

Canfor Corporation

NOTICE OF ADJOURNED AND RECONVENED ANNUAL GENERAL MEETING OF SHAREHOLDERS

To: The Common Shareholders of Canfor Corporation

Notice is hereby given that the Annual General Meeting of the Common Shareholders of Canfor Corporation (the "Company") that was adjourned on April 29, 2005 (the "Original Meeting") will be reconvened and held at 3063-595 Burrard Street, Vancouver, British Columbia, on June 17, 2005 at 10:00 a.m. (the "Adjourned Meeting") for the following purposes:

1. To adopt two separate special resolutions in connection with the new British Columbia *Business Corporations Act* (the "Act") as originally described in the Information Circular of the Company dated March 21, 2005 (the "Original Circular") authorizing the Company to:
 - a) alter the Notice of Articles of the Company to remove the application of the Pre-existing Company Provisions under the Act; and
 - b) replace the existing Articles of the Company with the form of Articles presented to the Meeting;

all as described in the Supplemental Information Circular which accompanies this Notice of Meeting.

2. To transact such other business as may properly come before the meeting.

DATED at Vancouver, British Columbia this 16th day of May, 2005.

By Order of the Board of Directors

David M. Calabrigo
Corporate Secretary

A Supplemental Information Circular and form of proxy accompanies this Notice of Adjourned and Reconvened Annual General Meeting. The Supplemental Information Circular contains details of matters to be considered at the Adjourned Meeting. A copy of the Original Circular may be obtained from the Corporate Secretary of the Company or on SEDAR at www.sedar.com.

FOR THE REASONS DESCRIBED IN THE SUPPLEMENTAL INFORMATION CIRCULAR, THE SINGLE ITEM OF BUSINESS IN RESPECT OF WHICH THE ORIGINAL MEETING WAS ADJOURNED WILL NOT BE VOTED ON IN THE SAME MANNER AT THE ADJOURNED MEETING BUT WILL INSTEAD BE VOTED ON AS TWO SEPARATE ITEMS OF BUSINESS AS INDICATED ABOVE . AS A RESULT, PROXIES FORMERLY DEPOSITED IN CONNECTION WITH THE SINGLE ITEM OF BUSINESS WHICH WAS TO BE VOTED ON AT THE ORIGINAL MEETING CAN NOT BE VOTED IN RESPECT OF THESE TWO SEPARATE ITEMS OF BUSINESS AT THE ADJOURNED MEETING. MANAGEMENT IS THEREFORE SOLICITING NEW PROXIES TO BE USED AT THE ADJOURNED MEETING AS DESCRIBED IN THE SUPPLEMENTAL INFORMATION CIRCULAR.

A SHAREHOLDER WHO IS UNABLE TO ATTEND THE ADJOURNED MEETING IN PERSON AND WHO WISHES TO ENSURE THAT ITS SHARES WILL BE VOTED AT THE ADJOURNED MEETING IS REQUESTED TO COMPLETE, DATE AND SIGN THE ENCLOSED FORM OF PROXY AND TO DELIVER THE FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS SPECIFIED IN THE FORM OF PROXY AND THE SUPPLEMENTAL INFORMATION CIRCULAR WHICH ACCOMPANY THIS NOTICE.

Canfor Corporation

SUPPLEMENTAL INFORMATION CIRCULAR

DATED AS OF MAY 16, 2005

CONCERNING THE ADJOURNED AND RECONVENED ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF CANFOR CORPORATION TO BE HELD ON JUNE 17, 2005.

SOLICITATION OF PROXIES

This Supplemental Information Circular is furnished in connection with the solicitation by the management of Canfor Corporation (the "Company") of proxies to be used at the adjourned and reconvened Annual General Meeting (the "Adjourned Meeting") of the Common Shareholders of the Company to be held at the time and place and for the purposes set forth in the notice of the Adjourned Meeting accompanying this Supplemental Information Circular. The Adjourned Meeting will transact only that business which was adjourned from the Annual General Meeting commenced April 29, 2005 (the "Original Meeting"), and is a continuation of the Original Meeting.

The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

RECORD DATE

The Directors of the Company fixed March 21, 2005 at the close of business as the record date for determining the names of Common Shareholders of the Company entitled to receive notice of the Original Meeting (the "Record Date"). Accordingly, each person who is entered in the register of members of the Company at the Record Date as a holder of one or more Common Shares of the Company is entitled to attend and vote at the Adjourned Meeting in person or by proxy and in the event of a poll to cast one vote for each Common Share held.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

FOR THE REASONS DESCRIBED IN THIS SUPPLEMENTAL INFORMATION CIRCULAR, THE SINGLE ITEM OF BUSINESS IN RESPECT OF WHICH THE ORIGINAL MEETING WAS ADJOURNED WILL NOT BE VOTED ON IN THE SAME MANNER AT THE ADJOURNED MEETING BUT WILL INSTEAD BE VOTED ON AS TWO SEPARATE ITEMS OF BUSINESS AS INDICATED FURTHER HEREIN. AS A RESULT, PROXIES FORMERLY DEPOSITED IN CONNECTION WITH THE SINGLE ITEM OF BUSINESS WHICH WAS TO BE VOTED ON AT THE ORIGINAL MEETING CAN NOT BE VOTED IN RESPECT OF THESE TWO SEPARATE ITEMS OF BUSINESS AT THE ADJOURNED MEETING. MANAGEMENT IS THEREFORE SOLICITING NEW PROXIES TO BE USED AT THE ADJOURNED MEETING AS DESCRIBED IN THIS SUPPLEMENTAL INFORMATION CIRCULAR.

A SHAREHOLDER WHO IS UNABLE TO ATTEND THE ADJOURNED MEETING IN PERSON AND WHO WISHES TO ENSURE THAT ITS SHARES WILL BE VOTED AT THE ADJOURNED MEETING IS REQUESTED TO COMPLETE, DATE AND SIGN THE ENCLOSED FORM OF PROXY AND TO DELIVER THE FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS SPECIFIED IN THE FORM OF PROXY AND THIS SUPPLEMENTAL INFORMATION CIRCULAR.

Each of the persons named in the enclosed form of proxy is a Director and senior officer of the Company. **A shareholder has the right to appoint a person (who need not be a shareholder) as his nominee to attend and act for him and on his behalf at the Adjourned Meeting other than the persons designated in the form of proxy accompanying this Supplemental Information Circular. To exercise this right a shareholder may insert the name in full of his nominee in the blank space provided in the form of proxy and strike out the names of the persons now designated, or complete a similar form of proxy.** The proxy will not be valid unless the completed form of proxy is delivered to CIBC Mellon Trust Company, Suite 1600, 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1, or the Corporate Secretary of the Company, not less than twenty-four (24) hours (excluding Saturdays and holidays) before the time of the Adjourned Meeting. A shareholder who has given a proxy has the power to revoke it by a signed instrument in writing in the manner provided in the articles of the Company or in any other manner provided by law any time before it is exercised. The articles of the Company provide that the revocation must be executed by the shareholder or his/her attorney authorized in writing, or where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Company at any time up to and including the last business day preceding the Adjourned Meeting or delivered to the Chairman of the Adjourned Meeting prior to the Adjourned Meeting on the day of the Adjourned Meeting.

VOTING OF SHARES AND EXERCISE OF DISCRETION BY PROXYHOLDER

The form of proxy accompanying this Supplemental Information Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to matters identified in the notice of the Adjourned Meeting and any other matters which may properly come before the Adjourned Meeting. At the date of this Supplemental Information Circular, management of the

Company knows of no such amendments, variations or other matters to come before the Adjourned Meeting other than the matters referred to in the notice of the Adjourned Meeting and routine matters incidental to the conduct of the Adjourned Meeting. In the event that any further or other business is properly brought before the Adjourned Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their judgment of such business. **On any ballot or poll, the Common Shares represented by the proxy will be voted in accordance with the instructions of the shareholder as specified in the proxy with respect to any matter to be acted on. If a choice is not so specified with respect to any such matter, the Common Shares represented by a proxy given to management are intended to be voted in favour of the resolutions referred to therein.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Adjourned Meeting. Shareholders who do not hold their shares in their own name (referred to herein as "Beneficial Shareholders") are advised that only proxies from shareholders of record can be recognized and voted at the Adjourned Meeting. Beneficial Shareholders who complete and return an instrument of proxy must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The instrument of proxy supplied to Beneficial Shareholders is identical to that provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in such shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of the broker.

In accordance with National Instrument 54-101 – "Communications with Beneficial Owners of Securities of a Reporting Issuer", the Company has distributed copies of the Notice of the Adjourned Meeting, this Supplemental Information Circular and the form of proxy to the clearing agencies and intermediaries for distribution onward to Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Adjourned Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder. Should a Beneficial Shareholder receiving such a form wish to vote at the Adjourned Meeting, the Beneficial Shareholder should strike out the names of the management proxyholders named in the form and insert the Beneficial Shareholder's name in the blank provided.

The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications Services ("ADP"). ADP typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to ADP. ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Adjourned Meeting. **A Beneficial Shareholder receiving a proxy with an ADP sticker on it cannot use that proxy to vote Common Shares directly at the Adjourned Meeting – the proxy must be returned to ADP well in advance of the Adjourned Meeting in order to have the Common Shares voted.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at the Record Date, there were 143,477,891 Common Shares outstanding and entitled to be voted at the Adjourned Meeting, each Common Share carrying the right to one vote. To the knowledge of the Directors and senior officers of the Company no person or company owns beneficially, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all Common Shares of the Company entitled to be voted at the Meeting except as set out below:

Title of Class	Name of Beneficial Holder	Number of Shares	Percentage of Class
Common Shares	James A. Pattison ¹	28,600,000	19.93
Common Shares	Jarislowsky, Fraser Limited ²	23,346,945	16.27

Matthews-Cartier Holdings Limited, a company established by the founders of the Company, no longer owns shares in excess of 10% of the issued capital of the Company. As at the Record Date, the Common Shares held by Matthews-Cartier Holdings Limited were as set out below:

Common Shares	Matthews-Cartier Holdings Limited ³	13,295,904 ⁴	9.26
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¹ The Common Shares beneficially owned by James A. Pattison are held by subsidiaries wholly owned by Mr. Pattison.

² As at the Record Date, Jarislowsky, Fraser Limited, an investment management firm with which Stephen A. Jarislowsky is associated, exercises control or direction over 23,346,945 Common Shares of the Company.

³ The Common Shares of Matthews-Cartier Holdings Limited are owned indirectly by trusts for the benefit of members of the Prentice and Bentley families of Vancouver. The late Mr. J. G. Prentice and the late Mr. L. L. G. Bentley were the founders of the Company. Under a Shareholders Agreement to which Matthews-Cartier Holdings Limited, various holding companies and the trustees of the trusts are parties, the Common Shares owned or controlled by Matthews-Cartier Holdings Limited were, at the Original Meeting, voted for the election of one nominee of the Prentice and Bentley families. Mr. Peter J. G. Bentley, the son of the late Mr. L.L.G. Bentley, was the nominee and is a trustee of the trusts and was elected at the Original Meeting.

INCORPORATION BY REFERENCE

The information provided in this Supplemental Information Circular should be read in conjunction with the Original Circular, which is incorporated by reference herein.

PARTICULARS OF MATTERS TO BE ACTED UPON

For the reasons described in the section below entitled "Alterations to Company's Charter Documents - Background to the Adjourned Meeting", shareholders will be asked at the Adjourned Meeting to consider and vote in favour of two of the special resolutions described in the Original Circular to: (a) alter the Notice of Articles of the Company to remove the Pre-Existing Company Provisions under the new *Business Corporations Act* (British Columbia) (the "Act"); and (b) to replace the existing Articles of the Company with the form of Articles attached to this Supplemental Information Circular. A third special resolution contained in the Original Circular, to remove the maximum limitation on the number of Common and Preferred Shares that the Company is authorized to issue, will not be voted on at the Adjourned Meeting.

Alterations to Company's Charter Documents

Background to the Adjourned Meeting

At the Original Meeting, it was intended that the shareholders consider and vote on a single special resolution in connection with the new Act authorizing the Company to:

- (a) alter the Notice of Articles of the Company to remove the application of the Pre-existing Company Provisions under the Act (the "PCP Resolution");
- (b) replace the existing Articles of the Company with the form of Articles attached as Schedule A to this Supplemental Information Circular (the "Articles Resolution");
- (c) alter the Notice of Articles of the Company by removing the limitation on the maximum number of Common Shares and Preferred Shares the Company is authorized to issue (the "Capital Resolution"),

all as described in the Original Circular and, in the case of the PCP Resolution and the Articles Resolution, as described below.

Although proxies deposited for the Original Meeting indicated that more than a simple majority of shareholders entitled to vote at the Original Meeting were in favour of the foregoing resolutions as a single item for approval, the item did not have the necessary special majority of three quarters of the votes cast at the Original Meeting for the required special resolution.

After considering the concerns being raised by shareholders regarding both the fact that the three resolutions were to be voted on as a single item of business, and objections to the removal of the limitation on the maximum number of Common Shares and Preferred Shares that was contemplated by the Capital Resolution, the Directors of the Company determined to adjourn the Original Meeting with respect to these resolutions to allow further consideration of these items of business and a vote on some or all of these resolutions at the Adjourned Meeting. All other resolutions presented at the Original Meeting were passed and are not the subject of the Adjourned Meeting.

In order to address these concerns, the Directors of the Company have unanimously determined to separate the PCP Resolution and the Articles Resolution as being separate and distinct matters for the Adjourned Meeting in order to allow shareholders to consider and vote upon those items of business separately. To facilitate shareholders' consideration of the proposed resolutions, a full copy of the new Articles of the Company contemplated by the Articles Resolution is attached for shareholders review. In addition, the Directors have determined not to address the Capital Resolution as the Company does not presently require additional authorized but unissued share capital for any particular transaction or otherwise for general corporate purposes. The Directors will reconsider the issue of the authorized share capital of the Company at such time as the need for such an increase arises. Accordingly, no change is proposed to the Company's currently authorized capital of 1,000,000,000 Common Shares and 10,000,000 Preferred Shares.

The New British Columbia Business Corporations Act

On March 29, 2004 the new British Columbia *Business Corporations Act* (the "New Act") came into force, replacing the former British Columbia *Company Act* (the "Old Act"). The New Act is a comprehensive modern corporate statute, that provides for additional flexibility for British Columbia companies, including the Company.

As a British Columbia company, the Company must, within two years after the coming into force of the New Act, make application to the Registrar of Companies for British Columbia ("Registrar") to carry out a "transition rollover", which will include a new Notice of Articles of the Company. The Notice of Articles will contain the information currently set out in the Company's existing Memorandum, namely, the name of the Company and its authorized share structure, as well as other information, including the addresses of its registered and records offices and the names and addresses of its directors. Upon the Notice of Articles coming into effect, the existing Memorandum will be replaced and will cease to have any force or effect.

The transition rollover of the Memorandum into the Notice of Articles can be authorized by the Directors of the Company, and it is anticipated that this will be applied for shortly after the mailing of this Supplemental Information Circular and, in any event, before the Adjourned Meeting. A copy of the proposed Notice of Articles is available for inspection at the registered office of the Company, at 1700 West 75th Avenue, Vancouver, B.C., during usual business hours.

Removal of Pre-existing Company Provisions

Under the New Act, a British Columbia company incorporated under the Old Act (or its predecessor legislation) will be subject to the "Pre-Existing Company Provisions" as set out in Table 3 of the *Business Corporations Regulation* under the New Act (the "PCPs"), which continue certain provisions of the Old Act until the Company has taken steps under the New Act to make the PCPs inapplicable.

The PCPs relate to matters such as the maintenance of existing voting thresholds for special resolutions (three quarters of the votes cast), pre-emptive rights over the allotment and issue of shares (applicable only to non-public companies) and rateable purchases or redemptions of shares.

Because the Company is a public company, the PCPs are either not applicable to the Company under the terms of the New Act or are governed by securities legislation, except for the existing requirement that the threshold majority of votes required to pass a special resolution (and to pass other resolutions requiring a special majority) at a meeting of shareholders is three-quarters of the votes cast on the resolution. The same requirement applies to a special separate resolution of a class or series of shares. The New Act permits the required voting threshold for special resolutions to be between two-thirds and three-quarters of the votes cast.

A two-thirds majority requirement is an example of the increased flexibility in the New Act, and is consistent with the thresholds provided by other corporate statutes in Canada. Management is of the opinion that, given that most of the PCPs are not applicable or are not of relevance to the Company as a public company, the PCPs should therefore be removed. Removal of the PCPs will permit the Company to establish the threshold majority for special and other resolutions at two-thirds, as discussed further below.

The Directors of the Company recommend that the shareholders vote in favour of the PCP Resolution.

Accordingly, shareholders will be asked to consider and, if thought fit, to pass, the PCP Resolution as set forth below. The change of the Notice of Articles contemplated by the PCP Resolution will take effect when a Notice of Alteration of the Notice of Articles is filed with the Registrar.

The special resolution to remove the application of the PCPs is as follows:

RESOLVED, as a special resolution, that the Notice of Articles of the Company be altered to remove the application to the Company of the Pre-existing Company Provisions (being those provisions set out in Table 3 of the *Business Corporations Regulation* under the *Business Corporations Act*).

New Articles

The Company's existing Articles, which were prepared under the Old Act, do not reflect some of the terms of or the increased flexibility provided for in the New Act. New Articles have been prepared for the Company (and which are attached as Schedule A to this Supplemental Information Circular) which are designed to reflect, and take advantage of, the provisions of the New Act, some of which are described below. The establishment of new Articles will include a restatement of the existing special rights and restrictions attached to the Preferred Shares of the Company, none of which are outstanding, to conform the special rights and restrictions to the provisions and terminology of the New Act. No substantive changes to the special rights and restrictions are being made at this time.

While many of the changes in the proposed new Articles are minor, there are some changes from the existing Articles which should be noted:

- (a) consistent with the discussion above, under the new Articles, the majority required for a special resolution to be passed at a shareholders' meeting will be two-thirds, instead of three-quarters, of the votes cast;
- (b) alterations to the Company's name, to the rights and restrictions applicable to shares and to the authorized share structure (called the "authorized capital" in the Old Act), and to the Articles can be done by ordinary resolution of the shareholders, rather than by special resolution;
- (c) the new Articles reflect the ability of the Company under the New Act to issue either share certificates or non-transferable written acknowledgements of a shareholder's right to obtain a share certificate;
- (d) the only restriction on the payment of dividends is that the Company not be insolvent;
- (e) alternate directors need no longer be directors themselves;
- (f) directors can be removed by ordinary resolution of the shareholders, instead of a special resolution;
- (g) directors who are convicted of an indictable offence or who cease to be qualified to act as directors can be removed by the directors and the directors can fill the vacancies;
- (h) requirements for disclosure and approval of interests of directors and officers in contracts and transactions will now be governed by extensive new provisions in the New Act;

- (i) the provisions relating to the indemnification of directors, officers and others have been changed to fit with the provisions of the New Act, one of which is that, in most cases, court orders are no longer required for the indemnification of directors and officers;
- (j) the directors' and officers' insurance provisions have been widened to fit with the New Act;
- (k) the new Articles permit notice to shareholders to be given by fax or email to the fax number or email address provided by the recipient, and also by any other method permitted by securities legislation, as well as by mail or delivery;
- (l) the number of directors can be changed by directors' resolution, rather than by an ordinary resolution of the shareholders (but the shareholders are still able to fill any vacancies so created); and
- (m) directors can fix the remuneration of the auditor without the need of a shareholders' resolution specifically authorizing the directors to do this (as has always been the case in the past at annual general meetings).

The Directors of the Company recommend that the shareholders vote in favour of the deletion of the existing Articles and the substitution of the new Articles.

Accordingly, shareholders will be asked to consider and, if thought fit, to pass, the Articles Resolution set forth below to delete the existing Articles of the Company and to substitute a new set of Articles. In accordance with the Act, this special resolution specifically addresses the reinstatement of the special rights and restrictions attached to the Preferred Shares which, as noted above, does not effect any substantive changes to the special rights and restrictions set out in the present Articles. This reinstatement of the Articles will take effect when a Notice of Alteration of the Notice of Articles is filed with the Registrar.

The special resolution to delete the existing Articles and to substitute the new set of Articles is as follows:

RESOLVED, as a special resolution, that the existing Articles of the Company, including Part 26 thereof containing the existing special rights and restrictions attached to the Preferred Shares of the Company, be deleted and cancelled, and that the form of Articles presented to the meeting, including Part 25 thereof containing the special rights and restrictions which are hereby attached to the Preferred Shares of the Company, be created and adopted as the Articles of the Company in substitution for the existing Articles of the Company; such alterations to the Articles not to take effect until the Notice of Articles of the Company is altered to reflect such alteration to the Articles.

General

Unless otherwise directed, the persons designated in the accompanying form of proxy intend to vote in favour of the PCP Resolution and the Articles Resolution.

The necessary majority to pass these special resolutions will be three-quarters of the votes cast on each of them at the Adjourned Meeting.

OTHER INFORMATION

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Company's Annual Report which contains the audited Financial Statements for the year ended December 31, 2004 and Management's Discussion and Analysis of Financial Condition and Results of Operations, which contain financial information relating to the Company, accompanied the Original Circular. An additional copy of those documents, this Supplemental Information Circular and any interim financial statements filed subsequent to the annual audited Financial Statements may be obtained from the Corporate Secretary of the Company. *Additional information relating to the Company is on SEDAR at www.sedar.com.*

The contents and the sending of this Supplemental Information Circular have been approved by the Board of Directors of the Company.

By Order of the Board of Directors

**David M. Calabrigo
Corporate Secretary**

Vancouver, B.C.

May 16, 2005

Schedule

A

Incorporation number: 69561

CANFOR CORPORATION (the "Company") ARTICLES

1. INTERPRETATION

1.1. Definitions

In these Articles, unless the context otherwise requires:

- (1) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;
- (2) "Business Corporations Act" means the Business Corporations Act (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) "Interpretation Act" means the Interpretation Act (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder;
- (5) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (6) "seal" means the seal of the Company, if any.

1.2. Business Corporations Act and Interpretation Act Definitions Applicable

The definitions in the Business Corporations Act and the definitions and rules of construction in the Interpretation Act, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the Business Corporations Act and a definition or rule in the Interpretation Act relating to a term used in these Articles, the definition in the Business Corporations Act will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the Business Corporations Act, the Business Corporations Act will prevail.

2. SHARES AND SHARE CERTIFICATES

2.1. Delivery of Share Certificates and Acknowledgements

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgment is lost in the mail or stolen. Delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

2.2. Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.3. Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Article 2.2, the amount, if any, determined by the directors.

2.4. Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. ISSUE OF SHARES

3.1. Directors Authorized

Subject to the Business Corporations Act and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2. Commissions and Discounts

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3. Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4. Share Purchase Warrants and Rights

Subject to the Business Corporations Act, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

4. SHARE REGISTERS

4.1. Central Securities Register

As required by and subject to the Business Corporations Act, the Company must maintain in British Columbia a central securities register. The directors may, subject to the Business Corporations Act, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

5. SHARE TRANSFERS

5.1. Registering Transfers

A transfer of a share of the Company must not be registered unless the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

- (1) a duly signed instrument of transfer in respect of the share;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (3) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and
- (4) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

5.2. Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

5.3. Transferor Remains Shareholder

Except to the extent that the Business Corporations Act otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4. Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5. Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.6. Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1. Legal Personal Representative Recognized on Death

In case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2. Rights of Legal Personal Representative

The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the Business Corporations Act and the directors have been deposited with the Company. The preceding sentence does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

7. PURCHASE OF SHARES

Subject to the special rights and restrictions attached to the shares of any class or series and the Business Corporations Act, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

8. BORROWING POWERS

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

9. ALTERATIONS

9.1. Alteration of Authorized Share Structure

Subject to Article 9.2 and the Business Corporations Act, the Company may by ordinary resolution:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the Business Corporations Act;

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

9.2. Special Rights and Restrictions

Subject to the Business Corporations Act, the Company may by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

9.3. Change of Name

The Company may by ordinary resolution authorize an alteration of its Notice of Articles in order to change its name and may, by ordinary resolution or directors' resolution, adopt or change any translation of that name.

9.4. Other Alterations

If the Business Corporations Act does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1. Annual General Meetings

The Company must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2. Calling of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders.

10.3. Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least 21 days before the meeting.

10.4. Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1. Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the election or appointment of directors;
 - (e) the appointment of an auditor;
 - (f) the setting of the remuneration of an auditor;
 - (g) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;

- (h) any other business which, under these Articles or the Business Corporations Act, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2. Special Majority

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3. Quorum

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4. Persons Entitled to Attend Meeting

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the chief executive officer (if any), the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting, and any persons entitled or required under the Business Corporations Act or these Articles to be present at the meeting, but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.5. Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.6. Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.7. Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.6(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.8. Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the vice chair of the board, if any; or
- (3) if both the chair of the board and the vice chair of the board are absent or unwilling to act as chair of the meeting, the chief executive officer, if any.

11.9. Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board, vice chair of the board or chief executive officer present within 15 minutes after the time set for holding the meeting, or if the chair of the board, the vice chair of the board and the chief executive officer are unwilling to act as chair of the meeting, or if the chair of the board, the vice chair of the board and the chief executive officer have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair

or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.10. Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.11. Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.12. Decisions by Show of Hands or Poll

Subject to the Business Corporations Act, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

11.13. Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.12, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.14. Chair May Propose or Second Motion

The chair of any meeting of shareholders is entitled to propose or second a motion.

11.15. Casting Vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.16. Manner of Taking Poll

Subject to Article 11.17, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.17. Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.18. Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.19. Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.20. No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.21. Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

12. VOTES OF SHAREHOLDERS

12.1. Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2. Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3. Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of shareholders, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4. Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

12.5. Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must:
 - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, one business day before the day set for the holding of the meeting or any adjourned meeting; or
 - (b) if the directors so determine, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;

- (2) if a representative is appointed under this Article 12.5:
- (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6. Proxy Provisions Subject to Securities Requirements

Articles 12.7 to 12.15 apply only insofar as they are not inconsistent with any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and insofar as they are not inconsistent with the regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation.

12.7. Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy. If a shareholder appoints more than one proxy holder for the same meeting, the shareholder must specify the number of shares each proxy holder shall be entitled to vote.

12.8. Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.9. Proxy Holder Need Not Be Shareholder

A proxy holder need not be a shareholder of the Company.

12.10. Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, one business day before the day set for the holding of the meeting or any adjourned meeting; or
- (2) if the directors so determine, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11. Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.12. Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], or in the place of the foregoing [name], as proxy holder for the undersigned with power of substitution to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned): _____

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder-printed]

12.13. Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.14. Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15. Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. DIRECTORS

13.1. Number of Directors

The number of directors, excluding additional directors appointed under Article 14.7, is set at the greater of three and the most recently set of:

- (1) the number of directors set by directors' resolution; and
- (2) the number of directors set under Article 14.3.

13.2. Change in Number of Directors

If the number of directors is set under Article 13.1(1):

- (1) the shareholders may elect the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect the directors needed to fill any vacancies in the board of directors up to that number at the next meeting of shareholders following the setting of that number called for the purpose of electing directors, then the directors may (subject to Article 14.7) appoint, or the shareholders may elect, directors to fill those vacancies.

13.3. Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4. Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.5. Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.6. Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.7. Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1. Election at Annual General Meeting

At every annual general meeting:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors are entitled to elect a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election of directors under paragraph (1), but are eligible for re-election.

14.2. Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting on or before the date by which the annual general meeting is required to be held under the Business Corporations Act; or
- (2) the shareholders fail at the annual general meeting to elect any directors;

then each director then in office continues to hold office until the earlier of:

- (3) when his or her successor is elected or appointed; and
- (4) when he or she otherwise ceases to hold office under the Business Corporations Act or these Articles.

14.3. Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.4. Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.5. Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the Business Corporations Act, for any other purpose.

14.6. Shareholders May Fill Vacancies

If the Company has no directors, the shareholders may elect directors to fill any vacancies on the board of directors.

14.7. Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.7 must not at any time exceed one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.7.

Any director so appointed ceases to hold office immediately before the next election of directors under Article 14.1(1), but is eligible for re-election.

14.8. Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.9 or 14.10.

14.9. Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by ordinary resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.10. Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

15. ALTERNATE DIRECTORS

15.1. Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2. Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3. Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4. Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5. Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6. Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7. Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

15.8. Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

16. POWERS AND DUTIES OF DIRECTORS

16.1. Powers of Management

The directors must, subject to the Business Corporations Act and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the Business Corporations Act or by these Articles, required to be exercised by the shareholders of the Company.

16.2. Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

16.3. Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

17. INTERESTS OF DIRECTORS AND OFFICERS

17.1. Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.2. No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.3. Professional Services by Director or Officer

Subject to the Business Corporations Act, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.4. Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the Business Corporations Act, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

18. PROCEEDINGS OF DIRECTORS

18.1. Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2. Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3. Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the vice chair of the board, if any; or
- (3) any other director chosen by the directors if:
 - (a) neither the chair of the board nor the vice chair of the board is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (b) neither the chair of the board nor the vice chair of the board is willing to chair the meeting; or
 - (c) the chair of the board and the vice chair of the board have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4. Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors:

- (1) in person;
- (2) by telephone; or
- (3) with the consent of all the directors, by other communications medium;

if all directors participating in the meeting, whether in person, by telephone or by other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the Business Corporations Act and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5. Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6. Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 23.1 or orally or by telephone.

18.7. When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8. Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9. Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

18.10. Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors.

18.11. Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.11 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the Business Corporations Act and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. EXECUTIVE AND OTHER COMMITTEES

19.1. Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2. Appointment and Powers and Obligations of Audit Committee

Subject to the Business Corporations Act and any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and the regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation:

- (1) the directors shall appoint an audit committee at the times and consisting of the directors that they consider appropriate;
- (2) the audit committee shall exercise the powers and perform the functions and obligations given to it and required by the Business Corporations Act and by the said securities legislation, regulations, rules, administrative policy statements, blanket orders and rulings, notices and other administrative directions;

- (3) the directors may, by resolution, delegate to the audit committee, in addition to the powers referred to in paragraph (2), any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (4) the directors may make any delegation referred to in paragraph (3) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3. Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee and the audit committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.4. Obligations of Committees

Any committee appointed under Articles 19.1, 19.2 or 19.3, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

19.5. Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1, 19.2 or 19.3:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

19.6. Committee Meetings

Subject to Article 19.4(1) and, in the case of the audit committee, the Business Corporations Act and the securities legislation, regulations, rules, administrative policy statements, blanket orders and rulings, notices and administrative directions referred to in Article 19.2, and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1, 19.2 or 19.3:

- (1) the committee may meet and adjourn as it thinks proper;

- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. OFFICERS

20.1. Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2. Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3. Qualifications

No officer may be appointed unless that officer is qualified in accordance with the Business Corporations Act. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or vice chair of the board must be a director. Any other officer need not be a director.

20.4. Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

21. INDEMNIFICATION

21.1. Definitions

In this Article 21:

- (1) "associated corporation" means a corporation or entity referred to in paragraph (b) or (c) of the definition of "eligible party" below;
- (2) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (3) "eligible party" means an individual who:
 - (a) is or was a director, alternate director or officer of the Company;
 - (b) is or was a director, alternate director or officer of another corporation,
 - (i) at the time when the corporation is or was an affiliate of the Company, or
 - (ii) at the request of the Company, or

- (c) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director, alternate director or officer of a partnership, trust, joint venture, or other unincorporated entity;
- (4) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which an eligible party or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director, alternate director or officer of, or holding or having held a position equivalent to that of a director, alternate director or officer of, the Company or an associated corporation:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (5) "expenses" has the meaning set out in the Business Corporations Act.

21.2. Mandatory Indemnification of Eligible Parties

Subject to the Business Corporations Act, the Company must indemnify an eligible party and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, as they are incurred in advance of, or if not then paid, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each eligible party is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3. Indemnification of Other Persons

Subject to any restrictions in the Business Corporations Act, the Company may indemnify any person.

21.4. Non-Compliance with Business Corporations Act

The failure of a director, alternate director or officer of the Company to comply with the Business Corporations Act or these Articles or, if applicable, any former Companies Act or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part.

21.5. Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

22. DIVIDENDS

22.1. Payment of Dividends Subject to Special Rights

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2. Declaration of Dividends

Subject to the Business Corporations Act, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

22.3. No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4. Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5. Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

22.6. Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7. When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8. Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9. Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10. Dividend Bears No Interest

No dividend bears interest against the Company.

22.11. Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12. Payment of Dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13. Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

23. NOTICES

23.1. Method of Giving Notice

Unless the Business Corporations Act or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the Business Corporations Act or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient;
- (6) as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states in the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation.

23.2. Deemed Receipt

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 23.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (3) emailed to a person to the email address provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was emailed on the day it was emailed.

23.3. Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 23.1 is conclusive evidence of that fact.

23.4. Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

23.5. Notice to Legal Personal Representatives and Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24. SEAL

24.1. Who May Attest Seal

Except as provided in Articles 24.2 and 24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any two officers;
- (3) any officer, together with any director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

24.2. Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 24.1, the impression of the seal may be attested by the signature of any director or officer, or the signature of any other person as may be determined by the directors.

24.3. Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the Business Corporations Act or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and any two directors, any two officers, any officer together with any director, or any one or more directors or officers or persons as may be determined by the directors may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

24.4. Facsimile Signature

The signature of any one or more officers, directors and other persons determined by the directors, may, if authorized by the directors, be printed or otherwise mechanically reproduced upon any record executed or issued by the Company or any officer thereof. Any record on which the signature of any such person is so printed or mechanically reproduced by authorization of the directors shall be deemed to have been manually signed by such person whose signature is so printed or mechanically reproduced and shall be as valid to all intents and purposes as if such record had been signed manually, and notwithstanding that the person whose signature is so reproduced may have ceased to hold office at the date of the delivery or issue of such record.

25. SPECIAL RIGHTS AND RESTRICTIONS ATTACHED TO PREFERRED SHARES

25.1. Shares Issuable in Series

The Preferred shares may include one or more series of shares and, subject to the Business Corporations Act, the directors may, from time to time, by resolution, if none of the shares of any particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of:

- (1) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination;
- (2) create an identifying name for the shares of that series, or alter any such identifying name; and
- (3) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions, but no such special right or restriction shall contravene the provisions of Articles 25.2 to 25.6 inclusive.

25.2. Priority on Dissolution

Holders of Preferred shares shall be entitled, on the distribution of assets or property of the Company on the liquidation, dissolution or winding-up of the Company or any other distribution of assets or property of the Company among its shareholders for the purpose of winding-up its affairs, to have distributed to them the amounts, assets or property provided for in the special rights and restrictions attached to the Preferred shares (or any series thereof) on the occurrence of such an event, before any distribution shall be made to the holders of Common shares or any other shares of the Company ranking junior to the Preferred shares with respect to repayment of capital.

25.3. Priority as to Dividends

With respect to the declaration and payment of dividends, holders of Preferred shares shall rank in priority to holders of Common shares or any other shares of the Company ranking junior to the Preferred shares with respect to dividends.

25.4. Distributions on Dissolution

The special rights and restrictions to be attached to any series of the Preferred shares may provide that in the event of a distribution referred to in Article 25.2 above, the holders of any series of Preferred shares shall be entitled to receive the amount paid up with respect to each shares of that series held by them, together with the fixed premium (if any) thereon, all accrued and unpaid cumulative dividends (if any) thereon (calculated as set out in such special rights and restrictions), whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any) thereon, but after payment to the holders of the shares of any series of Preferred shares of the amounts so payable to them on any such distribution, they shall not be entitled, as such, to share in any further distribution of the property or assets of the Company.

25.5. Dividend Rates and Amounts

The special rights and restrictions to be attached to any series of the Preferred shares may provide for the declaration, payment and/or setting aside for payment of dividends at or in the respective rates or amounts provided therein other than a rate or amount fixed or determined by reference to the profits of the Company, and may provide that such dividends be cumulative, non-cumulative or partially cumulative, but the holders of the shares of any such series shall not be entitled, as such, to participate in any dividends other than dividends at the rates or in the amounts so set out in such special rights and restrictions.

25.6. Non-Voting

Except for such rights relating to the election of directors on a default in payment of dividends as may be attached to any series of the Preferred shares, the holders of Preferred shares shall not be entitled as such to receive notice of, or to attend or vote at, any general meeting of shareholders of the Company.

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