05 Deemed Consent

Where this By-Law calls for consent of a meeting in respect of any matter and no method is specified for signifying or recording such consent, such consent shall be conclusively presumed to have been given unless an objection is made to the matter by a person entitled to object thereto.

2. BUSINESS OF THE CORPORATION

2.01 Registered Office, Records Office and Address for Service

Until changed in accordance with the Act, the registered office of the Corporation, the designated records office (if separate from the registered office) of the Corporation and the post office box (if any) designated as the address for service upon the Corporation by mail shall initially be at the address or addresses in Alberta specified in the notice thereof filed with the articles and thereafter as the Board may from time to time determine.

2.02 Corporate Seal

The Board may, by resolution, adopt a corporate seal containing the name of the Corporation as the corporate seal.

2.03 Financial Year

The financial year of the Corporation shall end on such date in each year as the Board may from time to time by resolution determine.

2.04 Execution of Documents

Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by such persons, whether or not Directors or Officers of the Corporation and in such manner as the Board may from time to time designate by resolution.

2.05 Cheques, Drafts and Notes

All cheques, drafts or orders for the payment of money, notes, acceptances and bills of exchange shall be signed by such persons whether or not Directors or Officers of the Corporation, and in such manner as the Board may from time to time designate by resolution.

2.06 Insider Trading Reports and Other Filings

Any one officer or director of the Corporation may execute and file on behalf of the Corporation insider trading reports and other filings of any nature whatsoever required under applicable corporate or securities laws.

3. MEETINGS OF SHAREHOLDERS

3.01 Quorum

At any meeting of Shareholders, including any meeting of a class of Shareholders:

- (a) if there is only one (1) Shareholder, or one (1) Shareholder of a class of shares, that Shareholder in person or by proxy constitutes a meeting; or
- (b) if there are two (2) or more Shareholders, or two (2) or more Shareholders of a class of shares, at least two (2) persons present as registered Shareholders or as proxyholders for registered Shareholders, together of which is entitled to vote at such meeting, holding or representing in the aggregate not less than five per cent (5%) of the total number of shares carrying the right to vote at such meeting shall constitute a quorum. If one Shareholder appoints two or more different persons as proxyholders to represent portions of the shares held by such Shareholder, each proxyholder shall be treated as a person present at the meeting for quorum purposes.

If a quorum is present at the opening of a meeting of the Shareholders, the Shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

3.02 Persons Entitled to be Present

The only persons entitled to be present at a meeting of the Shareholders shall be those Shareholders entitled to vote thereat or their duly appointed proxyholders (including proxyholders appointed or persons authorised by a Shareholders which is a clearing house (or its nominee(s)), individuals duly authorised by resolution of the directors or governing body of a body corporate or association which is a Shareholder entitled to vote thereat, the Directors, the Auditor and others who, although not entitled to vote, are entitled or required under any provision of the Act, the Articles or the By-laws to be present at the meeting. Other persons may be admitted but only with the consent of the meeting or the chairman of the meeting.

3.03 Chairman, Secretary and Scrutineers

The Chairman of the Board, if any has been appointed and is present and willing to take the chair, otherwise the President or, if the President is not present and willing to take the chair, a Vice-President, shall be the chairman of any meeting of Shareholders. If no such Officer is present within fifteen (15) minutes of the time fixed for the commencement of the meeting, the persons present and entitled to vote shall elect another Director as chairman of the meeting and if no Director is present or if all the Directors present decline to take the chair, then the persons present entitled to vote (whether they constitute a quorum or not) may elect one of their number to be chairman of the meeting. The chairman of the meeting shall appoint the Secretary of the Corporation or, if the Secretary is not present and willing to act, some other person who need not be a Shareholder to act as secretary of the meeting. The Corporation must appoint its Auditor, share registrar or external accountant who are qualified to serve as its auditors as scrutineer for the vote-taking for the meeting.

3.04 Votes

Votes at meetings of Shareholders may be given either personally or by proxy. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. For purposes of this By-laws, procedural and administrative matters are those that (i) are not on the agenda of the Meeting of Shareholders or in any supplementary information circular that may be issued by the Corporation to its Shareholders; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Shareholders a reasonable opportunity to express their views. At every meeting at which a Shareholder is entitled to vote, every Shareholder (or being a corporation, is present by a duly authorised representative) and every proxyholder representing a Shareholder present in person shall have one (1) vote provided that where more than one proxy is appointed by a Shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one (1) vote on a show of hands, and upon a poll shall be entitled, in respect of the shares that he is entitled to vote at the meeting upon the question, to the number of votes as provided for by the Articles or, in the absence of such provision in the Articles, to one vote for each share he is entitled to vote.

At any meeting, where a resolution is voted on by a show of hands as permitted under the Listing Rules, a declaration by the chairman of the meeting that a resolution has been carried unanimously or by a particular majority or not carried by a particular majority, or lost, and an entry to that effect in the minute book of the Corporation shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.

Subject to sections 8.09, 13.01, 13.02 and 13.03 or except as otherwise provided for in the Act or in the Articles or in an unanimous shareholder agreement, all questions proposed for the consideration of Shareholders at any meeting of Shareholders shall be determined by a majority of the votes cast.

In case of an equality of votes either upon show of hands or upon poll, the chairman of the meeting does not have a second or casting vote. Where any Shareholder is, under the applicable laws or rules of any stock exchange upon which the Corporation's securities may be listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

3.05 Proxies

Any Shareholder entitled to attend and vote at a meeting of the Corporation shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Corporation or at a class meeting. A proxy need not be a Shareholder. A shareholder entitled to more than one vote needs not use all his votes and/or casts all the votes he uses in the same way.

The instrument appointing a proxy shall be in any common form or in such other form as the Board may approve and in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of a director, officer, attorney or other person authorised to sign the same.

A proxy shall be effective only if it is deposited with the Corporation or its agent prior to the time that the Board shall have specified in a notice calling the meeting. If no such time has been specified by the Board, a proxy may be deposited with the Corporation or its agent prior to the time of the meeting or the adjournment of the meeting, or with the Secretary of the Corporation or the chairman of the meeting prior to the time of voting. The chairman of the meeting's declaration upon the validity of a proxy shall be taken as prima facie evidence thereof.

3.06 Representatives and Agents and Corporations acting by Representatives and Clearing House

The Corporation shall treat a person as a registered Shareholder entitled to exercise all the rights of the Shareholder the person represents if that person furnishes evidence of appointment as prescribed by the Act that such person is the executor, administrator, heir or legal representative of the heirs of the estate of a deceased Shareholder; a guardian, committee, trustee, curator or tutor representing a Shareholder who is an infant, an incompetent person or a missing person; or the liquidator of, or a trustee in bankruptcy for, a Shareholder.

Any corporation which is a Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Corporation or at any meeting of any class of Shareholders. The person so authorised shall be entitled to

exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Shareholder and such corporation shall for the purposes of this By-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.

If a clearing house (or its nominee(s)), being a corporation, is a Shareholder, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Corporation or at any meeting of any class of Shareholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this By-laws shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Corporation held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands.

3.07 Adjournment

The chairman of a meeting may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place subject to such notice requirements, if any, as may be imposed by the Act. The chairman of a meeting may adjourn the meeting whether or not there is a quorum at the meeting provided that if a meeting for which there was no quorum is adjourned and there is no quorum present at the adjourned meeting then the original meeting shall be deemed to have terminated forthwith after its adjournment.

If a meeting of Shareholders at which a quorum is present is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the time of the adjournment. Subject to the Act, 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 same manner as notice for the original meeting. Notice of the time and place of an adjourned meeting shall be given when a quorum was not present at the original meeting. Such adjourned meeting may proceed with business even though a quorum is not present.

3.08 Resolutions in Writing

Notwithstanding any of the provisions of the Articles or this By-laws, any resolution in writing signed by all the Shareholders entitled to vote thereon at a meeting may be so signed in counterpart and is effective as of the date thereof or the date therein stated to be the effective date regardless of when the resolution is signed, and if the resolution is neither dated nor stated to be effective as of an expressed date, then it is effective as of the latest date of execution. Any such resolution in writing which is dated or which is stated to become effective as of an expressed date may also state the time of the day or effective day thereof, in which case it is effective as of that time.

3.09 Annual General Meetings

The Board must call an annual general meeting of Shareholders to be held not later than 18 months after the date of incorporation and subsequently, not later than 15 months after holding the last preceding annual general meeting. An annual general meeting is to be held for the purpose of considering the financial statements and reports, electing Directors, appointing an Auditor if required by the Act or the Articles, fixing the remuneration of the Auditor and for the transaction of such other business as may properly be brought before the meeting.

3.10 Special Meetings

The Directors of the Corporation may at any time call a Special Meeting of Shareholders to be held on such day and at such time, and subject to the Act, at such place within Alberta as the Directors may determine.

3.11 Place of Meetings

Meetings of Shareholders may be held at any place outside Alberta (including Hong Kong) as the Directors may by resolution determine.

3.12 Notice

A printed, written or typewritten notice stating the day, hour and place of each meeting of Shareholders shall be given in the manner provided in section 12.01 not less than twenty-one (21) nor more than fifty (50) days and not less than twenty (20) clear business days (for annual general meetings) and not less than ten (10) clear business days (for all other general meetings) before the date of the meeting to each Director, to the Auditor, and to each Shareholder whose name at the close of business on the record date for determination of the Shareholders entitled to receive the notice of, and to attend and vote at the meeting (the “record date for notice and to attend and vote”) is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of Shareholders called for any purpose other than consideration of the financial statements and Auditor’s report, election of Directors and reappointment of the incumbent Auditor shall state the nature of such business in sufficient detail to permit the Shareholders to form a reasoned judgement thereon and shall state the text of any special resolution to be submitted to the meeting.

3.13 Right to Vote

Subject to the Articles and unless as required by the Listing Rules to abstain from voting, at any meeting of Shareholders, every person shall be entitled to vote whose name, on the record date for notice and to attend and vote, or if no record date for notice and to attend and vote is set, at the close of business on the date preceding the date notice of meeting is sent, is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting except:

- (a) that where such person transfers his shares after the record date for notice and to attend and vote is set, or if no record date for notice and to attend and vote is set, after the close of business on the date preceding the date notice of the meeting is sent to the Shareholders; and
- (b) the transferee, at least ten (10) days prior to the meeting, produces properly endorsed share certificates to the Secretary or transfer agent of the Corporation or otherwise establishes his ownership of the shares in which case the transferee may vote those shares.

3.14 Waiver of Notice

A Shareholder and any other person entitled to attend a meeting of Shareholders may in any manner waive notice of a meeting of Shareholders. Attendance of any such person at a meeting of Shareholders shall constitute a waiver of notice of the meeting except where such person 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.

3.15 Telephone Participation

A Shareholder or any other person entitled to attend a meeting of Shareholders may participate in the meeting by means of telephone or other telecommunication facilities that permit all persons participating in the meeting to hear each other if all the Shareholders entitled to vote at the meeting consent and a person participating in such a meeting by those means is deemed to be present at the meeting.

3.16 Joint Shareholders

If two or more persons hold a share jointly, any one of them present in person or duly represented at a meeting of Shareholders may, in the absence of the other or others, vote that share. If two or more of those persons are present in person or represented and vote, they shall vote as one on the share jointly held by them.

4. DIRECTORS AND MEETINGS OF DIRECTORS

4.01 Number of Directors

The number of Directors constituting the Board shall be determined (within the minimum and maximum limits specified by the Articles) from time to time by ordinary resolution of the Shareholders.

4.02 Election and Term

Each Director named in the notice of Directors filed at the time of incorporation holds office from the issue of the certificate of incorporation until the first meeting of Shareholders. The Shareholders are to elect Directors by ordinary resolution at the first meeting of the Shareholders and at each succeeding annual general meeting at which an election of Directors is required, provided that each Director must be elected by a separate resolution and multiple Directors may not be elected pursuant to the same resolution. The elected Directors are to hold office for a term expiring not later than the close of the next annual general meeting of Shareholders following the election. A Director not elected for an expressly stated term ceases to hold office at the close of the first annual general meeting of Shareholders following the Director's election. If Directors are not elected at a meeting of Shareholders, the incumbent Directors continue in office until their respective successors are elected.

4.03 Removal of Directors

Subject to the Act, the Shareholders of the Corporation may by ordinary resolution at a special meeting of Shareholders remove any Director from office (including a managing or other executive Director, led without prejudice to any claim for damages under any contract) before the expiration of his term of office. Any vacancy created by the removal of a Director may be filled at the meeting at which the Director was removed, failing which the vacancy may be filled by a quorum of Directors.

4.04 Qualification

No person shall be qualified for election as a Director if he is less than eighteen (18) years of age; if he is of unsound mind and has been so found by a Court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A Director is not required to hold shares issued by the Corporation.

4.05 Consent

A person who is elected or appointed a Director is not a Director unless he was present at the meeting when he was elected or appointed and did not refuse to act as a Director or, if he was not present at the meeting when he was elected or appointed, he consented to act as a Director in writing before his election or appointment or within ten days after he has acted as a Director pursuant to the election or appointment.

4.06 Vacation of Office

A Director ceases to hold office when he dies; when he is removed from office; when he ceases to be qualified for election as a Director; or when his written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

4.07 Remuneration and Expenses

The Directors are entitled to receive remuneration for their services in the amount as the Board may from time to time determine. The Directors shall also be entitled to be reimbursed for travelling and other expenses incurred by them in attending meetings of the Board or any committee thereof or in performance of their duties as Directors.

4.08 Casual Vacancies and Additional Directors

The Directors shall have power from time to time and at any time, to appoint any other person as a Director, either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any person appointed by the Board to fill a casual vacancy, on or as an addition to, the Board shall hold office until the next following annual general meeting of the Shareholders, and then shall be eligible for re-election.

4.09 Substitute Directors

A Director being absent either temporarily or permanently from Canada may appoint and authorise for a period not exceeding one (1) year from the date of such appointment, any person to attend and vote as fully and effectively as if such Director were personally present at any meeting of the Directors of the Corporation, and to accept any such notice of such meeting. A person so appointed shall be known as and referred to as a “substitute Director”. For the purpose of computing quorum of the Board for any meeting a substitute Director attending thereat shall be deemed to be a Director. The appointment of a substitute Director shall be executed by the Director making the appointment. Such appointment may be revoked at any time upon notice to the Corporation. Any appointments shall be subject to the consent of the other Directors of the Corporation.

4.10 Loans to Directors

The Corporation shall comply with the prohibitions and subject to the exceptions as stipulated in the Hong Kong Companies Ordinance.

4.11 Payments for Loss of Office or Retirement

The Corporation shall not make any payment to any Director or past Director by way of compensation for loss of office, or as consideration for or in connexion with his retirement from office (not being a payment to which the Director is contractually entitled), without particulars with respect to the proposed payment (including the amount thereof) being disclosed to the Shareholders and the proposal being approved by ordinary resolution of Shareholders at a general meeting.

4.12 Place of Meeting

Meetings of the Board of Directors or of committees of Directors may be held within or outside Alberta at the time and place indicated in the notice referred to in section 4.13.

4.13 Notice of Meeting

A meeting of the Board or of any committee of the Board may be convened by (a) any Director (b) the President, or (c) the Secretary of the Corporation upon the direction of the President or any Director, at any time, by giving notice of the time and place for the holding of the meeting to each Director or each Director who is a member of such committee (as the case may be) not less than 48 hours before the time of the meeting provided that any notice sent less than 120 hours before the time of the meeting may not be sent by mail, and further provided that a meeting of the Board or of any committee of the Board may be held at any time without notice if all of the Directors or Directors who are members of such committee (as the case may be) are present or if all of the absent Directors waive notice of the meeting.

Notice of any meeting of the Board or any committee of the Board or the time for giving of any such notice or any irregularity in any meeting or in any notice therefor may be waived by any Director in writing (by notice delivered in original, telecopy or other telecommunication method), verbally or in any other manner and any such waiver may be validly given either before or after the meeting to which such waiver relates.

The accidental omission to give notice of any meeting of the Board or any committee of the Board or the non-receipt of any notice of any Director shall not invalidate any resolution passed or proceeding taken at such meeting.

For the first meeting of Directors to be held following the election of Directors at an annual general or special meeting of the Shareholders or for a meeting of Directors at which a Director is appointed to fill a vacancy in the Board, 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.

Notice of a meeting may effectively be given to a Director by hand delivery, courier, mail, telecopy, electronic mail or other means of electronic telecommunication. Notice to a Director may be sent to any of (a) the latest business address (or telecopy number or e-mail address) for the

Director shown on the records of the Corporation, (b) the latest residential address (or telecopy number or e-mail address) for the Director shown in the records of the Corporation or (c) the latest address used for that Director in the notice of directors most recently filed pursuant to the Act. Distribution to Directors of draft minutes of a previous meeting including reference to a future scheduled meeting may also constitute valid notice of such future meeting. The notice period shall begin from the time that the notice is provided to the carrier (i.e. the hand deliverer, courier agency, or deposit in a post office mail box) for delivery or is electronically sent and not from the time of actual receipt by the Director.

4.14 Telephone Participation

A Director may participate in a meeting of the Board or of any committee of the Board of which such Director is a member by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other. A Director participating in a meeting by those means is deemed to be present at that meeting.

4.15 Chairman of Meeting

The Chairman of the Board (if any) or, failing the Chairman of the Board, the President, or, failing the President, a member of the Board selected by a majority of the Directors present shall be chairman of any meeting of the Board.

4.16 Quorum for Directors' Meetings

A majority of Directors of the Board (for meetings of the Board as a whole) or a majority of the Directors of a committee (for meetings of a committee of the Board), or such greater number as determined from time to time by the Board, shall constitute a quorum. No business shall be transacted at any meeting of the Board or a committee of the Board unless the requisite quorum is present at the commencement of the meeting.

If at a duly called meeting of the Board (or committee of the Board) the requisite quorum is not present then the meeting shall be adjourned until a date selected by the chairman of the meeting, such adjourned date being not earlier than 24 hours and not later than 21 days after the date of the originally called meeting. The chairman of the meeting for the purpose of selecting the date of the adjourned meeting shall be the individual approved by simple majority of the Directors of the Board (or Directors of the committee of the Board) present at the place of the originally scheduled meeting and such appointment of the chairman shall be effective notwithstanding that a quorum is not otherwise present. Notice of the time and place of the adjourned meeting shall be sent to each Director of the Board (or of the committee of the Board) not less than 24 hours prior to the time of the adjourned meeting. At the adjourned meeting, the Directors of the Board (or of the committee of the Board) present shall constitute a quorum.

4.17 Adjournment

Any meeting of the Board or of a committee of the Board may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting to a fixed time and place. Notice of an adjourned meeting of the Board or of a committee of the Board is not required to be given if a quorum present at the original meeting and if the time and place of the adjourned meeting is announced at the original meeting.

4.18 Votes to Govern

At all meetings of the Board every question shall be decided by a majority of the votes cast on the question and in the case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote.

4.19 Resolution in Writing

Subject to the Articles or any unanimous shareholders' agreement, any resolution in writing signed by all of the Directors entitled to vote on that resolution at a meeting of Directors or a committee of Directors (if any) may be so signed in counterpart and is effective as if it had been passed at a meeting of Directors or a committee of Directors (if any) as of the date thereof or the time and/or date therein stated to be the effective time and/or date regardless of when the resolution is signed, and if not dated or dated to be effective as of an expressed date/time, then it is effective as of the latest date of execution.

5. COMMITTEES

5.01 Committee of the Board

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

5.02 Transaction of Business

The powers of a committee of the Board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been 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.

5.03 Procedure

Unless otherwise determined by the Board, each committee shall have the power to fix its quorum, to elect its chairman and to regulate its procedure.

6. OFFICERS AND AUDITORS

6.01 Appointment of Officers

The Board may appoint a Chairman of the Board (who, absent a contrary determination by the Board, shall be the chief executive officer and must be a Director) and who shall have general supervision of all other Officers and their duties, except as may otherwise from time to time be specified by the Board. The Board may appoint such additional Officers (i.e. President, Vice Presidents, Secretary or Treasurer) as in the Board's discretion from time to time the Board may determine, who need not be Directors. Two or more offices may be held by the same person.

6.02 Term of Office

All offices shall be held during the pleasure of the Board. All Officers, in the absence of agreement to the contrary, shall be subject to removal for or without cause by resolution of the Board at any time, and an Officer may resign the Officer's office at any time by giving notice to the Corporation. Subject thereto an Officer shall continue in office until, but shall cease to hold office when, the Officer's successor is elected or appointed.

If the office of any Officer of the Corporation shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Directors by resolution shall, in the case of the President or the Secretary, and may, in the case of any other office, appoint a person to fill such vacancy.

6.03 Duties of Officers

Subject to the limitations in the Act, any unanimous shareholder agreement, as the Board may from time to time impose, and to the provisions of this By-laws, an Officer shall have all the powers and authority, and shall perform all the duties, usually incident to the office the Officer holds and shall perform such other duties as may from time to time be specified for the holder of such office by the By-laws or by the Board.

6.04 Assistants

If any assistant shall have been appointed to an Officer, such assistant may, unless the Board otherwise determines, exercise and perform all powers and duties of the Officer to whom such person is an assistant.

6.05 Remuneration of Officers

The Officers are entitled to receive remuneration for their services in the amount the Board determines. The fact that any Officer or employee is a Director or Shareholder of the Corporation shall not disqualify him from receiving such remuneration.

6.06 Appointment, Remuneration and Removal of the Auditor

Subject to the Act, Shareholders shall, by ordinary resolution, at each annual general meeting, appoint an Auditor to audit the accounts of the Corporation to hold office until the close of the next annual general meeting. No directors or Officer or employee of the Corporation shall be eligible to act as an Auditor of the Corporation. Notwithstanding the foregoing, if an Auditor is not appointed at a general meeting of Shareholders, the incumbent Auditor continues in office until the Auditor's successor is appointed. If the office of the Auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed. The remuneration of an Auditor shall be fixed by ordinary resolution of the Shareholders at the annual general meeting or the Shareholders may delegate the fixing of such remuneration to the Board. Furthermore, subject to the Act, the Shareholders may, by ordinary resolution, at a special meeting, remove the Auditor from office at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

7. LIABILITY AND INDEMNIFICATION

7.01 Conflict of Interest

A Director or Officer shall not be disqualified from his office, or be required to vacate his office, by reason only that he is a party to, or is a Director or Officer or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation or subsidiary thereof. Such a Director or Officer shall, however, disclose the nature and extent of his interest in the contract at the time and in the manner provided by the Act. Any such contract or proposed contract shall be referred to the Board or Shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the Board or Shareholders. Subject to the provisions of the Act, a Director shall not by reason only of his office be accountable to the Corporation or to its Shareholders for any profit or gain realised from such a contract or transaction, and such contract or transaction shall not be void or voidable by reason only of the Director's interest therein, provided that the required declaration and disclosure of interest is properly made, the contract or transaction is approved by the Directors or Shareholders, and it is fair and reasonable to the Corporation at the time it was approved, and if required by the Act, the Director refrains from voting as a Director on the contract or transaction and absents himself from the Director's meeting at which the contract is authorised or approved by the Directors, except attendance for the purpose of being counted in the quorum.

7.02 Limitation of Liability

Every Director and Officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonable and prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or Officer for the time being of

the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee or for joining in any receipt or act for conformity, or for any loss, damage, or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belongings of the Corporation shall be placed out or invested or for any loss, conversion, misapplication or misappropriation of or any damage resulting from the dealing with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto; provided that nothing herein shall relieve any Director or Officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof. The Directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into the name or on behalf of the Corporation, except such as shall have been submitted to and authorised or approved by the Board.

7.03 Indemnity

Subject to section 119 of the Act and the Hong Kong Companies Ordinance, the Corporation shall indemnify a Director or Officer, a former Director or Officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a Shareholder or creditor, and his heirs, executors, administrators and other legal representatives, from and against, all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party in the course of performing his or her duties as a Director or Officer of the Corporation or body corporate, if he acted honestly and in good faith with a view to the best interests of the Corporation and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

The Corporation shall, subject to the approval of a Court (as defined in the Act), indemnify a person in respect of an action by or on behalf of the Corporation or a body corporate to procure a judgement in its favour, to which he is made a party in the course of performing his or her duties as a Director or an Officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such action if he fulfills the conditions set out above.

Notwithstanding anything in this section 7.03, a person referred to above shall be entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a party in the course of performing his or her duties as a Director or Officer of the Corporation if the person seeking indemnity was substantially successful on the merits of his defence of the action or proceeding and fulfills the conditions set out above.

8. SHARES AND SHARE CAPITAL

8.01 Share Capital

Subject to the Articles and the Listing Rules, the Corporation is authorised to issue an unlimited of common shares and preferred shares, all subject to the rights, privileges, restrictions and conditions as provided in the Articles.

8.02 Issuance

Shares in the Corporation may be issued at the times and to the persons and for the consideration that the Directors determine, provided that:

- (a) the maximum number of shares permitted to be issued from time to time pursuant to applicable laws or the rules of any stock exchange upon which the Corporation's securities may be listed shall not be exceeded; and
- (b) a share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the Corporation would have received if the shares had been issued for money.

8.03 Redemption

Where the Corporation purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Corporation in Shareholders' meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Shareholders alike.

8.04 Dealings with Registered Holder

Fully paid shares shall be free from any restriction on the right of transfer (except when permitted by the Hong Kong Stock Exchange and subject to applicable securities laws) and shall also be free from all liens.

Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payments in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

8.05 Certificates

Share certificates and the form of stock transfer power on the reverse side thereof shall be in such form as the Board may by resolution approve and such certificate shall bear the signature of at least one Director or duly authorised officer. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe.

8.06 Replacement of Share Certificates

If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Shareholder upon request and on payment of such fee as the Hong Kong Stock Exchange may determine to be the maximum fee payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Corporation in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Corporation provided always that where share certificates have been issued, no new share certificate shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed. The Corporation will procure its registrar to follow the lost share certificate replacement procedures as required under the Hong Kong Companies Ordinance.

8.07 Joint Holders

The Corporation is not required to issue more than one certificate if two or more persons are registered as joint holders of any share. Delivery of such certificate to one of such persons shall be sufficient to all of them. Any one of such persons may give effectual receipts for all the certificates issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share. Where power is taken to limit the number of shareholders in a joint account, such limit shall not prevent the registration of a maximum of four persons.

8.08 Disclosure of Interest

No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Corporation.

8.09 Variation of Rights

Subject to the Act and without prejudice to the Articles and the Listing Rules, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time be varied, modified or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

9. TRANSFER OF SECURITIES

9.01 Registration of Transfer

Subject to the Act, no transfer of a share shall be registered in a securities register except upon presentation of the certificate representing such share with an endorsement which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the Board may from time to time prescribe, upon payment of all applicable taxes and any reasonable fees prescribed by the Board (not exceeding the maximum amount permitted pursuant to the applicable laws or rules of the Hong Kong Stock Exchange) and upon compliance with such restrictions on transfer as are authorised by the Articles. For the purpose of this Article 9.01, an endorsement means a signature that is made on a share certificate for assigning, transferring or redeeming the shares or granting a power to assign, transfer or redeem the shares.

Any member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

9.02 Transfer Agents and Registrars

The Board may from time to time by resolution appoint or remove one or more transfer agents registered under the Trust and Loan Companies Act (Canada) or the Loan and Trust Corporations Act (Alberta) to maintain a central securities register or registers and one or more branch transfer agents to maintain a branch securities register or registers. A transfer agent or branch transfer agent so appointed may be designated as such or may be designated as a registrar, according to his functions and one person may be appointed both registrar and transfer or branch transfer agent. The Board may provide for the registration or transfers of securities by and in the offices of such transfer agents, or branch transfer agents or registrars. In the event of any such appointment in respect of any of the shares of the Corporation, all share certificates issued by the Corporation in respect of those shares shall be countersigned by or on behalf of one of the said transfer agents, branch transfer agents or registrars, if any, as the case may be.

9.03 Securities Register

A central securities register of the Corporation shall be kept at the designated records office of the Corporation, if any, otherwise the registered office of the Corporation, or at an office or offices of a company or companies registered under the Trust and Loan Companies Act (Canada) or the Loan and Trust Corporations Act (Alberta) may from time to time be designated by resolution of the Board of Directors to act as the Corporation's transfer agent or agents. A branch securities register or registers may be kept either in or outside Alberta at such office or offices of the Corporation as the Directors may determine, or at the office or offices of such other person or persons or

companies as may from time to time be designated by resolution of the Directors to act as the Corporation's branch transfer agent or agents. A branch securities register shall contain particulars of securities issued or transferred at that branch. Particulars of each issue or transfer of a security registered in a branch securities register shall also be kept in the corresponding central securities register. The Corporation shall as soon as practicable and on a regular basis record or cause to be recorded in the central securities register particulars of all such issues and transfers effected in the branch securities register. The Corporation shall, at all times while its securities may be listed on the Hong Kong Stock Exchange, ensure that a branch securities register is maintained in Hong Kong (the "**Hong Kong Branch Register**") in compliance with any applicable laws or rules of such stock exchange. The Hong Kong Branch Register, the registration of issue and transfer therein and the effectiveness of such registration, shall be governed by the laws of Hong Kong. The Hong Kong Branch Register shall be maintained on the following terms:

- (a) Except when the register of members is closed in accordance with these By-laws and/or the Listing Rules, the Hong Kong Branch Register, and the index of names, of the Shareholders of the Corporation shall during business hours (subject to such reasonable restrictions as the Corporation in general meeting may impose, so that not less than two (2) hours in each day be allowed for inspection) be opened to the inspection of any Shareholder without charge and of any other person on payment of the appropriate fee specified in the Hong Kong Companies Ordinance, or such less sum as the Corporation may prescribe, for each inspection.
- (b) Any member or other person may request a copy of the Hong Kong Branch Register, or of any part thereof, on payment of the appropriate fee specified in the Hong Kong Companies Ordinance, or such less sum as the Corporation may prescribe. The Corporation shall cause any copy so requested by any person to be sent to that person within a period of 10 days commencing on the day following the day on which the request is received by the Corporation.
- (c) The Corporation may, on giving notice in accordance with section 9.03(d) of these By-laws, close for any time or times not exceeding in the whole 30 days in each year:
 - (i) the Hong Kong Branch Register or the part thereof relating to Shareholders holding shares of any class; or
 - (ii) any register of debenture holders of the Corporation in Hong Kong.

Provided that the said period shall not be extended beyond 60 days in any year, the period of 30 days referred to above may be extended in respect of any year:

- (iii) in relation to the Hong Kong Branch Register (or any part of the Hong Kong Branch Register), by an ordinary resolution passed at a general meeting of the Corporation in that year; or

- (iv) in relation to any register of debenture holders of the Corporation, by a resolution passed in that year by a majority in value of the debenture holders present in person or, where proxies are permitted, by proxy at a meeting summoned for the purpose or otherwise in accordance with the trust deed or other document securing the debentures;
- (d) A notice for the purposes of section 9.03(c) of these By-laws is to be given:
 - (i) in accordance with the Listing Rules applicable to the Hong Kong Stock Exchange; or
 - (ii) by advertisement in a newspaper circulating generally in Hong Kong.
- (e) The Corporation shall, on demand, furnish any person seeking to inspect the Hong Kong Branch Register or part of the Hong Kong Branch Register which is closed by virtue of section 9.03 of these By-laws with a certificate under the hand of the Secretary of the Corporation stating the period for which, and by whose authority, it is closed.

9.04 Record Date

Subject to the Act and the Listing Rules, notwithstanding any other provision of these By-laws the Corporation or the Directors may fix any date as the record date for:

- (a) determining the Shareholders entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any date not more than fifty (50) days before, any date on which such dividend, distribution, allotment or issue is paid or made; and
- (b) determining the Shareholders entitled to receive notice of and to attend and vote at any general meeting of the Corporation.

9.05 Deceased Shareholders

In the event of the death of a holder, or one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

10. DIVIDENDS AND RIGHTS

10.01 Dividends

Subject to the Act, the Board may from time to time declare dividends payable to the Shareholders according to the respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

10.02 Dividend Cheques

A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared, and mailed by prepaid ordinary mail to such registered holder at his address recorded in the Corporation's securities register or registers unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and mailed to one of them at his recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

10.03 Advance on Calls

The Board may, if it shall think fit, receive from any Shareholders willing to advance the same (either in money or money's worth) all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him; and upon all or any of the moneys so paid in advance the Board may (until the same would, but for such payment in advance, become presently payable) pay interest at such rate as may be agreed upon between the Shareholder paying the moneys in advance and the Board (not exceeding twenty per cent. per annum). But a payment in advance of a call shall not entitle the Shareholder to receive any dividend or to exercise any other rights or privileges as a Shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such Shareholder before it is called. The Board may also at any time repay the amount so advanced upon giving to such Shareholder one month's notice in writing unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

10.04 Unclaimed Dividends

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Corporation until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Corporation. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Corporation a trustee in respect thereof.

10.05 Untraceable Shareholders

Without prejudice to the rights of the Corporation as set out in the paragraph below, the Corporation may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Corporation may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

The Corporation shall have the power to sell, in such manner as the Board thinks fit, any shares of a Shareholder who is untraceable, but no such sale shall be made unless (a) during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and (b) on expiry of the 12 years the Corporation gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies the Hong Kong Stock Exchange of such intention.

11. INFORMATION AVAILABLE TO SHAREHOLDERS

11.01 Except as provided by the Act, no Shareholder shall be entitled to obtain information respecting any details or conduct of the Corporation's business which would not, in the opinion of the Board, be in the interests of the Corporation to communicate to the public.

11.02 The Board may from time to time, subject to rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Corporation or any of them shall be open to the inspection of Shareholders and no Shareholder shall have any right to inspect any document or book or register or account record of the Corporation except as conferred by statute or authorised by the Board or by a resolution of the Shareholders.

12. NOTICES

12.01 Method of Notice

Any notice or document to be given or issued under these By-laws shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Corporation under these By-laws (including any corporate communication) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a computer network) whether having physical substance or not may be served or delivered by the Corporation by any of the following means subject to and to such extent permitted by and in accordance with the Act, Hong Kong Companies Ordinance, the Listing Rules and any other applicable laws, rules and regulations:

- (a) personally;
- (b) by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a Shareholder at his registered address as appearing in the register of members or in the case of another entitled person, to such address as he may provide;
- (c) by delivering or leaving it at such address as aforesaid;
- (d) by advertisement in an English language newspaper and a Chinese language newspaper in Hong Kong in accordance with the Listing Rules;

- (e) by transmitting it as an electronic communication to the entitled person at such electronic address as he may have provided; or
- (f) by publishing it on a computer network.

Any notice or document (including any corporate communication) given or issued by or on behalf of the Corporation:

- (a) if sent by post, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office or into a post office letter box;
- (b) if not sent by post but delivered or left at a registered address by the Corporation, shall be deemed to have been served on the day it was so delivered or left;
- (c) if published by way of a newspaper advertisement, shall be deemed to have been served on the date on which it is advertised in one English language newspaper and one Chinese language newspaper in Hong Kong;
- (d) if sent as an electronic communication, shall be deemed to have been served at the time when the notice or document is transmitted electronically provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender's control shall not invalidate the effectiveness of the notice or document being served; and
- (e) if published on the Corporation's computer network, shall be deemed to have been served on the day on which the notice or document is published on the Corporation's computer network to which the entitled person may have access.

12.02 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, any notice may be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

12.03 Notices to Shareholders outside Alberta

Notices shall be given to enable Shareholders whose registered addresses are outside Alberta (including Hong Kong) sufficient time to allow them to exercise their rights or comply with the terms of the relevant notice.

12.04 Failure to Locate Shareholder

If a notice or document is sent to a Shareholder by prepaid mail in accordance with Section 12.01 and the notice or document is returned on three (3) consecutive occasions, it shall not be necessary to send any further notice or document to the Shareholder until he informs the Corporation in writing of his new address.

12.05 Omissions and Errors

The accidental omission to give any notice to any Shareholder, Director, Officer, Auditor or member of a committee of the Board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

12.06 Execution of Documents and Notices

Unless otherwise specifically provided, the signature of any duly authorised Director or Officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

12.07 Waiver of Notice

Any Shareholder, proxyholder, other person entitled to attend a meeting of Shareholders, Director, Officer, Auditor or member of a committee of the Board may at any time waive notice, or waive or abridge the time for any notice, required to be given to him under the Act, the regulations thereunder, the Articles, the By-laws or otherwise and such waiver or abridgement, whether given before, during or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be given in writing except a waiver of notice of a meeting of Shareholders or of the Board, a committee of the Board, which may be given in any manner.

13. MISCELLANEOUS

13.01 Shareholders' Approval to Amend By-laws

The Board shall not, without prior approval by special resolution of the Shareholders, amend or repeal any provision of this By-laws.

13.02 Increase in Shareholders' Liability

Notwithstanding as permitted under the Act that the Corporation may convert to an unlimited liability company if a special resolution of the Shareholders who voted at a meeting in person or by proxy or a resolution signed by all the Shareholders entitled to vote on that resolution has been obtained, there should not be any alteration to this By-laws to increase an existing Shareholder's liability to the Corporation unless such increase is agreed by such Shareholder in writing.

13.03 Winding Up

A resolution that the Corporation be wound up by the court or be wound up voluntarily shall be a special resolution.

13.04 Interpretation

In the case of any conflict between this By-laws and the Articles, the Articles shall prevail.

13.05 Repeal

All previous By-laws of the Corporation are repealed as of the coming into force of this By-laws. Such repeal shall not affect the previous operation of any By-laws so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles (as defined in the Act) or predecessor charter documents of the Corporation obtained pursuant to, any such By-laws prior to its repeal. All Officers and persons acting under any By-laws so repealed shall continue to act as if appointed under the provisions of this By-laws and all resolutions of the Shareholders or the Board or a committee of the Board with continuing effect passed under any repealed By-laws shall continue to be good and valid except to the extent inconsistent with this By-laws and until amended or repealed.

13.06 Effective Date

This By-laws shall come into force the date the Corporation is incorporated under the Act or the date on which this By-laws is enacted, whichever is later.