



MANAGEMENT INFORMATION CIRCULAR
As at November 15, 2016

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“CIRCULAR”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF DATA DEPOSIT BOX INC. (the “**Company**”) of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Tuesday, December 20, 2016 at the offices of Irwin Lowy LLP, 365 Bay Street, Suite 400, Toronto, Ontario M5H 2V1 at the hour of 11:00 a.m. (Eastern time), and at any adjournment or postponement thereof (the “**Meeting**”) for the purposes set out in the enclosed notice of meeting (the “**Notice**”). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Company’s proxy solicitation materials (the “**Meeting Materials**”) to the beneficial owners of the common shares of the Company (the “**Common Shares**”) held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice.

APPOINTMENT AND REVOCATION OF PROXIES

A holder of Common Shares who appears on the records maintained by the Company’s registrar and transfer agent as a registered holder of Common Shares (each a “**Registered Shareholder**”) may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice.

The purpose of a form of proxy is to designate persons who will vote on the shareholder’s behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company’s transfer agent and registrar, Capital Transfer Agency Inc., 121 Richmond Street West, Suite 401, Toronto, Ontario M5H 2K1 (the “**Transfer Agent**”), not later than 11:00 a.m. (Eastern time) on Friday, December 16, 2016 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, by electronic signature, to (i) the head office of the Company, located at Suite 703, 1 Eglinton Avenue East, Toronto, Ontario, M4P 3A1, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

ADVICE TO NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name. Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a non-registered holder (each a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“**CDS**”)) (a “**Clearing Agency**”) of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

Distribution of Meeting Materials to Non-Registered Holders

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company’s OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

Voting by Non-Registered Holders

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

A. *Voting Instruction Form*. In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a “**VIF**”). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder’s behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

B. *Form of Proxy*. Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder’s behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

Voting by Non-Registered Holders at the Meeting

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of November 14, 2016 (the "**Record Date**"), there were a total of 48,519,941 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set out below:

Name⁽¹⁾	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Tim Jewell	9,226,668 ⁽²⁾	19.0%
Robert Smuk	6,363,636	13.1%

Notes:

(1) *The above information is based upon information supplied by the Transfer Agent and the Company's management.*

(2) *2,866,668 of such Common Shares held by World Wide Pants Inc., a corporation controlled by Mr. Jewell.*

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

No director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors (the “**Board**”), the matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended December 31, 2015 and the report of the auditors will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Company are available under the Company’s profile at www.sedar.com.

2. ELECTION OF DIRECTORS

The Board currently consists of five directors to be elected annually. The Board has determined that the number of directors to be nominated at the Meeting be five (5). Shareholders are being asked at the Meeting to fix the number of directors at five (5). The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾	Percentage of Voting Shares Owned or Controlled
Timothy Jewell ⁽²⁾⁽⁴⁾ Ontario, Canada Chief Executive Officer and Chairman of the Board	Chief Executive Officer of the Company	March 18, 2015	9,226,668 ⁽⁵⁾	19.0%
Troy Cheeseman ⁽⁴⁾ Ontario, Canada President, Chief Operating Officer, Director	President and Chief Operating Officer of the Company	March 18, 2015	125,000 ⁽⁶⁾	0.3%
Chris Irwin ⁽⁴⁾ Ontario, Canada Secretary, Director	Partner at Irwin Lowy LLP, a law firm	September 16, 2014	250,000 ⁽⁷⁾	0.5%
Scott Allen ⁽²⁾⁽³⁾ Hong Kong, China Director	Theoretical Physicist	March 18, 2015	Nil	Nil
Robert Smuk ⁽²⁾⁽³⁾ Toronto, Ontario Director	Industrial Engineer	March 18, 2015	6,363,636	13.1%

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Disclosure and Corporate Governance Committee.
- (5) 2,866,668 of such Common Shares held by World Wide Pants Inc., a corporation controlled by Mr. Jewell.
- (6) Such Common Shares held by Irwin Lowy LLP, a limited liability partnership of which Mr. Irwin is a partner.

The term of office of each director will be from the date of the meeting at which he is elected until the next annual meeting, or until his successor is elected or appointed.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”) and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Mr. Irwin was formerly a director and Corporate Secretary of Straight Forward Marketing Corporation, which was subject to a management cease trade order resulting from a failure to file financial statements (the cease trade was ordered on November 2, 2005 and has not been rescinded as of the date hereof). In addition, Mr. Irwin is a director, President and Corporate Secretary of Brighter Minds Media Inc., which is subject to a cease trade order resulting from a failure to file financial statements (the cease trade was ordered on May 8, 2009 and has not been rescinded as of the date hereof).

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

None of the directors have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement

with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. CONFIRMATION AND APPOINTMENT OF AUDITORS

The directors of the Company appointed MNP LLP, Chartered Accountants, as auditors of the Company effective November 13, 2014. Shareholders are being asked to confirm the actions of the Board and appoint MNP LLP, Chartered Accountants, as auditors of the Company to hold office until the next annual meeting of shareholders.

UNLESS THE SHAREHOLDER DIRECTS THAT HIS OR HER COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN CONNECTION WITH THE CONFIRMATION AND APPOINTMENT OF AUDITORS, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE APPOINTMENT OF MNP LLP, CHARTERED ACCOUNTANTS, AS THE AUDITORS OF THE COMPANY UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION.

4. APPROVAL OF STOCK OPTION PLAN

The Company has adopted a stock option plan (the “**Stock Option Plan**”) for senior officers, directors, employees and consultants of the Company. The Stock Option Plan provides for the issuance of stock options to acquire up to 20% of the outstanding Common Shares as at the date of grant, subject to standard anti-dilution adjustment. This is a “rolling plan” as the number of Common Shares reserved for issuance pursuant to the grant of stock options will increase as the number of Common Shares outstanding increases. At no time will more than 20% of the outstanding Common Shares be subject to grant under the Stock Option Plan. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares in respect of that expired, exercised or terminated stock option will again be available for the purpose of the Stock Option Plan. The principal features of the Stock Option Plan are described in more detail below (see “*Stock Option Plans and Other Incentive Plans*”).

The Stock Option Plan must be ratified and approved by the majority of votes cast at the Meeting on the resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE RATIFICATION AND APPROVAL OF THE STOCK OPTION PLAN UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE VOTED AGAINST SUCH APPROVAL.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

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

- (a) a Chief Executive Officer of the Company;
- (b) a Chief Financial Officer of the Company;

- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- (d) each individual who would be an Named Executive Officer under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The Named Executive Officers of the Company during the financial year ended December 31, 2015 were Time Jewell, Chief Executive Officer, Marco Guidi, Chief Financial Officer, and Troy Cheeseman, President and Chief Operating Officer.

Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ⁽¹⁾							
Name and position	Year Ended Dec. 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Tim Jewell CEO and Director	2015	231,000	Nil	Nil	Nil	Nil	231,000
	2014	250,000	Nil	Nil	Nil	Nil	250,000
Marco Guidi Chief Financial Officer	2015	27,000	Nil	Nil	Nil	Nil	27,000
	2014	Nil	Nil	Nil	Nil	Nil	Nil
Troy Cheeseman President, COO, Director	2015	192,000	Nil	Nil	Nil	Nil	192,000
	2014	170,000	Nil	Nil	Nil	Nil	170,000
Chris Irwin ⁽²⁾ Secretary, Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil
Scott Allen Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil
Robert Smuk Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) This table does not include any amount paid as reimbursement for expenses.

(2) During the financial year ended December 31, 2015, Irwin Lowy LLP, a limited liability partnership of which Mr. Irwin is a partner, accrued fees of \$170,000 for legal services. During the financial year ended December 31, 2014, Irwin Lowy LLP accrued fees of \$Nil for legal services.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Company during the Company's most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$) ⁽¹⁾	Closing price of security or underlying security at year end (\$)	Expiry date
Tim Jewell Chief Executive Officer and Director	Stock Options	500,000 Stock Options (500,000 Common Shares) 1.38% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020
Marco Guidi Chief Financial Officer	Stock Options	50,000 Stock Options (50,000 Common Shares) 0.14% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020
Troy Cheeseman President, Chief operating Officer, Director	Stock Options	1,200,000 Stock Options (1,200,000 Common Shares) 3.24% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020
Chris Irwin ⁽²⁾ Secretary, Director	Stock Options	250,000 Stock Options (250,000 Common Shares) 0.69% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020
Scott Allen Director	Stock Options	250,000 Stock Options (250,000 Common Shares) 0.69% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020
Robert Smuk Director	Stock Options	250,000 Stock Options (250,000 Common Shares) 0.69% ⁽²⁾	March 27, 2015	0.30	N/A	0.20	March 27, 2020

Note:

(1) The Stock Options were granted prior to the Common Shares being listed for trading on the Canadian Securities Exchange.

(2) Calculated on a partially-diluted basis.

No compensation securities were exercised by any Named Executive Officer or any director of the Corporation during the most recently completed financial year of the Corporation.

Stock Option Plan and Other Incentive Plans

The Company has adopted the Stock Option Plan whereby a maximum of 20% of the issued and outstanding Common Shares, from time to time, may be reserved for issuance pursuant to the exercise of options.

Options may be granted under the Stock Option Plan only to (i) employees, officers, directors or consultants of the Company; (ii) employees, officers, directors or consultants of a related entity of the Company; or (iii) a permitted assign of any of the foregoing of the Company and its subsidiaries and other designated persons as designated from time to time by the Board. The Board may determine, at the time of granting an option, the term of the option and the maximum number of Common Shares that may be exercised by such optionee in any given period during the term of the option.

Any Common Shares subject to an option which for any reason is cancelled or terminated prior to exercise will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the greater of the closing market prices of the Common Shares on: (a) the last trading day immediately preceding the date of grant of the option; and (b) the date of grant of the option; provided however; that if the Common Shares are not listed on any stock exchange, the

exercise price shall not be less than the fair market value of the Common Shares as may be determined by the directors on the day immediately preceding the date of the grant of such option.

The options are non-assignable and non-transferable. Options granted under the Stock Option Plan can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Stock Option Plan or within 90 days (or as otherwise determined by the Board) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee's death.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Company in respect of options granted under the Stock Option Plan.

The Stock Option Plan was adopted by the Board on November 25, 2014 and was approved and confirmed the Shareholders of the Company on the same day.

Employment, Consulting and Management Agreements

Effective March 18, 2015, the Company entered into employment agreements with each of Tim Jewell, CEO, and Troy Cheeseman, President and COO. Each of such agreements provides that upon termination by the Company without cause, the employee will be entitled to receive a twelve month salary continuance, to be paid out in a lump sum or advance notice or a combination thereof, and a twelve-month extension of the medical benefit plan in place at such time.

Oversight and Description of Director and Named Executive Officer Compensation

Decisions regarding the compensation of Named Executive Officers and directors are made by the Company's Compensation Committee and by the Board. When determining the compensation of the Named Executive Officers and directors, the Compensation Committee and the Board each considers the resources of the Company and the objectives of: (i) recruiting and retaining the executives and directors critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to the business in general. In order to achieve these objectives, the compensation paid to the Named Executive Officers consists of the following two components:

- (a) base fee or salary; and
- (b) long-term incentive in the form of stock options.

Base Fee or Salary

The base fee or salary of each particular Named Executive Officer is determined by an assessment by the Compensation Committee and the Board of such executive's performance, a consideration of competitive compensation levels in companies similar to the Company and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

Long-Term Incentive

The Company provides a long-term incentive by granting options to executive officers and directors under the Stock Option Plan. The objective of granting options is to encourage executives to acquire an

ownership interest in the Company over a period of time, which acts as a financial incentive for such executive to consider the long-term interests of the Company and its shareholders.

Option Based Awards

The Compensation Committee and the Board review the performance of the Company’s management, directors and advisors from time to time, and recommends option-based awards and other compensation awards or adjustments. These decisions take into consideration corporate and individual performance and industry standards. Previous grants of option-based awards are also taken into consideration in making this determination. The experience of the Board members who are also involved as management of, or Board members or advisors to, other companies also informs decisions concerning compensation.

Pension and Retirement Plans and Payments made upon Termination of Employment

The Company does not have any pension or retirement plan which is applicable to the Named Executive Officers or directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issuance as of December 31, 2015:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by securityholders	5,050,000	0.30	1,107,261
Equity compensation plans not approved by securityholders	Nil	Nil	NA
Total	5,050,000	0.30	1,107,261

Note:

(1) *The Stock Option Plan is a “rolling” stock option plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan will not exceed 20% of the outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, there are 6,050,000 stock options outstanding, and an 3,653,988 Common Shares are reserved for issuance and remain available for future issuance under the Stock Option Plan.*

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the

Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

Canadian Securities Administrators' National Instrument 52-110 – Audit Committees (“**NI 52-110**”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in an AIF or the management information circular sent to shareholders in connection with the issuer’s annual meeting.

Audit Committee Charter

The full text of the charter of the Company’s Audit Committee is attached hereto as Appendix A.

Composition of the Audit Committee

The Audit Committee members are currently Tim Jewell, Scott Allen, and Robert Smuk, each of whom is a director of the Issuer and financially literate. Messrs. Allen and Smuk are each independent in accordance with NI 52-110.

Relevant Education and Experience

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

Tim Jewell, Chief Executive Officer and Chairman of the Board - Mr. Jewell holds a B.A.Sc. in Electrical Engineering and Computer Science from the University of Waterloo. Mr. Jewell is the inventor of the Company’s products, and therefore has intimate knowledge of the Company’s business.

Scott Allen, Director - Mr. Allen holds a MSc. and a Phd. in Theoretical Physics from the University of Waterloo. Mr. Allen is theoretical physicist by training with over 16 years of experience in quantitative financial modelling and risk management. He has worked in start-up ventures in the area of educational and quantitative financial modelling software design.

Robert Smuk, Director - Mr. Smuk holds a degree in Industrial Engineering from the University of Toronto. Mr. Smuk has served as President and Chief Executive Officer of FundSERV Inc., a leading provider of electronic business services for the Canadian investment fund industry, since October 3, 2012. Prior to joining FundSERV Inc., Mr. Smuk enjoyed an extensive and varied career in the financial industry from 1997 to 2012.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Exemptions in NI 52-110 regarding

***De Minimis* Non-audit Services or on a Regulatory Order Generally**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

Audit Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended December 31, 2015 and December 31, 2014:

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
Year ended March 31, 2015	32,100	Nil	Nil	Nil
Year ended March 31, 2014	52,000	17,500	Nil	Nil

Audit Fees - aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees - aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees - aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees - aggregate fees billed for professional services which included accounting advice and advice related to relocating employees.

REPORT ON GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and National Policy 58-201 - *Corporate Governance Guidelines* (the “**Governance Guidelines**”) of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. The following disclosure is required by the Governance Guidelines and describes the Company’s approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented to address the foregoing requirements.

Board of Directors

Canadian Securities Administrators’ National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) defines an “independent director” as a director who has no direct or indirect “material relationship” with the issuer. A “material relationship” is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment.

The Board believes that it functions independently of management, and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. In light of the suggestions contained in the Governance Guidelines, the Board convenes meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management are not in attendance.

The Board is currently comprised of five (5) directors being Time Jewell, Troy Cheeseman, Chris Irwin, Scott Allen, and Robert Smuk. Messrs. Irwin, Allen, and Smuk are independent within the meaning of NI 58-101. Messrs. Jewell and Cheeseman are not independent as they are each executive officers of the Company and thereby have a “material relationship” with the Company.

Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuer	Market
Chris Irwin	Argo Gold Inc Deveron UAS Corp.	CSE CSE

Name of Director	Reporting Issuer	Market
	Geodex Minerals Ltd.	TSXV
	Greencastle Resources Ltd.	TSXV
	Hornby Bay Minerals Exploration Ltd.	TSXV
	Kerr Mines Inc.	TSX
	Mag Copper Limited	CSE
	Minnova Corp.	TSXV
	Open Source Health Inc.	CSE
	Pancontinental Gold Corporation	NEX
	Roscan Minerals Corporation	TSXV
	Stompy Bot Corporation	CSE
	White Pine Resources	
	SecureCom Mobile Inc.	CSE
	Drone Delivery Canada Corp.	CSE

Orientation and Continuing Education

New directors receive an orientation on the role of the Board, its committees, and the nature and operation of the Company's business, which consists of the following:

- an orientation session with senior officers to receive an overview the Company's business and affairs;
- an orientation session with the Chairperson of each standing committee; and
- an orientation session with legal counsel and the representatives of the Company's auditors.

Continuing education is provided to directors through provision of literature regarding current developments and annual seminars on corporate governance developments. The Chief Executive Officer of the Company takes primary responsibility for the orientation and continuing education of directors and officers.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics to encourage and promote a culture of ethical business conduct amongst the directors, officers, employees and consultants of the Company (collectively, the "**Employees**"). Copies of the Code of Conduct are available upon written request from the Chief Executive Officer or Chief Operating Officer of the Company. The Board is responsible for ensuring compliance with the Company's Code of Conduct. There have been no departures from the Company's Code of Conduct since its adoption.

To ensure the directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest, all such matters are considered and approved by the independent directors. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

The Company believes that it has adopted corporate governance procedures and policies which encourage ethical behaviour by the Company's directors, officers and employees.

Nomination of Directors

The Disclosure and Corporate Governance Committee of the Board holds the responsibility for the appointment and assessment of directors.

The Disclosure and Corporate Governance Committee seeks to achieve a balance of knowledge, experience and capability among the members of the Board. When considering candidates for director, the Disclosure and Corporate Governance Committee takes into account a number of factors including, but not limited to, the following (although candidates need not possess all of the following characteristics and not all factors are weighted equally):

- Personal qualities and characteristics, accomplishments and reputation in the business community;
- Current knowledge and contacts in the countries and/or communities in which the Company does business and in the Company's industry sectors or other industries relevant to the Company's business; and
- The ability and willingness to commit adequate time to Board and committee matters, and be responsive to the needs of the Company.

The Board will periodically assess the appropriate number of directors on the Board and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, or the size of the Board is expanded, the Disclosure and Corporate Governance Committee will consider various potential candidates for director. Candidates may come to the attention of the Disclosure and Corporate Governance Committee through current directors or management, stockholders or other persons. These candidates will be evaluated at regular or special meeting of the Disclosure and Corporate Governance Committee, and may be considered at any point during the year.

The Disclosure and Corporate Governance Committee considers candidates for directors by annual review of the credentials of nominees for re-election to be named in the Management's proxy's materials. The annual review considers an evaluation of the effectiveness of the Board and the performance of each director, the continuing validity of the credentials underlying the appointment of each director and the continuing compliance with the eligibility rules under applicable conflict of interest guidelines.

The Disclosure and Corporate Governance Committee, whenever considered appropriate, may direct the Chairman or the Board to advise each nominee director, prior to appointment to the Board, of the credentials underlying the recommendation of such nominee director's candidacy. The Disclosure and Corporate Governance Committee may recommend to the Board at the annual meeting of the Board, the allocation of Board members to each of the Board committees, and where a vacancy occurs at any time in the membership of any Board committee, the Disclosure and Corporate Governance Committee may recommend to the Board a member to fill such vacancy. The Disclosure and Corporate Governance Committee has the sole authority to retain and terminate any search firm to be used to identify nominee director candidates, including the sole authority to approve fees and other terms of such retention. The Disclosure and Corporate Governance Committee monitors on a continuing basis and, whenever considered appropriate, makes recommendations to the Board concerning the corporate governance of the Company.

Compensation

The Compensation Committee of the Board reviews the compensation of the directors and senior officers. The Compensation Committee reviews and makes recommendations to the Board regarding the granting of stock options to directors and senior officers, compensation for senior officers, and compensation for senior officers' and directors' fees, if any, from time to time. Senior officers and directors may be compensated in cash and/or equity for their expert advice and contribution towards the success of the Company. The form and amount of cash compensation will be evaluated by the Compensation Committee, which will be guided by the following goals:

- compensation should be commensurate with the time spent by senior officers and directors in meeting their obligations and reflective of the compensation paid by companies similar to the Company in size, business and stage of development; and
- the structure of the compensation should be simple, transparent and easy for shareholders to understand. Shareholders will be given the opportunity to vote on all new or substantially revised equity compensation plans for directors as required by regulatory policies.

Other Board Committees

The Board has no standing committees other than the Audit Committee, the Compensation Committee and the Disclosure and Corporate Governance Committee.

Assessments

The Board does not consider formal assessments useful given the stage of the Company's business and operations. However, the chairman of the Board meets annually with each director individually, which facilitates a discussion of his contribution and that of other directors. When needed, time is set aside at a meeting of the Board for a discussion regarding the effectiveness of the Board and its committees. If appropriate, the Board then considers procedural or substantive changes to increase the effectiveness of the Board and its committees. On an informal basis, the chairman of the Board is also responsible for reporting to the Board on areas where improvements can be made. Any agreed upon improvements required to be made are implemented and overseen by the Disclosure and Corporate Governance Committee. A more formal assessment process will be instituted as, if, and when the Board considers it to be necessary.

OTHER MATTERS

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice. However, if other matters which are not known to management should properly come before the Meeting, the accompanying term of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

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

Shareholders may contact the Company in order to request copies of: (i) this Circular; and (ii) the Company's financial statements and the related Management's Discussion and Analysis (the "MD&A") which will be sent to the shareholder without charge upon request. Financial information is provided in

the Company's comparative financial statements and MD&A for its financial year ended December 31, 2015.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Toronto, Ontario, on the 15th day of November, 2016.

BY ORDER OF THE BOARD

"Tim Jewell" (Signed)

Chief Executive Officer

APPENDIX A

DATA DEPOSIT BOX INC. CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

DATA DEPOSIT BOX INC.
(the “Corporation”)

AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Corporation’s audit committee, or its Board of Directors (the “**Board**”) in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Corporation and any subsidiaries.

1. **Composition**

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Corporation, at least half of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* Audit Committee members will appoint a chair of the Audit Committee (the “**Chair**”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. **Meetings**

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Corporation’s auditors (the “**Auditors**”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. **Roles and Responsibilities**

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Corporation's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Corporation or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Corporation's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Corporation, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Corporation's management discussion and analysis, interim and annual press releases, and audit committee reports before the Corporation publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Corporation with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses

in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Corporation or from applicable laws or regulations.

- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Corporation's financial statements or disclosure.

Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Corporation's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the Corporation, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Corporation's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Corporation's internal controls and disclosure controls;

- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Corporation's compliance with legal and regulatory matters to the extent they affect the financial statements of the Corporation; and
- (h) all other material matters dealt with by the Audit Committee.