



Friday **NIGHT INC.**

AMERICAN ROOTS. GLOBAL GROWTH.

**Notice of Meeting
and
Information Circular**

in respect of an

**ANNUAL MEETING OF SHAREHOLDERS
to be held on February 1, 2018**

**INFORMATION CIRCULAR
Dated December 29 2017**

FRIDAY NIGHT INC.
NOTICE OF MEETING OF SHAREHOLDERS
to be held on February 1, 2018

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") in the capital of Friday Night Inc. (the "**Corporation**") will be held at the offices of Norton Rose Fulbright Canada LLP, Suite 3700, 400 Third Avenue SW, Calgary, Alberta on Thursday, February 1, 2018 at 11:00 a.m. (Calgary time), for the following purposes:

1. to receive the audited financial statements for the year ended July 31, 2017 and the report of the auditors thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
4. to approve the amended and restated stock option plan of the Corporation;
5. to transact such other business as may properly be brought before the Meeting or any adjournment(s) thereof.

Shareholders of the Corporation are referred to the Information Circular accompanying this Notice for more detailed information with respect to the matters to be considered at the Meeting.

If you are a registered Shareholder of the Corporation and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to TSX Trust Company at 301, 100 Adelaide Street West, Toronto Ontario M5H 4H1. In order to be valid and acted upon at the Meeting, proxies must be received at the aforesaid address not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the commencement of the Meeting or any adjournment thereof. You may also send your proxies via fax: (416) 595-9593 or vote your shares online at: www.voteproxyonline.com.

If you are an unregistered Shareholder of the Corporation and received these materials through your broker or through another intermediary, please complete and return the voting information form in accordance with the instructions provided to you by your broker or by the other intermediary.

The directors of the Corporation have fixed December 22, 2017 as the record date. Only Shareholders whose names are entered on the register of the Corporation at the close of business on December 22, 2017 will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any Common Shares after the record date and the transferee of those Common Shares establishes ownership of such Common Shares and demands, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

DATED at Calgary, Alberta this 29th day of December, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

Signed "*Brayden Sutton*"

Brayden Sutton
President, Chief Executive Officer and Director

FRIDAY NIGHT INC.

INFORMATION CIRCULAR

**FOR THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, FEBRUARY 1, 2018,**

GENERAL PROXY INFORMATION

PURPOSE OF SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of Friday Night Inc. ("Friday Night" or the "Corporation") for use at the annual and special meeting (the "Meeting") of the holders ("Shareholders") of common shares in the capital of the Corporation ("Common Shares"). The Meeting will be held at the offices of Norton Rose Fulbright Canada LLP, Suite 3700, 400 Third Avenue SW, Calgary, Alberta, on Thursday, February 1, 2018 at 11:00 a.m. (Calgary time), and at any adjournments thereof for the purposes set forth in the Notice of Meeting of Shareholders accompanying this Information Circular. Information contained herein is given as of December 29, 2017 unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail, but may also be by telephone, facsimile or in person by directors, officers and employees of the Corporation who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

Enclosed herewith is a form of proxy for use at the Meeting. The persons named in the form of proxy are officers of the Corporation. **A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent him at the Meeting other than the persons designated in the enclosed proxy form by inserting the name of his chosen nominee in the space provided for that purpose on the form.**

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it is executed by a duly authorized officer or attorney thereof. The proxy, to be acted upon, must be received by TSX Trust Company at 301, 100 Adelaide Street West, Toronto Ontario M5H 4H1 or by fax: (416) 595-9593 or online: www.voteproxyonline.com not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of the Meeting or any adjournment(s) thereof.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the office of TSX Trust Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjourned Meeting(s).

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many Shareholders of Friday Night, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of Friday Night as the registered holders of Common

Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. A Beneficial Shareholder who wishes to attend the Meeting and indirectly vote his/her Common Shares as proxyholder for the registered Shareholder should enter his/her own name in the blank space on the instrument of proxy provided and return the same to his/her broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

VOTING OF PROXIES

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.**

At the time of printing of this Information Circular, the management of Friday Night knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The directors of the Corporation have fixed December 22, 2017 as the record date. Holders of Common Shares at the close of business on December 22, 2017, are entitled to receive notice of the Meeting and to vote at the Meeting or at any adjournments thereof on the basis of one vote for each Common Share

held, except to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to December 22, 2017; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case, the transferee shall be entitled to vote his or her Common Shares at the Meeting.

As at the date of this Information Circular, 193,479,216 Common Shares were issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and executive officers of the Corporation, no person, firm or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

As at the date of this Information Circular, the directors and officers as a group owned beneficially, directly and indirectly, 10,334,701 Common Shares of the Corporation, representing approximately 5.3% of the presently issued and outstanding Common Shares.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

None of the directors or senior officers of Friday Night, nominees for election or associates or affiliates of such persons has been indebted to the Corporation at any time since the beginning of the last completed financial year.

STATEMENT OF EXECUTIVE COMPENSATION

Summary Compensation Table

The Corporation is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V – Statement of Executive Compensation – Venture Issuers. For the purpose of this Information Circular:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

- (a) Each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO;
- (b) Each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO;
- (c) In respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was 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 a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of that financial year.

For the year ended July 31, 2017, the Corporation had three Named Executive Officers: (i) David Lane, Interim CEO from June 7, 2016 to June 11, 2017; (ii) Brayden Sutton, CEO appointed on June 11, 2017; and (iii) Michael Hopkinson, CFO and Corporate Secretary appointed on November 23, 2015.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth the compensation paid by the Corporation to the NEOs and directors for the two most recently completed financial years of the Corporation, excluding compensation securities.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brayden Sutton ⁽¹⁾ President, CEO and director	2017 ⁽¹⁴⁾	72,080	Nil	Nil	Nil	Nil	72,080
David Lane ⁽²⁾ Former Interim CEO and director	2017 ⁽¹⁴⁾	17,500	Nil	Nil	Nil	Nil	17,500
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Michael Hopkinson ⁽³⁾ CFO and Corporate Secretary	2017 ⁽¹⁴⁾	8,000	Nil	Nil	Nil	Nil	8,000
	2016	10,500	Nil	Nil	Nil	Nil	10,500
D. Richard Skeith ⁽⁴⁾ Director	2017 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Brian Keane ⁽⁵⁾ Director	2017 ⁽¹⁴⁾	10,004	Nil	Nil	Nil	Nil	10,004
George Tsafalas ⁽⁶⁾ Former Director	2017 ⁽¹⁴⁾	130,000	Nil	Nil	Nil	Nil	130,000
	2016	60,400	Nil	Nil	Nil	Nil	60,400

Notes:

- (1) Mr. Sutton was appointed CEO and a director on June 11, 2017.
- (2) Mr. Lane was appointed Interim CEO and director on June 7, 2016 and resigned on June 11, 2016.
- (3) Mr. Hopkinson was appointed CFO and Corporate Secretary on November 23, 2015.
- (4) Mr. Skeith was appointed director on November 23, 2015.
- (5) Mr. Keane was appointed director on June 11, 2017
- (6) Mr. Tsafalas was appointed director on March 16, 2015 and resigned on June 11, 2017.

Stock Options and Other Compensation Securities

The following table sets forth information in respect of all compensation securities granted or issued to each director and NEO by the Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries, in the Corporation's most recently completed financial year ended July 31, 2017.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Brayden Sutton ⁽¹⁾ President, CEO and director	Options	2,000,000 Common Shares	June 13, 2017	\$0.15	\$0.11	\$0.285	June 13, 2022
David Lane ⁽²⁾ Former Interim CEO and director	Options	66,666 Common Shares	June 13, 2017	\$0.15	\$0.11	\$0.285	June 13, 2022
Michael Hopkinson ⁽³⁾ CFO and Corporate Secretary	Options	300,000 Common Shares	June 13, 2017	\$0.15	\$0.11	\$0.285	June 13, 2022
D. Richard Skeith ⁽⁴⁾ Director	Options	362,500 Common Shares	June 13, 2017	\$0.15	\$0.11		June 13, 2022
		50,000 Common Shares	November 11, 2015	\$0.50	\$0.10	\$0.285	November 14, 2020
Brian Keane ⁽⁵⁾ Director	Options	400,000 Common Shares	June 13, 2017	\$0.15	\$0.11	\$0.285	June 13, 2022

Notes:

(1) The stock options vest as to one-third each year starting on the grant date.

In the most recently completed financial year ended July 31, 2017, no compensation securities were exercised by a Named Executive Officer or director.

Option Plan

The Corporation's fixed number stock option plan (the "**Option Plan**") was adopted by the Board of Directors of Friday Night (the "**Board of Directors**" or the "**Board**") effective October 30, 2015. Pursuant to the terms of the Option Plan, the Board of Directors may from time to time, in its discretion, and in accordance with the requirements of the Canadian Securities Exchange, grant to directors, officers, employees, consultants or other personnel of the Corporation, non-transferable stock options ("**Options**") to purchase Common Shares, provided that the number of Common Shares reserved for issuance pursuant to the Option Plan and all other security based compensation arrangements of the Corporation will not exceed, in the aggregate, 7,715,440 Common Shares. Each Option will be exercisable for a period of time set out in the respective stock option agreement between the Corporation and each optionee. The number of Common Shares reserved for issuance to any individual director or officer will not exceed 5% of the number of Common Shares issued and outstanding from time to time and the number of Common Shares reserved for issuance to all employees and consultants will not exceed 2% percent of the number of Common Shares issued and outstanding from time to time.

Options may be exercised within 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, employment or technical consulting arrangement was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option.

Employment, Consulting and Management Agreements

The Corporation has not entered into any employment agreements with any of its Named Executive Officers except that the services of Brayden Sutton as CEO are provided pursuant to a consulting agreement with Sutton Ventures Ltd.

Oversight and Description of Director and Named Executive Officer Compensation

The Board of Directors, as a whole reviews, the compensation of the Named Executive Officers and the directors. To date, the Corporation has also compensated its executive officers with grants of Options to acquire Common Shares pursuant to its Option Plan. Previous grants of Options are taken into account when considering new grants. 13,760,000 Options were granted or assumed from acquired companies during the year ended July 31, 2017.

During the year ended July 31, 2017, no compensation was paid to the directors of Friday Night for their services as directors except for Brian Kaine. All directors are eligible to participate in the Corporation's Option Plan.

The elements of the Corporation's compensation program

The Corporation's compensation program consists of two principal elements, a base salary and options

The objective of the Corporation's compensation program

The objective of the Corporation's compensation program is to attract and retain highly qualified and committed senior management by providing appropriate compensation and incentives intended to align the interests of senior management with those of the Corporation's shareholders in order to provide incentives for senior management to enhance shareholder value.

What the Corporation's compensation program is designed to reward

The Corporation's compensation program is designed to reward senior management for achieving the Corporation's business objectives as well as increases in shareholder value resulting from increases in the trading price of the Common Shares due to increased value or potential value in the Corporation's assets.

Why the Corporation chooses to pay each element of its compensation program

The Corporation pays a base salary as part of its compensation program to: (i) provide each NEO with sufficient, regularly-paid income; (ii) recognize each NEOs unique value and historical contribution to the success of the Corporation; and (iii) reflect each NEOs position and level of responsibility.

The Corporation grants options as part of its compensation program in order to: (i) align NEOs interests with the interests of the Corporation's shareholders; (ii) reward long-term performance by allowing NEOs to participate in any long-term market appreciation of the Corporation's shares; and (iii) ensure the Corporation is competitive with its comparable industry peers from a total remuneration standpoint and to encourage executive officer retention, commitment and focus on long-term growth.

As noted above, the Corporation may pay bonuses to NEOs in exceptional circumstances. No such bonuses were paid for the last fiscal year.

How the Corporation determines the amount for each element and how each element affects decisions about other elements and fits into the Corporation's overall compensation objectives

The Board, acting as a whole, determines the amount of each element of the Corporation's compensation program for NEOs. The two principal elements of the compensation program are determined, and affect decisions about other elements and fit into the Corporation's overall compensation strategy, as described

below. The Corporation's executive compensation is not determined by reference to any formulas or any set performance goals or similar conditions. The Board believes that fixed formulas can lead to an unwanted result that does not reflect real performance. Accordingly, an overall review of the NEO's performance and contributions is preferred.

Base Salaries

The Board considers some or all of the following factors: (i) the overall performance of the Corporation and the particular NEO; (ii) base salaries and overall compensation paid to senior management of comparable industry peers (without specific benchmarking); (iii) the relationship among base salaries paid within the Corporation and individual experience and contribution; (iv) general market conditions and the Corporation's financial condition; (v) other compensation received by the NEO; and (vi) competition for qualified personnel. The intent is to fix base salaries at levels that are consistent with the Corporation's compensation program objectives. There are no base salary changes planned for 2018 other than for the CEO, whose compensation will be increased to \$180,000 per year in line with his peers.

Stock Options

The Board considers some or all of the following factors: (i) the overall performance of the Corporation and the particular NEO; (ii) the relationship among stock options granted within the Corporation and individual experience and contribution; (iii) general market conditions and the Corporation's financial condition and Common Share trading price; and (iv) the aggregate number of options outstanding and the number of options currently held by the particular NEO and the terms thereof. The intent is to fix stock option grants at levels that are consistent with the Corporation's compensation program objective. The Board also considers the number of options available for grant in determining whether to make any new grants of stock options and the size of such grants. The Corporation utilizes IFRS 2 - *Share Based Payment* in establishing the fair value of option grants.

For more information with respect to the Option Plan, see "Option Plan" above.

Pension Plan Benefits

The Corporation has not established a pension plan, defined benefit plan or any retirement savings program for the Named Executive Officers or other employees of the Corporation.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information as at July 31, 2017

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	400,000	\$0.42	7,315,440
Equity compensation plans not approved by security holders(1)	13,760,000	\$0.15	1,204,135
Total	14,160,000	\$0.16	8,519,575

Note 1. Stock option plans of companies that were acquired by the Corporation

CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in its Information Circular the disclosure required under Form 58-101F2 with respect to its corporate governance practices. In establishing its corporate governance practices, the Board of Directors has been guided by Canadian securities legislation and the Canadian Securities Exchange

guidelines for effective corporate governance, including National Policy 58-201 *Corporate Governance Guidelines* and other regulatory requirements such as National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

Board of Directors

The Board of Directors is currently comprised of three individuals, one of whom is independent as that term is defined in NI 52-110 (Brian Keane). Brayden Sutton is an executive officer of Friday Night and, accordingly, is not independent within the meaning of that term set out in NI 52-110. D. Richard Skeith is not considered independent because he is a partner of Norton Rose Fulbright Canada LLP, a law firm that provides advisory services to Friday Night.

Orientation and Continuing Education

The Corporation does not currently have an orientation or continuing education program for new directors.

Directorships

The following directors currently serve on the board of directors of the reporting issuers (or equivalent) listed below, each of which are reporting issuers in one or more Canadian (or foreign) jurisdictions:

Name	Name of Other Reporting Issuer(s)
D. Richard Skeith	M Pharmaceutical Inc. (CSE: MQ) Strategic Oil & Gas Ltd. (TSXV: SOG) Voyageur Minerals Ltd. (TSXV: VM)
Brian Keane	360 Blockchain Inc. (CSE:CODE)

Ethical Business Conduct

The Board of Directors has an insider trading policy which is intended to ensure compliance with applicable securities laws governing trading in securities of the Corporation while in possession of material non-public information concerning the Corporation and the avoidance of tipping or disclosing material non-public information to unauthorized persons.

Nomination of Directors

Responsibility for identifying new candidates to join the Board of Directors and recommending nominees for election as directors belongs to the Board of Directors as a whole. The Board of Directors will consider candidate independence, financial acumen, skills and available time to devote to the duties of the Board of Directors in making their recommendations for nomination.

Compensation

The Board of Directors, as a whole, reviews the compensation of the Named Executive Officers and the directors.

Assessments

The Board of Directors takes steps to satisfy itself that the Board of Directors, the Audit Committee and individual directors are performing effectively by providing each director with the opportunity to attend all meetings either in person or by teleconference at the cost of the Corporation.

AUDIT COMMITTEE DISCLOSURE

Under NI 52-110, the Corporation is required to include in its Information Circular the disclosure required under Form 52-110F2 with respect to its Audit Committee.

Exemption

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

Audit Committee Terms of Reference

The Board of Directors has adopted written Terms of Reference for the Audit Committee, which are attached to this Information Circular as Appendix "A".

Audit Committee

As of the date hereof, the Audit Committee is comprised of three individuals (Brayden Sutton, D. Richard Skeith and Brian Keane), one of whom is independent and all of whom are financially literate as defined by NI 52-110. Mr. Sutton is not considered independent because he is an executive officer of Friday Night. Mr. Skeith is not considered independent because he is a partner of Norton Rose Fulbright Canada LLP, a law firm that provides advisory services to Friday Night.

In considering criteria for the determination of financial literacy, the Board of Directors looks at the ability to read and understand financial statements.

Mr. Keane has been involved in the capital markets for the past 18 years and has held various positions in publicly listed companies. Through such roles, Mr. Keane gained experience and expertise in financial matters.

Mr. Skeith is a securities lawyer who has served on various audit committees and obtained financial experience and exposure to accounting and financial issues through his legal professional activities.

Mr. Sutton is an independent businessman and has been a financial advisor for numerous public and private companies. Through such roles, Mr. Sutton gained experience and expertise in financial matters.

The Audit Committee reviews the interim and annual financial statements and related financial reporting of Friday Night. The members of the Audit Committee have direct access to the external auditors of the Corporation. The Audit Committee or the full Board of Directors reviews the unaudited quarterly financial statements and management's discussion and analysis of financial results. At no time since the Corporation's inception was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditors in the last two financial years for the category of fees described.

<u>Category</u>	<u>Year Ended July 31, 2017 (\$)</u>	<u>Year Ended July 31, 2016 (\$)</u>
Audit Fees ⁽¹⁾	\$126,271	\$25,000
Audit-Related Fees	Nil	Nil
Tax Fees ⁽²⁾	Nil	Nil
All Other Fees	Nil	Nil
Total	\$126,271	\$25,000

Notes:

(1) Audit fees consist of fees for the audit of the Corporation's annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.

- (2) Tax fees consist of fees for tax compliance services, tax advice and tax planning. The services provided in this category included assistance and advice in relation to the preparation of corporate income tax returns and other filings, and research and advice on certain tax matters.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of the Corporation, nominees for election as a director of the Corporation, or associates of such persons have been indebted to the Corporation or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries in respect of the purchase of securities or otherwise.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

No director or officer of Friday Night, proposed nominee for election as a director of the Corporation, Shareholder who beneficially owns more than 10% of the Common Shares of the Corporation, or any associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any material transaction since the commencement of the Corporation's last financial year except as otherwise disclosed in this Information Circular. None of the foregoing persons has any interest in any proposed transaction which has materially affected or would materially affect the Corporation except as otherwise described in this Information Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

None of the directors or senior officers of Friday Night is aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than as disclosed in this Information Circular except as otherwise described in this Information Circular.

ANNUAL AND SPECIAL MEETING BUSINESS

FINANCIAL STATEMENTS AND AUDITORS' REPORT

Audited financial statements for the year ended July 31, 2017 and the report of the auditors thereon will be mailed to Shareholders together with these Meeting materials and are also available on www.sedar.com. The presentation of such audited financial statements to the Shareholders at the Meeting will not constitute a request for approval or disapproval.

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of one and a maximum of 11 directors to be elected annually. The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his or her successor is duly elected or appointed.

The Board of Directors currently consists of three directors. It is proposed that the three current directors be re-elected at the Meeting.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR setting the number of directors to be elected at three and FOR the election of each of the nominees specified below as directors of the Corporation. If, prior to the Meeting, any vacancies occur in respect to any proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, their principal occupation or employment, the date on which they became directors of Friday Night and the number of Common Shares in the capital of the Corporation beneficially owned directly or indirectly or over which they exercise control or direction.

Name and Municipality of Residence	Office Held	Principal Occupation	Director Since	Number of Shares Held
Brayden Sutton ⁽¹⁾⁽⁴⁾ Vancouver, British Columbia	CEO and a Director	Interim CEO of Friday Night since June 7, 2016. Mr. Lane has been an independent businessman for over 20 years.	June 11, 2017	2,893,534
D. Richard Skeith ⁽²⁾⁽⁴⁾ Calgary, Alberta	Director	Partner at Norton Rose Fulbright Canada LLP (formerly Macleod Dixon LLP) since 1995.	November 23, 2015	7,254,500
Brian Keane ⁽³⁾⁽⁴⁾ New York, New York	Director	Self employed business man from 2000 to present.	June 11, 2017	186,667
			Total:	10,334,701

Note:

- (1) Mr. Sutton also owns or controls, directly or indirectly, 2,000,000 Options exercisable at \$0.15 per Common Shares until June 13, 2022, debentures convertible into Common Shares at a price of \$0.25 in the aggregate principal amount of \$102,500, 466,500 warrants exercisable at a price of \$0.15 per Common Shares, 400,000 warrants exercisable at a price of \$0.25 per Common Shares until October 4, 2019, 363,786 warrants exercisable at a price of \$0.30 per Common Shares until June 14, 2019, and 260,000 warrants exercisable at a price of \$0.35 per Common Shares until August 16, 2019.
- (2) Mr. Skeith also owns or controls, directly or indirectly, 50,000 options exercisable at \$0.50 per Common Share until November 14, 2020 and 362,500 options exercisable at \$0.15 per Common Share until June 13, 2022.
- (3) Mr. Keane also owns or controls, directly or indirectly, 400,000 options exercisable at \$0.15 per Common Share until June 13, 2022.
- (4) Member of the Audit Committee.

Brayden Sutton, Chief Executive Officer and a Director

Mr. Sutton brings a successful track record of managing a diverse portfolio of investments through his wholly-owned merchant bank. His sectors of specialization over the past 14 years include technology, media and personal health. Mr. Sutton served as the Executive Vice President for Supreme Pharmaceuticals Inc. (FIRE.V) and his expertise within the legal cannabis sector has resulted in additional executive positions, with both public and private companies, at the leading edge of the emerging cannabis industry, including Invictus MD (IMH.V), Aurora Cannabis (ACB.V) and CannaRoyalty (CRZ.C).

D. Richard Skeith, Director

Mr. Richard Skeith has been a partner with the law firm of Norton Rose Fulbright Canada LLP (formerly Macleod Dixon LLP) since 1995. Mr. Skeith holds a Bachelor of Arts and a Bachelor of Laws from the University of Alberta. Mr. Skeith is a member of the Law Society of Alberta.

Brian Keane, Director

Mr. Keane has over 18 years of capital markets, investing and C- level consulting experience in over 100 emerging growth companies in the US, Canada, Caribbean and Asia, transacting over \$2 billion in deal value. His previous Wall Street experience includes: Rodman & Renshaw, LLC, Ladenburg Thalmann & Co, TechVest, & Qualified Capital where he focused on life science, biotech, mining and emerging growth companies. He earned a BS from University of Scranton and a JD from New York Law School.

Penalties or Sanctions

No proposed director of Friday Night has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority. Nor has any proposed director ever entered into a settlement agreement with a securities regulatory authority.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, no proposed director of Friday Night has, within the ten years prior to the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days.

Except as disclosed below, no proposed director of Friday Night has, within the ten years prior to the date of this Information Circular, been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

D. Richard Skeith was the corporate secretary of Canaf Group Inc. and was subject to a management cease trade order on March 5, 2008, when that company was late with its financial filings. These were subsequently filed and the management cease trade order was revoked on June 20, 2008. He was the corporate secretary of MegaWest Energy Corp. when it was subject to a cease trade order from September 7, 2010 until October 22, 2010 for failure to file financial information on a timely basis. Subsequent to Mr. Skeith's resignation as the corporate secretary of Cheyenne Energy Inc. ("**Cheyenne**") in January 2008, a receiver was appointed by Cheyenne's bank and its assets sold to pay its bank debts. Subsequent to his resignation as a director of Leader Energy Services Ltd. on February 17, 2015, Leader Energy Services Ltd. filed for creditor protection.

Personal Bankruptcies

No proposed director of Friday Night has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

APPOINTMENT OF AUDITORS

On September 14, 2017, the Board of Directors recommended and approved the nomination of Davidson & Company LLP, Chartered Accountants, for appointment as external auditor of the Corporation until the close of the next annual meeting of Shareholders, subject to Shareholder approval. The former auditor, BDO Canada LLP, Chartered Accountants, resigned at the request of the directors of the Corporation.

Attached hereto as Appendix "B" is a reporting package containing the following documents: (i) the executed Change of Auditor Notice sent by the Corporation to each of BDO Canada LLP, Chartered Accountants and Davidson & Company LLP, Chartered Accountants dated September 14, 2017 (the "**Change of Auditor Notice**"); (ii) the letter from BDO Canada LLP, Chartered Accountants to the relevant Canadian securities commissions dated September 14, 2017, confirming that BDO Canada LLP, Chartered Accountants agrees with the statements in the Change of Auditor Notice; and (iii) the letter from Davidson & Company LLP, Chartered Accountants to the relevant Canadian securities commissions dated September 14, 2017, confirming that Davidson & Company LLP, Chartered Accountants agrees with the statements in the Change of Auditor Notice.

At the Meeting, Shareholders will be asked to reappoint Davidson & Company LLP, Chartered Accountants, as auditor of the Corporation, to hold office until the next annual meeting of the Corporation at such remuneration as may be fixed by the Board of Directors.

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote**

FOR the appointment of Davidson & Company LLP, Chartered Accountants, as auditors of the Corporation.

APPROVAL OF AMENDED AND RESTATED OPTION PLAN

Currently, pursuant to the terms of the Option Plan, the Board of Directors may from time to time, in its discretion, and in accordance with the requirements of the Canadian Securities Exchange, grant to directors, officers, employees, consultants or other personnel of the Corporation, non-transferable Options to purchase Common Shares, provided that the number of Common Shares reserved for issuance pursuant to the Option Plan and all other security based compensation arrangements of the Corporation do not exceed, in the aggregate, a specific number of shares.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve a resolution approving the Corporation's amended and restated option plan (the "**Amended and Restated Option Plan**"). The Amended and Restated Option Plan is a "rolling" stock option plan - i.e. - a stock option plan that does not reserve a specific number of shares for issuance, but, rather, reserves a percentage of the outstanding shares for issuance. The number of Common Shares that may be optioned under the Amended and Restated Option Plan is limited to 10% of the outstanding Common Shares from time to time. No other material changes are proposed to the Option Plan at this time. A copy of the Amended and Restated Option Plan is attached hereto as Appendix "C".

The form of resolution to be considered by Shareholders at the Meeting is as follows:

"BE IT RESOLVED THAT

1. the Corporation's Amended and Restated Option Plan be and is hereby approved; and
2. any one officer or director of the Corporation is hereby authorized to execute and deliver all such documents and to do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote FOR the approval of the Amended and Restated Option Plan.**

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting of Shareholders. If any other business properly comes before the Meeting, it is the intention of the persons named in the Instrument of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Financial information relating to Friday Night is provided in the Corporation's financial statements and management's discussion and analysis for the year ended July 31, 2017. Copies of this Information Circular, the annual financial statements and any interim financial statements of the Corporation subsequent to the annual financial statements may be obtained without charge by writing to the Corporate Secretary of the Corporation at c/o Norton Rose Fulbright Canada LLP, Suite 3700, 400 Third Avenue S.W., Calgary, Alberta T2P 4H2, Attention: Rick Skeith. Additional information relating to Friday Night is available on SEDAR at www.sedar.com.

APPENDIX "A"

FRIDAY NIGHT INC.

AUDIT COMMITTEE TERMS OF REFERENCE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Friday Night Inc. (the "**Corporation**") shall have the oversight responsibility, authority and specific duties as described below.

Composition

The Committee will be comprised of two or more directors as determined by the Board. Each Committee member shall, to the extent possible, satisfy the independence, financial literacy and experience requirements of applicable securities laws and rules, any applicable stock exchange requirements and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the full Board.

Members of the Committee shall be appointed by the Board. Each member shall serve until his or her successor is appointed, unless he or she shall resign or be removed by the Board or he or she shall otherwise cease to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than two directors.

The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership.

Communication, Authority to Engage Advisors and Expenses

The Committee shall have access to such officers and employees of the Corporation, the Corporation's external auditor and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee provides an avenue for communication, particularly for outside directors, with the external auditor, on the one hand, and senior management and the Board, on the other hand. The external auditor shall have a direct line of communication to the Committee through its Chair and shall report directly to the Committee. The Committee, through its Chair, may contact directly any employee of the Corporation, and any employee may bring before the Committee, on a confidential basis, any matter involving the Corporation's financial practices or transactions.

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors. Any engagement of independent counsel or other advisors is to be at the Corporation's expense.

The Corporation shall be responsible for all expenses of the Committee that are deemed necessary or appropriate by the Committee in carrying out its duties.

Meetings and Record Keeping

Meetings of the Committee shall be conducted as follows:

1. the Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine, provided that meetings shall be scheduled so as to permit timely review of the quarterly and annual financial statements and reports. The external auditor or any two members of the Committee may also request a meeting of the Committee;

2. the quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;
3. if the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting;
4. the Chair shall, in consultation with the President and Chief Executive Officer and management and in consultation with the auditor, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Committee;
5. every question at a Committee meeting shall, if necessary, be decided by a majority of the votes cast;
6. the President and Chief Executive Officer and the Chief Financial Officer shall be available to advise the Committee, shall receive notice of meetings and may attend meetings of the Committee at the invitation of the Chair of the Committee. Other management representatives may be invited to attend as necessary; and
7. the Corporate Secretary or, in the absence of the Corporate Secretary, a Committee member or any other person selected by the Committee, shall act as secretary for the purpose of recording the minutes of each meeting.

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be referred to in the minutes and made available for examination by the Board upon request to the Chair.

Responsibilities

The Committee is part of the Board. Its primary functions are to assist the Board in fulfilling its oversight responsibilities with respect to: (i) the oversight, review and approval of the financial statements and the accounting and financial reporting processes of the Corporation; (ii) the assessment of the system of internal controls that management has established; and (iii) the external audit process. In addition, the Committee shall assist the Board, as requested, in fulfilling its oversight responsibilities with respect to (i) financial policies and strategies; (ii) financial risk management practices; and (iii) transactions or circumstances which could materially affect the financial profile of the Corporation.

The Committee shall be directly responsible, in its capacity as a committee of the Board, for recommending the external auditor, approving the compensation and retention of the external auditor and overseeing the work of the external auditor and the relationship of the external auditor with the Corporation (including the resolution of disagreements between management and the external auditor regarding financial reporting).

The Committee should have a clear understanding with the independent auditor that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the independent auditor is to the shareholders of the Corporation.

Specific Duties

A. Relationship with External Auditor

The Committee shall:

1. consider and make a recommendation to the Board as to the appointment or re-appointment of the external auditor;
2. consider and make a recommendation to the Board as to the compensation of the external auditor which is to be paid by the Corporation;
3. oversee the work of the external auditor in performing their audit or review services, and oversee the resolution of any disagreements between management of the Corporation and the external auditor;
4. review and discuss with the external auditor all significant relationships that the external auditor and its affiliates have with the Corporation and its affiliates in order to determine the external auditor's independence, including, without limitation:
 - (a) requesting, receiving and reviewing, on a periodic basis, a formal written statement from the external auditor delineating all relationships that may reasonably be thought to bear on the independence of the external auditor with respect to the Corporation;
 - (b) discussing with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor; and
 - (c) recommending that the Board take appropriate action in response to the external auditor's report to satisfy itself of the external auditor's independence;
5. review and discuss the audit plan of the external auditor with the external auditor, including the staffing thereof, prior to the commencement of the audit;
6. as may be required by applicable securities laws, rules and guidelines, either:
 - (a) pre-approve all non-audit services to be provided by the external auditor to the Corporation (and its subsidiaries, if any), or, in the case of *de minimus* non-audit services, approve such non-audit services prior to the completion of the audit; or
 - (b) adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services; and
7. review and approve the hiring policies of the Corporation regarding partners and employees and former partners and employees of the present and former external auditor of the Corporation.

B. Financial Statements and Financial Reporting

The Committee shall:

1. review with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases. In particular, the Committee's review of such financial statements should include, but not be limited to:
 - (a) reviewing changes in accounting principles, or in their application, which may have a material effect on the current or future years' financial statements;

- (b) reviewing significant accruals, reserves or other estimates;
 - (c) reviewing the accounting treatment of unusual or non-recurring transactions; and
 - (d) reviewing disclosure requirements for commitments and contingencies;
2. upon completion of each audit, review with the external auditor the results of such audit. This process should include but not be limited to:
- (a) reviewing the scope and quality of the audit work performed;
 - (b) reviewing the capability of the Corporation's financial personnel;
 - (c) reviewing the co-operation received from the Corporation's financial personnel during the audit;
 - (d) reviewing the internal resources used;
 - (e) reviewing significant transactions outside of the normal business of the Corporation; and
 - (f) reviewing significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems;
3. review with management, and recommend to the Board for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases;
4. review with management and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other public disclosure document of the Corporation;
5. consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than public disclosure referred to in clauses B.1 and B.3 above), and periodically assess the adequacy of such procedures;
6. review with management, the external auditor and, if necessary, 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 may be, or have been, disclosed in the financial statements; and
7. review accounting, tax, legal and financial aspects of the operations of the Corporation as the Committee considers appropriate.

C. Internal Controls

The Committee shall review with management and the external auditor, the adequacy and effectiveness of the internal control and management information systems and procedures of the Corporation (with particular attention given to accounting, financial statements and financial reporting matters) and determine whether the Corporation is in compliance with applicable legal and regulatory requirements and with the Corporation's policies.

D. Financial Risk Management

The Committee may, if requested:

1. review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to insurance, accounting, management reporting and risk management;
2. review with management and the external auditor their assessment of the significant financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures;
3. review current and expected future compliance with covenants under any financing agreements;
4. review the activities of the Corporation's marketing group and the financial risks arising from such activities;
5. review the insurance program including coverage for such things as business interruption, general liabilities, and directors and officers liability;
6. review any other significant financial exposures including such things as tax audits, government audits or any other activities that expose the Corporation to the risk of a material financial loss;
7. report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Corporation; and
8. review the appropriateness of the policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies.

E. Procedure For Complaints and Employee Submissions

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

Approval

This Audit Committee Terms of Reference has been approved and adopted by the Board effective March 14, 2008.

APPENDIX "B"

FRIDAY NIGHT INC.

AUDITOR REPORTING PACKAGE

FRIDAY NIGHT INC.

CHANGE OF AUDITOR NOTICE (the "Notice")

TO: BDO Canada LLP, Chartered Accountants

AND TO: Davidson & Company, Chartered Accountants

NOTICE IS HEREBY GIVEN that, in accordance with National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102") the Audit Committee and the Board of Directors of **Friday Night Inc.** (the "Corporation"), considered and deemed it necessary that:

1. the resignation of BDO Canada LLP ("Former Auditor"), be accepted as auditors of the Corporation, effective September 14, 2017 (the "Removal"); and
2. Davidson & Company (the "Successor Auditor"), be appointed as auditor of the Corporation, effective September 14, 2017 (the "Appointment").

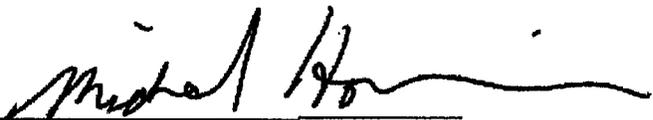
The Former Auditor resigned on its own initiative during its term of appointment. The Shareholders of the Corporation will be asked to approve, by ordinary resolution, the Appointment at the next annual meeting of shareholders.

The Former Auditor has not expressed any reservation in its audit reports for the period commencing at the beginning of the Corporation's two most recent financial years and ending at the date of this Notice.

In the knowledge of the directors of the Corporation, no "reportable event" as defined in NI-51-102 has occurred in connection with the audits for the period commencing at the beginning of the Corporation's two most recent financial years and ending at the date of this Notice. The Former Auditor is authorized to respond fully to any inquiries from the Successor Auditor on any matter.

Dated at Vancouver, BC, this 14th day of September, 2017.

FRIDAY NIGHT INC.



Michael Hopkinson, CFO



Tel: 403 266 5608
Fax: 403 233 7833
www.bdo.ca

BDO Canada LLP
620, 903 - 8th Avenue SW
Calgary AB T2P 0P7 Canada

September 14, 2017

TO: British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Ontario Securities Commission

Dear Sirs:

**Re: Friday Night Inc.
Notice of Change of Auditor**

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the Notice of Change of Auditor of the above-noted company dated September 14, 2017 and we are in agreement with the statements contained therein, based upon our knowledge of the information at this date.

Yours very truly,

BDO Canada LLP

Chartered Professional Accountants

September 14, 2017

TO: British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Ontario Securities Commission

Dear Sirs:

**Re: Friday Night Inc. (the "Company")
Notice of Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated September 14, 2017, and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,



DAVIDSON & COMPANY LLP
Chartered Professional Accountants



APPENDIX "C"

FRIDAY NIGHT INC.

AMENDED AND RESTATED OPTION PLAN

FRIDAY NIGHT INC.

AMENDED AND RESTATED STOCK OPTION PLAN

(Effective February 1, 2018)

1 Purpose

The purpose of the Plan is to advance the interests of Friday Night Inc. by: (a) increasing the proprietary interests of Optionees in the Corporation, (b) aligning the interests of Optionees with the interests of the shareholders of the Corporation generally, (c) encouraging Optionees to remain associated with Friday Night Inc., and (d) furnishing Optionees with an additional incentive in their efforts on behalf of Friday Night Inc.

2 Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **Affiliates** means only those corporations with which the Corporation deals at non-arm's length, within the meaning of the *Income Tax Act* (Canada);
- (b) **Board** means the board of directors of the Corporation;
- (c) **Corporation** means Friday Night Inc., its subsidiaries and affiliates, and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board or a duly empowered committee appointed by the Board;
- (d) **Exchange** means the Canadian Securities Exchange or any other stock exchange on which the Shares are listed;
- (e) **Incentive Plans** means this Plan dated effective February 1, 2018 and any other option or share based incentive plan of the Corporation;
- (f) **Incentive Securities** means any options, right or other incentive securities issued and outstanding under any of the Corporation's Incentive Plans (including, for greater certainty, any Options issued and outstanding under this Plan);
- (g) **Market Price** means, subject to the exceptions prescribed by the Exchange from time to time, the last closing trading price of the Shares before the date of grant of the Options;
- (h) **Management Company Employee** means an individual employed by a person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities.
- (i) **Option** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Shares from treasury at a price determined by the Board;
- (j) **Option Period** means the period determined by the Board during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, which maximum period is ten (10) years from the date the Option is granted;

- (k) **Optionee** means a person who is a director, officer, employee, consultant or other personnel of the Corporation, a subsidiary or an Affiliate of the Corporation who is granted an Option pursuant to this Plan;
- (l) **Plan** shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended;
- (m) **Shares** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified; and
- (n) **Stock Exchange Rules** means the applicable rules of any stock exchange upon the Shares are listed, as amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Stock Exchange Rules or pursuant to applicable securities laws, including without limitation, "Consultant", "Material Information" "Distribution", "Employee", "Insider", "Investor Relations Activities", and "Blackout Period".

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3 Administration

The Plan shall be administered by the Board. The Board shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to shareholder approval if required by the Exchange. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board, in which case all references herein to the Board shall be deemed to refer to such committee. Any such committee shall, to the extent necessary to preserve tax deductions available to the Corporation or any subsidiary thereof comply with the requirements of Section 162(m) of the Code (as defined herein).

4 Eligibility

The Board may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Stock Exchange Rules and the limitations contained herein, the Board is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board. For Options granted to Employees, Consultants or Management Company Employees, the Corporation represents that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

5 Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any

Optionee any right with respect to continuance as a director, officer, Employee, Consultant or Management Company Employee of the Corporation or any subsidiary or Affiliate of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, officer, or consultant of the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer, full-time employee or consultant of the Corporation or any of its subsidiaries or Affiliates.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Shares issuable on exercise of an Option until such Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

6 Shares Subject to Incentive Securities

The number of authorized but unissued Shares that may be issued upon the exercise or redemption, as applicable, of Incentive Securities issued by the Corporation pursuant to the Incentive Plans shall not exceed, 10% of the issued and outstanding Shares on a fully-diluted basis at any time, and such aggregate number of Shares shall automatically increase or decrease as the number of issued and outstanding Shares changes. The Incentive Securities granted under the Incentive Plans together with all of the Corporation's other previous grants, shall not result at any time in:

- (a) the number of Shares reserved for issuance pursuant to Incentive Securities granted to Insiders exceeding 10% of the issued and outstanding Shares;
- (b) the grant to Insiders within a 12 month period, of a number of Incentive Securities exceeding 10% of the outstanding Shares;
- (c) the number of Shares reserved for issuance pursuant to Incentive Securities granted to an Insider exceeding 5% of the outstanding Shares; or
- (d) the grant to an Insider within a 12 month period, of a number of Incentive Securities exceeding 5% of the outstanding Shares; or
- (e) in the case of Optionees, who are Consultants or Employees conducting Investor Relations Activities, of a number of Incentive Securities exceeding 2% of the outstanding Shares,

determined at the date of grant, on a fully-diluted basis.

Appropriate adjustments shall be made as set forth in Section 15 hereof, in both the number of Shares covered by individual grants and the total number of Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation as approved by the shareholders of the Corporation and the Exchange, if necessary.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Shares subject thereto shall again be available for the purpose of the Plan in accordance with Stock Exchange Rules.

7 Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Shares subject to option, the exercise price and any other terms and conditions approved by the Board, all in

accordance with the provisions of this Plan (herein referred to as the **Stock Option Agreement**), in the form approved or authorized by the Board from time to time, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

8 Option Period and Exercise Price

Subject to any earlier termination as provided in Sections 10, 12 and 16 hereof, each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the **Expiry Date**). Notwithstanding the above, if the Expiry Date for any Option falls within a Blackout Period or within ten (10) Business Days from the expiration of a Blackout Period (such Options to be referred to as **Restricted Options**), the Expiry Date of such Restricted Options shall be automatically extended to the date that is the 10th Business Day following the end of the Blackout Period, such 10th Business Day to be considered the Expiry Date for such Restricted Options for all purposes under the Plan.

Subject to Stock Exchange Rules and any limitations imposed by any relevant regulatory authority, the Board will establish the exercise price as the Market Price at the time each Option is granted and allocated to persons eligible to receive Options under Section 4 hereunder.

If and whenever the Corporation declares a dividend on the Shares, the Board will have the right to adjust the exercise price of the Options held by Optionees in accordance with Stock Exchange rules.

9 Exercise of Options

- (a) An Optionee shall be entitled to exercise an Option granted to him or her at any time prior to the expiry of the Option Period, subject to Sections 10, 12 and 16 hereof and to vesting limitations which may be imposed by the Board at the time such Option is granted. Subject to Stock Exchange Rules, the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise specifying the number of Shares in respect of which the Option is being exercised, accompanied by cash payment, cheque or bank draft for the full purchase price of such Shares with respect to which the Option is being exercised.

- (b) Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, without limitation, the 1933 Act, the *United States Securities and Exchange Act of 1934* (the **1934 Act**), as amended, applicable U.S., state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Shares are quoted at any given time.

The certificates representing any Shares issued to a grantee whom the Corporation reasonably believes is located in the United States or is a "U.S. person" (as defined in Rule 902 of Regulation S under the 1933 Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. person, and any partnership or

corporation organized or incorporated under the laws of the United States) shall, until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable U.S. state laws and regulations, bear a legend in the applicable form regarding the resale or transferability of such securities.

At the option of the Corporation, a stop-transfer order against the Shares issued pursuant to the Plan may be placed on the shareholder register and records of the Corporation, and a legend indicating that the Shares issued under the Plan may be pledged, sold or otherwise transferred only: (i) to the Corporation; (ii) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act (Regulation S); or (iii) pursuant to another exemption from registration under the 1933 Act and in compliance with any applicable state securities laws of the United States. Additionally, in the case of proposed transfers under clause (iii), i.e., sales pursuant to another exemption, the grantee must furnish to the Corporation an opinion of counsel for the Corporation or of other counsel of recognized standing or other evidence reasonably satisfactory to the Corporation to the effect that the proposed transfer may be made without registration under the 1933 Act and any applicable state securities laws. The Corporation has no obligation to register the Shares issued pursuant to the exercise of an Option under the Plan under the 1933 Act.

10 Ceasing to be a Director, Officer, Employee or Consultant

Subject to Section 5, if an Optionee ceases to be a director, officer, employee or consultant of the Corporation, or any of its subsidiaries or Affiliates for any reason other than death, the Optionee may: i) within ninety (90) days following the date the Optionee ceases to be a director, officer, employee or consultant; or ii) prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

11 Tax Withholdings

The Corporation or any Affiliate may withhold from any amount payable to an Optionee (whether in Shares or cash or other property), either under the Plan, or otherwise, such amount as may be necessary so as to ensure that the Corporation or Affiliate will be able to comply with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of an Optionee. For greater certainty, the Corporation or any Affiliate shall have the right, in its discretion, to satisfy any such liability for withholding or other required deduction amounts by: (i) making additional withholdings on cash remuneration paid to the Optionee in the calendar year as that containing the exercise of an Option; (ii) retaining any Shares or any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee hereunder; and/or (iii) requiring an Optionee, as a condition to the exercise of an Option, to pay or reimburse the Corporation or Affiliate for any such withholding or other required deduction amounts related to the exercise of Options.

12 Death of Optionee

In the event of the death of an Optionee, the Option previously granted to him or her shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative.

13 Optionee's Rights Not Transferable

Subject to approval by the Board, no right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

14 Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

15 Anti-Dilution of the Option

In the event of:

- (a) any subdivision, redivision or change of the Shares at any time during the term of the Option into a greater number of Shares, including by way of dividend, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Shares at any time during the term of the Option into a lesser number of Shares, the number of Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
- (c) any rights offering of Shares, the number of Shares subject to this Plan, the number of Shares available under Options granted and the exercise price allocated to Options shall be adjusted, in such manner and by such procedure deemed appropriate by the Board, subject to applicable law and the Stock Exchange Rules to reflect adjustments in the number of Shares arising as a result of such rights offering;
- (d) any reclassification of the Shares at any time outstanding or change of the Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Shares or a change of the Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall

accept, in lieu of the number of Shares to which he or she was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

16 United States Matters

- (a) Each Option granted under the Plan to a person who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) (a **U.S. Optionee**) will be designated in the Option Agreement as either a non-qualified stock option or an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, of the United States (the **Code**), provided that such Option complies with the following provisions. If not designated in the Option Agreement, the Option shall be an incentive stock option. Any Option not otherwise complying with the requirements of Section 422 of the Code, regardless of its designation, shall be a non-qualified option; provided that no provisions of the Plan, as it may be applied to a U.S. Optionee who has been granted an incentive stock option within the meaning of Section 422 of the Code (an "**ISO**" or "**ISOs**"), shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Notwithstanding anything in the Plan contained to the contrary, the following provisions shall apply to each U.S. Optionee who will be granted ISOs:
- (i) ISOs shall only be granted to U.S. Optionees who are, at the time of grant, officers, key employees or employee-directors of the Corporation or any subsidiary of the Corporation;
 - (ii) the aggregate fair market value (determined as of the time the ISO is granted) of the Shares exercisable for the first time by a U.S. Optionee during any calendar year under the Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation or any subsidiary shall not exceed U.S. \$100,000;
 - (iii) notwithstanding paragraph 8, the exercise price per Share subject to an ISO granted to a U.S. Optionee shall be not less than the fair market value of such underlying Share at the time the ISO is granted, as determined in good faith by the Board at such time in accordance with applicable regulations under Section 422 of the Code;
 - (iv) if any U.S. Optionee to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the option granted to such individual:
 - (iv) the exercise price per Share subject to such ISO shall not be less than one hundred and ten percent (110%) of the fair market value of one Share at the time of grant; and

- (iv) for the purposes of this Section 16 only the ISO exercise period shall not exceed ten (10) years from the date of grant;
 - (v) no ISO may be granted hereunder to a U.S. Optionee following the expiry of ten (10) years after the date on which the Plan is adopted by the Board or the date the Plan is approved by the shareholders of the Corporation, whichever is earlier;
 - (vi) no ISO granted to a U.S. Optionee under the Plan shall be exercisable unless and until the Plan shall have been approved in accordance with applicable regulations under Section 422 of the Code by the shareholders of the Corporation within twelve (12) months (before or after) the unconditional adoption of the Plan by the Board of the Corporation;
 - (vii) no ISO by its terms shall be exercisable after the expiration of 10 years from the date such ISO is granted under the Plan;
 - (viii) notwithstanding paragraph 13, no right or interest of any U.S. Optionee in an ISO is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, and such ISO is exercisable during the lifetime of the U.S. Optionee only by such U.S. Optionee;
 - (ix) if a U.S. Optionee exercises an ISO more than three (3) months following the date such U.S. Optionee ceased to be an employee of the Corporation or any subsidiary of the Corporation, such ISO shall be treated as a non-qualified option; and
 - (x) by accepting a grant of an ISO, a U.S. Optionee agrees to notify the Corporation in writing immediately after the date that such U.S. Optionee makes a "disqualifying disposition," within the meaning of Section 421(b) of the Code and applicable regulations thereunder of any Shares acquired pursuant to the exercise of such ISO.
- (b) At the discretion of the Board, Optionees may satisfy withholding obligations as provided in this paragraph. When an Optionee incurs tax liability in connection with an Option, which tax liability is subject to tax withholding under applicable tax laws (including, without limitation, income and payroll withholding taxes), and Optionee is obligated to pay the Corporation an amount required to be withheld under applicable tax laws, Optionee may satisfy the tax withholding obligation by one or some combination of the following methods: (a) by cash payment, (b) out of Optionee's current compensation, (c) if permitted by the Board, in its discretion, by surrendering to the Corporation, Shares that (i) have been owned by Optionee for more than six (6) months on the date of surrender or such other period as may be required to avoid a charge to the Corporation's earnings, and (ii) have a fair market value on the date of surrender equal to (or less than, if other consideration is paid to the Corporation to satisfy the withholding obligation) Optionee's marginal tax rate times the ordinary income recognized, plus an amount equal to the Optionee's share of any applicable payroll withholding taxes, or (d) if permitted by the Board, in its discretion, by electing to have the Corporation withhold from the Shares to be issued upon exercise of the Option, if any, that number of Shares having a fair market value equal to the amount required to be withheld. For this purpose, the fair market value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined (the **Tax Date**). In making its determination as to the type of consideration to accept, the Board shall consider if acceptance of such consideration may be reasonably expected to benefit the Corporation or result in the recognition of compensation expense (or additional compensation expense) for financial reporting purposes.

- (c) Notwithstanding paragraph 8, the exercise price per Share under each non-qualified stock option granted to a U.S. Optionee pursuant to the Plan shall never be less than 100% of the fair market value of such underlying Share on the date of grant of such Option, as determined by the Board in good faith in accordance with Code Section 409A and applicable regulations thereunder.

17 Costs

The Corporation shall pay all costs of administering the Plan.

18 Termination and Amendment

- (a) The Board may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority.
- (b) The Board may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 18(a) hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of the Corporation if required by the Exchange or such regulatory authority. Subject to Stock Exchange Rules, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights that have accrued to him or her prior to the effective date thereof.
- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

19 Applicable Law

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

20 Prior Plans

On the effective date (as set out in Section 21 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

21 Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan and shall be subject to receipt of all necessary shareholder and regulatory approvals.