Set out below is a summary of certain provisions of the Company's Articles and the Business Corporations Act (British Columbia) (the "**BCBCA**"), the governing corporate law of the Company, that may be relevant to investors. As the information contained below is in summary form, it does not purport to contain all of the information that may be important to shareholders of the Company and potential investors. The summary also contains a summary of certain rules and requirements of the Toronto Stock Exchange (the "**TSX Listing Policies**"), certain provisions of NYSE American LLC Company Guide (the "**NYSE American Company Guide**") and certain Canadian securities laws and United States federal securities laws.

CORPORATE HISTORY

The Company was initially formed as Spokane Resources Ltd. pursuant to an amalgamation of Julia Resources Corporation and MacNeill International Industries Inc. under the Company Act (British Columbia) on October 31, 1991. On October 5, 2000, Spokane Resources Ltd. consolidated its share capital on a ten for one basis and altered its Memorandum and Articles of Incorporation by changing its name to "SKN Resources Ltd." At an annual and special general meeting held on October 20, 2004, the shareholders of the Company approved a resolution to increase the Company's authorized capital to an unlimited number of common shares (each, a "**Common Share**") and to adopt articles of incorporation reflecting the transition of the Company to the BCBCA. On May 2, 2005, the Company filed a Notice of Alteration with the British Columbia Registrar of Companies changing its name from "SKN Resources Ltd." to "Silvercorp Metals Inc.". On September 28, 2007, shareholders of the Company approved a three- for-one share split in respect of the Common Shares.

SUMMARY OF ARTICLES AND CORPORATE LAWS

Set out below is a summary of certain provisions of the Company's Articles and the BCBCA and, where applicable, a description of certain regulations and policies of the TSX and certain Canadian securities laws and certain provisions of the NYSE American Company Guide.

Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value ("**Common Shares**"). As at the Latest Practicable Date, there were a total of 221,174,202 Common Shares issued and outstanding. There are no special rights and restrictions attached to the Common Shares.

Issuance of Shares

All of the Common Shares have been and will be issued in accordance with the laws of British Columbia and the Articles. There is generally no limit in the BCBCA on the ability of a company to issue additional shares, provided that no shares may be validly issued unless and until they have been fully paid. However, the TSX Listing Policies require that prior TSX approval be obtained by a listed issuer for any proposed issuance of the listed securities or any securities convertible into or exchangeable for the listed securities and, in certain circumstances, prior approval of the listed issuer's shareholders. Similarly, the NYSE American Company Guide requires that prior NYSE American approval be obtained by a listed issuer for any proposed issuance of the listed securities and, in certain circumstances, prior approval of the listed issuer's shareholders.

Pursuant to Part 6 of the TSX Company Manual, the Company will be required to obtain prior shareholder approval for any issuance of Common Shares, or any securities convertible into or exchangeable for, Common Shares if such issuance:

- materially affects control of the Company; or
- provides consideration to insiders of the Company in aggregate of 10% or greater of the market capitalization of the Company during any six-month period.

Additionally, the Company is required to obtained shareholder approval in accordance with Part 6 of the TSX Company Manual in connection for private placements:

- for an aggregate number of Common Shares that is greater than 25% of the number of Common Shares which are outstanding, on a non-diluted basis, prior to the date of closing of the transaction if the price per share is less than the then-current market price of the Common Shares; or
- that during any six month period are to insiders of the Company for Common Shares, or options, rights or other entitlements to listed Common Shares, greater than 10% of the number of Common Shares which are outstanding, on a non-diluted basis, prior to the date of closing of the first private placement to an insider during such six month period.

There is no requirement under the BCBCA or the TSX Listing Policies that the shareholders have a right to be offered any shares in a company which are being newly issued for cash before the same can be offered to new investors. Consequently, there is no requirement for the shareholders of the Company to provide an annual waiver from this obligation at a general or special meeting of shareholders.

Pursuant to Sections 711 through 713 of the NYSE American Company Guide, shareholder approval in accordance with Section 705 of the NYSE American Company Guide is required with respect to:

- the establishment of, or material amendment to, a stock option or purchase plan or other equity compensation arrangement pursuant to which options or stock may be acquired by officers, directors, employees or consultants, subject to certain exceptions;
- an application to list additional shares to be issued as consideration for an acquisition of the stock or assets of another company where: (i) any individual director, officer or substantial shareholder of the listed company has a 5% or greater interest or such persons collectively have a 10% or greater interest, directly or indirectly, in the company or assets to be acquired or in the consideration to be aid in the transaction and the present or potential issuance of common stock, or securities convertible into common stock, could result in an increase in outstanding common shares of 5% or more; or (ii) the present or potential issuance of common stock, or securities convertible into common stock, could result in an increase in outstanding common shares of 20% or more;
- an application to list additional shares in any other transaction where (i) the sale, issuance or potential issuance by the issuer of common stock or securities convertible into common stock at a price less than the Minimum Price which together with sales by officers, directors

or principal shareholders of the issuer equals 20% or more of presently outstanding common stock; or (ii) the sale, issuance or potential issuance by the issuer of common stock or securities convertible into common stock equal to 20% or more of presenting outstanding stock for less than the Minimum Price of the stock; provided, that shareholder approval is not required for a transaction that the NYSE American deems to be a fully marketed "public offering", after considering all relevant factors. "Minimum Price" means a price that is the lower of: (i) the official closing price immediately preceding the signing of the binding agreement; or (ii) the average official closing price for the five trading days immediately preceding the signing of the binding agreement.

- an application to list additional shares when the issuance or potential issuance of additional shares will result in a change of control of the issuer, including, but not limited to, those issuances that constitute a "reverse merger" as specified in NYSE American Company Guide Section 341.

Pursuant to Section 110 of the NYSE American Company Guide, NYSE American will consider the laws, customs and practices of a foreign company's country of domicile, to the extent not contrary to the United States federal securities laws, regarding certain matters including shareholder approval requirements. A company seeking relief under these provisions should provide the NYSE American with written certification from independent local counsel that the non-complying practice is not prohibited by home country law, and must provide English language disclosure of any significant ways in which its corporate governance practices differ from those followed by U.S. domestic companies pursuant to NYSE American standards. The Company is a British Columbia corporation, and has disclosed on its website that it will seek a waiver from NYSE American's shareholder approval requirements in circumstances where the securities issuance does not trigger such a requirement under British Columbia law or under the policies of the TSX.

Under applicable Canadian securities laws, offers and sales of Common Shares for issuance by the Company must be made pursuant to the Document requirements of the applicable Canadian securities laws or pursuant to an available exemption from such requirements. Under the United States federal securities laws, offers and sales of Common Shares for issuance by the Company must be made in accordance with the registration requirements of the U.S. Securities Act, or pursuant to an available exemption or exclusion from such requirements.

Subdivision and Consolidation

Subject to compliance with the TSX Listing Policies and the NYSE American Company Guide, the Company may at any time by ordinary resolution (i) sub-divide its issued and outstanding Common Shares into a greater number of Common Shares or (ii) consolidate and combine its issued and outstanding Common Shares into a lesser number of Common Shares.

Legal Capacity

Pursuant to section 30 of the BCBCA, the Company has the legal capacity and rights, powers and privileges of an individual of full capacity. Under the BCBCA, the Company is not required to have an "objects" clause in its Articles.

Voting Rights

Under the BCBCA and the Company's Articles, each Common Share entitles the holder thereof to one vote at any meeting of shareholders. Each shareholder entitled to attend and vote at a meeting of shareholders may attend and vote in person or appoint a proxy to attend and vote on their behalf. A corporate shareholder may appoint a person to act as its representative at any meeting of shareholders, provided that the instrument appointing such representative must (i) 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, two business days before the day set for the holding of the meeting; or (ii) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

On a show of hands, every person present who is a shareholder of the Company or a proxy or representative of a shareholder has one vote. On a poll, every person present who is a shareholder of the Company or a proxy or representative of a shareholder shall have one vote per Common Share.

Under section 624 of the TSX Company Manual, the legal designation of a class of securities, shall, except where the securities are preference securities and are legally designated as such (i) if the voting rights attached to the securities are subordinate to the voting rights of other securities, include the words "subordinate voting" in their legal designation, (ii) if the securities are non-voting securities, include the words "non-voting" in their legal designation and (iii) if the securities have limited or restricted voting rights, include the words "restricting voting" in their legal designation. The Company has not issued a class of subordinate voting, non-voting or restricted voting securities.

Special Majority

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

Dividends

Under the Company's Articles, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable, subject to the requirement under section 70 of the BCBCA that a company may not declare or pay a dividend if there are reasonable grounds for believing that (i) the company is insolvent or (ii) the payment of the dividend would render the company insolvent.

Under the Company's Articles, the directors of the Company may set the record date for the purpose of determining shareholders entitled to receive payment of the dividend, provided that the record date must not precede the date on which the dividend is to be paid by more than two months. A dividend may be paid wholly or partly by the distribution of cash or cash equivalents, specific assets or of fully paid Common Shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

Dividends do not lapse or bear interest against the Company. Any dividend or other distribution payable in cash in respect of Common Shares may be paid by cheque, made payable to the order of the person to whom it is sent. 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.

Liquidation

Liquidation is the process by which a company incorporated under the BCBCA may be wound up. In a liquidation, all debts and liabilities of the company are satisfied and any remaining assets are distributed to shareholders. The liquidation process can be voluntary or pursuant to a court order issued by a court of competent jurisdiction on application by the company, a shareholder of the company, a director of the company or any other person, including a creditor, the court considers appropriate. Voluntary liquidation is subject to the approval of the shareholders of the Company by way of special resolution.

The appointment of a liquidator suspends the powers of the directors of a company. The liquidator has a duty, subject to the BCBCA, to use his or her own discretion in realizing the assets of a company or distributing those assets among the creditors and shareholders of the company. The liquidator must:

- except for assets to be distributed in kind to the shareholders of the company, dispose of the company's assets;
- pay or make provision for all of the company's liabilities; and
- after paying or providing for all liabilities, distribute the remaining assets in money or in kind among the shareholders according to their rights and interests in the company.

A company may also apply to be dissolve under Part 10, Division 2 of the BCBCA, without going through the liquidation process, including appointment of a liquidator, if it (i) is authorized to do so by ordinary resolution, (ii) has no assets and (iii) has no liabilities or has made adequate provision for the payment of its liabilities.

Transfer of Shares

The Company's Articles provide that a transfer of Common Shares must not be registered unless:

- a duly signed instrument of transfer in respect of such Common Shares has been received by the Company;
- if a share certificate has been issued by the Company in respect of the Common Shares to be transferred, that certificate has been surrendered to the Company; and
- 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 Common Shares to be transferred, that acknowledgment has been surrendered.

The instrument of transfer in respect of any Common Shares proposed to be transferred must be either in the form, if any, on the back of the share certificates or in any other form that may be approved by the directors of the Company from time to time. Except as set forth above, there are no restrictions on the transfer of Common Shares set forth in the Company's Articles.

Under Canadian securities laws, certain persons in a "special relationship" with the Company, including directors, officers and other insiders of the Company, are prohibited from trading in Common Shares with knowledge of any material fact or material information in respect of the Company that has not been generally disclosed to the public. Similarly, United States federal securities laws prohibit the purchase or sale of a security of any issuer, on the basis of material nonpublic information about that security or issuer, in breach of a duty of trust or confidence that is owed directly, indirectly, or derivatively, to the issuer of that security or the shareholders of that issuer, or to any other person who is the source of the material nonpublic information.

Under Canadian securities laws, any shareholder who is considered a "control person" of the Company within the meaning of Canadian securities laws must comply with certain requirements prior to selling any Common Shares, including signing and filing a "Notice of Intention to Distribute Securities" in accordance with the requirements of National Instrument 45-102 *Resale of Securities*, at least seven days in advance of the distribution. To the knowledge of the Company, the Company does not currently have any "control persons" within the meaning of Canadian securities laws.

Under United States federal securities laws, an "affiliate" of the Company who intends to sell Common Shares in reliance upon the exemption from registration requirements provided by Rule 144 under the U.S. Securities Act, if available, must comply with certain requirements, including, without limitation, and subject to certain exceptions, transmitting a Form 144 for filing with SEC no later than the time of placing with a broker of an order to execute a sale of securities in reliance upon Rule 144 or the execution directly with a market maker of such a sale. An "affiliate" of the Company means a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Executive officers, directors and significant shareholders of a company are often considered to be affiliates of a company. The Company makes no representation, warranty or covenant that Rule 144 will be available to any shareholder of the Company.

Special Rights and Restrictions

Pursuant to section 61 of the BCBCA, a right or special right attached to issued shares must not be prejudiced or interfered with unless the shareholders holding shares of the class or series of shares to which the right or special right is attached consent by a special separate resolution of those shareholders. There are no special rights or restrictions currently attached to any of the Company's shares, however, the Company may by special resolution (i) 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 (ii) 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

Borrowing Powers

Under the Company's Articles, the Company, if authorized by its directors, has the power and capacity:

- borrow money in the manner and amount, on the security, from the sources and on the terms and conditions the directors consider appropriate;

- 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 the directors consider appropriate;

- guarantee the repayment of money by any person or the performance of any obligation of any other person; and

- 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.

Under the Company's Articles and the BCBCA, the directors may delegate any or all of these powers to a committee of directors or to the executive team.

Indemnification of Directors

Under the Company's Articles, the Company must indemnify a director, former director and each of their heirs and legal personal representatives against all "eligible penalties" to which such person is or may be liable, subject to any restrictions set forth in the BCBCA. An "eligible penalty" is a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an "eligible proceeding". An "eligible proceeding" is a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director or former director of the Company (an "**eligible party**"), or any heirs or legal personal representatives of the eligible party, by reason of the eligible party being or having been a director (i) is or may be joined as a party or (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding.

Notwithstanding the foregoing, the Company may not indemnify an eligible party or pay such eligible party's expenses in certain circumstances prescribed by the BCBCA, including circumstances in which:

- in relation to the subject matter of the eligible proceeding, the eligible party did not act honestly and in good faith with a view to the best interests of the Company or any associated corporation, as the case may be; or

- in the case of an eligible proceeding other than a civil proceeding, the eligible party did not have reasonable grounds for believing that the eligible party's conduct in respect of which the proceeding was brought was lawful.

Under the Company's Articles, the Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- is or was a director, officer, employee or agent of the Company;

- is or was a director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

- at the request of the Company, is or was a director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity; or

- 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, officer, employee or agent or person who holds or held such equivalent position.

Disclosure of Directors' Interests

Under the BCBCA, a director or senior officer of the Company holds a "disclosable interest" in a contract or transaction if:

- the contract or transaction is material to the Company;

- the Company has entered, or proposes to enter, into the contract or transaction; and

- either (i) the director or senior officer has a material interest in the contract or transaction; or (ii) the director or senior officer is a director or senior officer of, or has a material interest in, a person who has a material interest in the contract or transaction.

Subject to certain exemptions for transactions involving wholly-owned subsidiaries and related companies, a director or senior officer who holds a disclosable interest must disclose the nature and extent of the conflict as required by the BCBCA. Unless such requirements are complied with, a director or senior officer who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction.

If a material contract or material transaction is made between our Company and one or more of its directors or officers, or between the Company and another corporate entity of which the director or officer is a director or officer or in which the director or officer has a material interest, the contract or transaction is neither void nor voidable by reason of that relationship or by reason that a director with an interest in the contract or transaction is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction.

Restrictions on Directors' Voting

Under the Company's Articles, a director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any board resolution to approve that contract or transaction (unless all of the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution). Circumstances in which all directors could have a disclosable interest are rare is extremely rare but could arise, for example, if the Company proposed to issue shares to all directors outside the scope of their remuneration. In this circumstance, all of the directors would declare their interest in the transaction (with such declaration being noted in the minutes or consent resolution) and would then vote on the matter. Additionally, the directors are subject to their overriding duties to act in the best interest of the Company.

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the board meeting at which the contract or transaction is considered for approval may be counted in determining whether a quorum is present at the meeting, even if the director is prohibited from voting on the matter as described above.

Number of Directors

The Company's Articles provide that the number of directors of the Company will be the greater of three and the number of Directors is fixed by ordinary resolution. In the absence of any such ordinary resolution, the number of directors of the Company will be the greater of three and the number of Directors actually elected at the last meeting of shareholders at which an election of directors took place.

The incumbent directors may, between annual meetings of shareholders, appoint one or more additional directors up to a maximum of one-third of the directors elected by the shareholders of the Company at the last meeting of shareholders at which an election of directors took place.

All directors must be individuals. There are no residency requirements for directors under the BCBCA. A director is not required to hold Common Shares or other securities of the Company.

Directors' Term of Office

Unless a director dies, resigns or is removed from office in accordance with the Company's Articles and the BCBCA, the term of office of each of the incumbent directors ends at the conclusion of the next annual meeting of shareholders following his or her most recent election or appointment.

Meetings of Shareholders

Unless an annual general meeting is deferred or waived in accordance with the BCBCA, the Company must hold an annual general meeting at least once in each calendar year and not more than 15 months after the date of the last annual general meeting at such time and place as may be determined by the directors of the Company. Under the TSX Listing Policies, which are more prescriptive than the NYSE American Company Guide, the Company is required to hold its annual general meeting within six months following the end of its fiscal year. In addition, the directors may call a special meeting of shareholders at any time the directors consider appropriate. Under the Company's Articles, the Company must provide shareholders with at least 21 days' notice of any meeting if and for so long as the Company is a public company.

Under the BCBCA, shareholders who hold in the aggregate at least 5% of the issued and outstanding Common Shares may requisition a meeting of shareholders in compliance with the requirements of the BCBCA. If the directors do not, within 21 days after the date on which the requisition is received by the Company, send notice of a general meeting, the requisitioning shareholders, or any one or more of them holding, in the aggregate, more than 2.5% of the issued and outstanding Common Shares, may send notice of a meeting of shareholders to be held to transact the business stated in the requisition.

Unless the shareholders resolve otherwise by an ordinary resolution at the meeting called by the requisitioning shareholders, the Company must reimburse the requisitioning shareholders for the expenses actually and reasonably incurred by them in requisitioning, calling and holding that meeting.

Quorum Requirements

Under the Company's Articles, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or represent by proxy, shareholders holding, in the aggregate, at least five percent of the issued shares entitled to be voted at the meeting.

The NYSE American Company Guide recommends that a listed company's quorum for a meeting of shareholders be not less than 33 1/3% of the shares issued and outstanding and entitled to vote. However, quorum for a meeting of shareholders is among the requirements for which a foreign company may seek an exemption pursuant to Section 110 of the NYSE American Company Guide. On its website, the Company discloses that it is relying on Section 110 to follow the standards set forth in its Articles.

Election of Directors

At every annual general meeting, the shareholders of the Company entitled to vote at the annual general meeting for the election of directors are entitled to elect a board of directors consisting of the applicable number of directors determined in accordance with the Company's Articles. All the directors of the Company cease to hold office immediately before such election but are eligible for re-election.

If 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 Company's Articles and the BCBCA, or the shareholders fail to elect or appoint any directors at such meeting, then each director then in office continues to hold office until the earlier of (i) the date on which his or her successor is elected or appointed and (ii) the date on which he or she otherwise ceases to hold office under the Company's Articles or the BCBCA.

Consistent with TSX Listing Policies, the Company has adopted a "majority voting policy" with respect to the election of directors, which policy is only applicable in the case of an uncontested elections of directors (being an election in which the number of nominees for director does not exceed the number of directors proposed to be elected). In an uncontested election of directors of the Company, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election will, promptly following the meeting, tender his or her offer to resign to the Chair of the board. The board will consider the resignation offer and will determine whether or not to accept it within 90 days following the meeting. The board will be expected to accept the resignation except in situations where exceptional circumstances warrant the applicable director to continue to serve on the board. In considering whether or not to accept the resignation, the board must take into account all factors it deems relevant, including, without limitation, any stated reasons why shareholders "withheld" votes from the election of that nominee, the composition of the board and the qualifications of the director whose resignation has been tendered and the Company's corporate governance policies and practices. The resignation of the applicable director will be effective as at the date that his or her resignation offer is accepted by the Board.

Advance Notice Provisions

Under the Company's Articles, no person will be eligible for election as a director of the Company unless nominated in accordance with the Company' advance notice policy (the "**Advance Notice Policy**"). The Advance Notice Policy provides that advance notice to the Company must be made in circumstances where nominations of persons for election to the board of directors are made by shareholders other than pursuant to (i) a "proposal" made in accordance with Division 7 of the BCBCA or (ii) a requisition of shareholders made in accordance with section 167 of the BCBCA.

Among other things, the Advance Notice Policy fixes a deadline by which holders of record of Common Shares must submit director nominations to the secretary of the Company prior to any annual or special meeting of shareholders and sets forth the specific information that a shareholder must include in the written notice to the secretary of the Company. In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 or more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

To be in proper written form, a notice to the Company nominating a person for election to the board of directors must include certain information as set forth in the Advance Notice Policy with respect to the nominee and to the nominating shareholder. The board of directors may, in its sole discretion, waive any requirement of the Advance Notice Policy.

Disposition of Assets

Under the BCBCA, the Company may not sell, lease or otherwise dispose of all or substantially all of its assets and undertaking unless it does so in the ordinary course of its business or it has been authorized to do so by special resolution. Otherwise, there are no specific restrictions under the BCBCA on the ability of the Company to dispose of all or substantially all of its assets other than the requirement of the directors to discharge their duties of care to act in good faith, for a proper purpose and in the best interests of the Company.

Accounting and Auditing Requirements

Under the BCBCA and applicable Canadian and United States securities laws, the Company must prepare annual audited financial statements and unaudited quarterly financial statements. The annual audited financial statements of the Company and the auditor's report thereon must be presented to the annual general meeting of shareholders and delivered to shareholders.

Central Securities Register

The Company must maintain, at a location designated by the directors, a central securities register in which it registers the Common Shares issued by the Company, all transfers of Common Shares so issued and details of such issuances and transfers. The Company may also maintain one or more branch registers at locations designated by the directors. Particulars of each issue or transfer of a Common Share registered in a branch securities register must also be promptly registered in the central securities register.

Inspection of Books and Records

A shareholder may, during statutory business hours and without charge, inspect the records of the Company, other than certain records prescribed under the BCBCA as records that a shareholder of a company is not entitled to inspect.

Arrangements and Other Fundamental Corporate Transactions

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

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

Dissent and Appraisal Rights

Pursuant to the BCBCA, the shareholders of the Company are entitled to exercise dissent rights in respect of certain matters and to be paid the fair value of their Common Shares in connection therewith. The right of dissent is applicable in respect of:

- a resolution to alter the Company's Articles, to alter restrictions on the powers of the Company or on the business it is permitted to carry on;
- a resolution to adopt an amalgamation agreement or otherwise approve an amalgamation;
- a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the Company's undertaking;
- a resolution to authorize the continuation of the Company into a jurisdiction other than British Columbia;
- any other resolution, if dissent is authorized by the resolution; or
- any court order that permits dissent.

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

Statutory Derivative Actions

Pursuant to the BCBCA, a shareholder or a director of the Company (the "**complainant**") may, with leave of a court of competent jurisdiction, prosecute a legal proceeding in the name and on behalf of the Company:

- to enforce a right, duty or obligation owed to the Company that could be enforced by the Company itself; or
- to obtain damages for any breach of such a right, duty or obligation.

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

A court of competent jurisdiction may grant leave for a statutory derivative action on terms it considers appropriate if (i) the complainant has made reasonable efforts to cause the Directors to prosecute or defend the legal proceeding, (ii) notice of the application for leave has been given to the Company and any other person that the court may order, (iii) the complainant is acting in good faith and (iv) it appears to the court that it is in the best interests of the Company for the legal proceeding to be prosecuted or defended.

Oppression Remedy

A shareholder of the Company may apply to a court of competent jurisdiction for an order on the grounds that (i) the affairs of the Company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of its shareholders, including the applicant, or (ii) that an act of the Company has been taken or is threatened, or that a resolution of shareholders has been passed or is proposed, that is unfairly prejudicial to one or more shareholders, including the applicant.

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

- directing or prohibiting any act;
- regulating the conduct of the Company's affairs;
- appointing a receiver or receiver manager;
- directing an issue or conversion or exchange of shares;
- removing any director or appointing directors in place of or in addition to all or any of the directors then in office;
- directing the Company to purchase some or all of the Common Shares of a shareholder;
- directing a shareholder to purchase some or all of the Common Shares of any other shareholder;

- unless the Company is insolvent or the payment would render it insolvent, directing the Company to pay to a shareholder all or any part of the money paid by that shareholder for Common Shares of the Company;

- varying or setting aside a transaction to which the Company is a party and directing any party to the transaction to compensate any other party to the transaction;

- requiring the Company, within a time specified by the court, to produce to the court or to an interested person financial statements or an accounting in any form the court may determine;

- directing correction of the registers or other records of the Company;

- directing that the Company be liquidated and dissolved;

- directing that an investigation be made under the BCBCA or requiring the trial of any issue; or

- authorizing or directing that legal proceedings be commenced in the name of the Company against any person on the terms the court directs

Stamp Duty on Transfers

No Canadian or British Columbia stamp duty is payable on transfers of shares in a company that is incorporated or continued in British Columbia.

Remuneration of Directors

Neither the BCBCA nor the Company's Articles require a director of the Company to hold shares issued by the Company. The BCBCA and the Company's Articles are silent with respect to the remuneration of the Directors.

DISCLOSURE OF SHAREHOLDINGS

Under applicable Canadian securities laws, every "insider" of the Company must disclose any direct or indirect beneficial ownership of, or control or direction over, securities of the Company and any acquisitions or dispositions of securities of the Company on an ongoing basis. The term insider includes a director or senior officer of the Company, a director or senior officer of an entity that is itself an insider or subsidiary of the Company, and a person that has direct or indirect beneficial ownership of, or control or direction over securities of the Company carrying more than 10% of the Company's voting securities.

Under Canadian securities law, an investor in the Company is also obliged to issue a news release and file an "early warning report" upon acquiring beneficial ownership or control or direction over 10% or more of the issued and outstanding Common Shares. Thereafter, the shareholder must issue an additional news release and file another report if its ownership interest in the issued and outstanding Common Shares changes by 2% or more or there is a change in any material fact disclosed in a previous news release or early warning report.

Under the U.S. Exchange Act, a person that beneficially owns more than five percent of the Common Shares, calculated in the manner determined by the rules adopted under the U.S. Exchange Act, is required to file beneficial ownership reports on Schedule 13D or, if available, Schedule 13G under the U.S. Exchange Act. Additional disclosures under the U.S. Exchange Act and other United States federal securities laws apply to persons that satisfy certain thresholds under the United States federal securities laws for large traders, institutional investment managers and certain other types of investors.

The description of disclosure obligations set forth above is summary in nature in only and it is the obligation of each shareholder of the Company to inform itself and comply with all disclosure obligations under Canadian and United States securities laws.

TAKE-OVERS AND MERGERS

There are two commonly used methods to acquire a public company in Canada: (i) take-over bids and (ii) business combinations.

Take-over Bids

Overview

The first and most straightforward way to acquire a public company in Canada is a take-over bid, whereby the bidder makes its offer directly to the target company shareholders. Take-over bids in Canada are principally governed by Canadian securities law, including NI 62-104.

A "take-over bid" is generally defined as an offer to acquire a class of outstanding voting or equity securities of an issuer made to one or more persons in the local jurisdiction where the securities subject to the offer, together with securities held by the offeror and any person acting in concert with the offeror, constitute in the aggregate 20% or more of the outstanding securities of that class. Subject to limited exemptions, a takeover bid must be made to all holders of the applicable class of securities in the local jurisdiction and the offer must remain open for 105 days, subject to the target board's ability to reduce the bid period by either:

- issuing a news release announcing a shorter bid period for a specific take-over bid (which cannot be less than 35 days), in which case all outstanding or subsequent take-over bids will also become subject to the shorter minimum bid period from the date of their respective bid, provided that the bid must not expire before ten days from the date of variation; or

- issuing a news release indicating that it has agreed to enter into, or determined to effect, a specified alternative transaction (generally, a plan of arrangement or other business combination requiring shareholder approval), in which case all outstanding or subsequent take-over bids will become subject to a 35-day minimum bid period from the date of their respective bid.

Under NI 62-104, all holders of the same class of securities must be offered identical consideration. This means that it is not permissible to have collateral agreements with, for example, a controlling shareholder or a shareholder who is a senior officer that would result in additional consideration flowing to that shareholder (subject to certain exceptions covering, for example, employment contracts or severance arrangements). In addition, any purchases made by the bidder of securities that are of the same class as the securities that are subject to the bid and that were effected during the 90 days prior to the bid will be "integrated" into the bid. This means that the bidder will be required to offer to acquire the same percentage of securities and offer to pay the same amount and form of consideration as was offered in any pre-bid acquisitions, excluding normal course purchases on a stock exchange.

A take-over bid must be subject to a non-waivable condition that more than 50% of all outstanding target securities, excluding securities owned or held by the bidder and its joint actors (the "**minimum tender requirement**"), be tendered and not withdrawn before the bidder can take up any securities under the take-over bid. The take-over bid must also be extended by the bidder for at least an additional ten days after the bidder achieves the minimum tender condition and all other terms and conditions of the bid have been complied with or waived. After the take-over bid expires, the bidder is prohibited from acquiring additional securities of the same class for 20 business days, except for normal course purchases over a stock exchange.

Certain take-over bids are exempt from compliance with the foregoing requirements, including:

- normal course purchases on an exchange, at the prevailing market price for the securities, not exceeding 5% of the outstanding securities of the class (whether acquired in reliance on this exemption or otherwise) in a 12-month period (referred to as the de minimis exemption);

- transactions involving the acquisition of securities from not more than five shareholders of the target company, provided that the price paid does not exceed 115% of the prevailing market price (referred to as the private agreement exemption);

- the acquisition of securities for which there is no published market of a company that is not a reporting issuer and has fewer than 50 shareholders exclusive of current or former employees; and

- foreign take-over offers where, inter alia, the number of securities held beneficially by Canadian shareholders is reasonably believed to be less than 10% of the total outstanding securities, and Canadian shareholders are entitled to participate on terms at least as favourable as other shareholders.

A take-over bid may constitute a "tender offer" for purposes of the United States federal securities laws. In that case, the United States federal securities laws impose additional requirements on the transaction. Section 14(e) of the U.S. Exchange Act, and Regulation 14E adopted by the SEC thereunder generally apply to all tender offers, subject to certain exceptions. They impose requirements including, subject to certain exceptions, the length of time during which an offer must remain open, the time period for paying the consideration offered or returning the securities deposited by security holders, the manner of disclosing certain amendments to the offer, disclosure obligations of the company whose securities are the subject of the tender offer, restrictions on insider trading and tipping, restrictions on certain transactions in connection with a partial tender offer, prohibitions on certain purchases in connection with a tender offer, certain restrictions in connection with roll-ups, and certain restrictions on pre-commencement communications.

In addition, when a tender offer relates to a class of equity securities that is registered under Section 12 of the U.S. Exchange Act, such as the Common Shares, additional requirements apply pursuant to Section 14(d) of the U.S. Exchange Act and Regulation 14D adopted by the SEC thereunder. Such regulations can include, among other things, requirements relating to the content, SEC and stock exchange filing, review and dissemination of the offer documentation and related communications, the manner of addressing any changes, equal treatment of holders, withdrawal rights of holders, and other obligations of the bidder and the subject company.

Exemptions from certain of the foregoing tender offer requirements may be available depending on the circumstances, including:

- a "Tier I" exemption from many of the applicable tender offer regulations, for certain tender offers for the securities of a foreign private issuer, as defined in Rule 3b-4 under the U.S. Exchange Act, in which U.S. holders do not hold more than 10% of the class of securities sought in the offer;

- a "Tier II" exemption from certain of the applicable tender offer regulations, for certain tender offers for the securities of a foreign private issuer in which U.S. holders do not hold more than 40% of the class of securities sought in the offer; and

- an exemption from many of the applicable tender offer regulations, for certain tender offers for the securities of a Canadian foreign private issuer if less than 40% of the class of securities that is the subject of the tender is held by U.S. holders and the tender offer is subject to, and the bidder complies with, applicable Canadian requirements.

Furthermore, if the consideration being offered by the bidder includes securities, then the bidder must either register the offer and sale of the securities with the SEC under the U.S. Securities Act or comply with an available exemption or exclusion from such registration requirements.

Second Step Take-Out Transactions

If the bidder succeeds in acquiring at least 90% of the target company securities within four months of the commencement of the bid (other than securities owned by the bidder at the commencement of the bid), section 300 of the BCBCA provides the bidder with the ability to acquires the securities held by the remaining target shareholders through a relatively simple statutory process. Subject to the right of non-tendering shareholders to exercise "dissent rights" (which entitle them to have the fair value of their securities determined by a court), securities acquired pursuant to section 300 of the BCBCA will be acquired for the same amount and type of consideration as securities acquired pursuant to the take-over bid.

Alternatively, if the bidder acquires at least two-thirds, but less than 90%, of the outstanding securities, the bidder may call a special meeting of the shareholders of the target company (including the bidder) for the purposes of voting on an amalgamation with an affiliate of the bidder, the result of which will be that the remaining shareholders are "squeezed out" for the same consideration that was offered in the take-over bid. Subject to certain conditions, the votes attached to securities acquired under the bid may be included as votes in favour of the amalgamation for purposes of determining whether the required minority approval has been obtained. This second step take-out transaction (which is often referred to as a "squeeze-out merger") takes longer than the 90% compulsory acquisition under the corporate statute because of the need to call a meeting of the shareholders of the target company.

If the consideration being offered by the bidder in a second step transaction includes securities, then the bidder must either register the offer and sale of the securities with the SEC under the U.S. Securities Act or comply with an available exemption or exclusion from such registration requirements.

Business Combinations

Acquisitions of Canadian public companies are most frequently effected not by way of a take-over bid, but through a "business combination", which is a statutory procedure (such as an amalgamation, consolidation or plan of arrangement) under the target company's corporate statute.

Merger by Amalgamation

Where an acquirer believes that there is a high likelihood that the holders of over two-thirds of the outstanding target securities will support the transaction, but it is unlikely to achieve a 90% tender in a take-over bid, the acquirer may prefer to propose to complete the transaction by way of a going private merger transaction pursuant to which (i) the target company will be amalgamated with an affiliate of the acquirer and (ii) all of the target company's shareholders will exchange their securities of the target for whatever consideration is being offered (either cash or securities of the acquirer). An amalgamation is similar to a merger under U.S. corporate law except that, in an amalgamation, neither corporation disappears into the other. Instead, in an amalgamation, both corporations combine to form a single corporation that succeeds to all of the assets and liabilities of the amalgamating corporations. Under s. 271 of the BCBCA, the shareholders of the target company are required to approve the amalgamation by way of a "special resolution" at a duly called meeting of the shareholders of the target company.

Securityholders who do not vote in favour of an arrangement, will generally be granted dissent rights which entitle them to have the fair value of their securities determined by a court.

If the consideration being offered by the acquirer in an amalgamation includes securities, then the acquirer must either register the offer and sale of the securities with the SEC under the U.S. Securities Act or comply with an available exemption or exclusion from such registration requirements.

Arrangement

The most common form of business combination is the "plan of arrangement". Consistent with corporate statutes in other jurisdictions in Canada, the BCBCA provides that companies can be merged and their outstanding securities can be exchanged, amended or reorganized through a court-supervised process known as a plan of arrangement.

In order to complete a business combination by way of arrangement, the target company must apply for an initial court order directing the target company to seek the approval of its shareholders at a duly called meeting and fixing certain procedural requirements for obtaining such approval. If the transaction is approved in accordance with the approval requirements set forth in the interim order (typically at least two-thirds of the votes cast at the meeting), a second court appearance at which the court will consider the substantive fairness of the transaction and any interested party may appear and object to the completion of the transaction. In the absence of meritorious objections from other interested parties, the court will give its approval and the relevant transactions will become effective.

The plan of arrangement has two significant advantages in the right circumstances. One is that it allows for multiple transactions to happen all at once or in a specified sequence following the approval of the shareholders and the order of the court. This can sometimes be useful, for example, where there are multiple companies involved in the transaction, where several classes of equity and debt securities are outstanding, or where the sequencing of particular steps in the transaction is important to achieve an advantageous tax result.

Securityholders who do not vote in favour of an arrangement, will generally be granted dissent rights which entitle them to have the fair value of their securities determined by a court.

If the consideration being offered by the acquirer in a plan of arrangement includes securities, then the acquirer must either register the offer and sale of the securities with the SEC under the U.S. Securities Act or comply with an available exemption or exclusion from such registration requirements. One advantage to structuring an acquisition of a Canadian company as a plan of arrangement is that it will generally permit securities of the bidder to be issued to U.S. holders of the target company without requiring such securities to be registered under the U.S. Securities Act, in reliance upon the exemption from registration requirements provided by Section 3(a)(10) thereunder.

Because the Company is incorporated under the laws of the Province of British Columbia, Canada, any proposed acquisition of the Company must be completed in accordance with the requirements of the BCBCA. In addition, because the Company is a reporting issuer under Canadian securities laws and a registrant under U.S. securities laws, any proposed acquisition of the Company must be undertaken in accordance with Canadian and U.S. securities laws. Following the **[REDACTED]**, any proposed acquisition of the Company will also need to comply with requirements of the Hong Kong Takeovers Code. There are certain differences between the Hong Kong Takeovers Code and applicable Canadian and U.S. corporate and securities laws. Unless SFC grants a waiver from strict compliance with the relevant provisions of the Hong Kong Takeovers Code, Shareholders and **[REDACTED]** of the Company will need to comply with the Hong Kong Takeovers Code and applicable Canadian and U.S. corporate and securities laws in connection with any proposed acquisition of Shares.

REPURCHASE OF SHARES

Subject to compliance with the TSX Listing Policies and Canadian securities laws, a company incorporated under the BCBCA may purchase its own shares on such terms and at such times as may be determined by its directors from time to time. As a general matters, the purpose of these policies and laws is to ensure that all of a company's shareholders are treated equally.

Corporate Rules

The BCBCA and the Company's Articles permit the Company to purchase its own shares on such terms and at such times as may be determined by the directors from time to time, provided that the Company may not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that the Company is insolvent or that making the payment or providing the consideration would render the Company insolvent. If the Company retains a share it repurchases, the Company's Articles provide that (i) it may not exercise any voting rights in respect of those shares or (ii) pay a dividend or make any other distribution in respect of those shares.

Canadian Securities Laws

Under National Instrument 62-104 *Take-Over Bids and Issuer Bids* ("**NI 62-104**"), any offer by an issuer to purchase its own securities (other than non-convertible debt securities) made to any person in the local jurisdiction is an "issuer bid" unless (i) no valuable consideration is offered or paid for the securities or (ii) the acquisition, redemption or offer is a step in an amalgamation, merger, reorganization or arrangement that requires approval in a vote of security holders.

If the Company were to make an offer to acquire Common Shares, the Company would be required to make a formal issuer bid in compliance with the requirements of NI 62-104, unless an exemption from these requirements was available. Key requirements under NI 62-104 include the following:

- the issuer must file and send an issuer bid circular in the prescribed form to all holders of the class of securities that are the subject of the issuer bid;

- unless exempt, the issuer is required to obtain an independent formal valuation of the securities that are the subject of the bid and summarize the formal valuation in the issuer bid circular;

- the issuer bid must remain open for acceptance for a minimum of 35 days and the issuer must not take up any securities deposited under the bid until at least 35 days have elapsed; and

- depositing security holders are entitled to withdraw their securities at any time before the securities are taken up by the issuer.

In the case of a partial issuer bid, the issuer is required to take up and pay for the securities proportionately according to the number of securities deposited by each securityholder. However, the issuer is not required to take up securities on a pro rata basis from those securityholders who are entitled to elect a minimum price per security and elect a minimum price that is higher than the price that the issuer pays for securities under the bid.

Under NI 62-104, certain bids are exempt from formal issuer bid requirements under Canadian securities laws, including exemptions for issuers with a minimal share ownership presence in Canada. In the case of a TSX-listed company, there is also an exemption for an issuer bid made in the normal course in accordance with the TSX Listing Policies. An issuer bid made in a published market that is not a "designated exchange" will also be exempt if (i) the bid is for not more than 5% of the outstanding securities of the class, (ii) the aggregate number of securities acquired under this exemption within any 12-month period under the exemption does not exceed 5% of the outstanding securities at the beginning of the period and (iii) the value of the consideration paid for any of the securities does not exceed the market price plus reasonable brokerage fees and commissions actually paid.

TSX Rules for Normal Course Issuer Bids

Pursuant to the TSX Listing Policies, a normal course issuer bid carried out over the facilities of the TSX is subject to a number of detailed requirements, including:

- the number of listed securities that may be acquired in any 12 month period commencing on the date specified in the notice of issuer bid filed with the TSX must not be greater than (i) 10% of the "public float" and (ii) 5% of such class of securities issued and outstanding;
- subject to certain exceptions for "block purchases", the number of listed securities that may be acquired on any trading day may not exceed the greater of (i) 25% of the "average daily trading volume" and (ii) 1,000 securities;
- shares may not be acquired at a price which is not higher than the last independent trade of a board lot;
- subject to certain exceptions for "block purchases", intentional cross or pre-arranged trades are not permitted; and
- except pursuant to "automatic securities purchase plan" that complies with TSX requirements, an issuer may not purchase securities pursuant to an issuer bid when it possesses any material information that has not been disclosed.

United States Federal Securities Laws and NYSE American Company Guide

The U.S. federal securities laws and the NYSE American Company Guide do not impose detailed requirements on a normal course issuer bid. If any purchases are to be made in the United States, the issuer will commonly structure such purchases in compliance with Rule 10b-18 under the U.S. Exchange Act, which provides the issuer with a safe harbor against liability for manipulation solely by reason of the manner, timing, price, and volume of the issuer's repurchases. More significant regulations apply if the offer constitutes a tender offer or going private transaction.

CERTAIN CANADIAN OVERSEAS OWNERSHIP RESTRICTIONS

Investment Canada Act

The Investment Canada Act requires each "non-Canadian" who acquires "control" of an existing "Canadian business" or who establishes a new "Canadian business" (all as defined in the Investment Canada Act), to make a filing with the responsible federal government department. Investments by a non-Canadian from a World Trade Organization ("WTO") member country to (i) establish a new Canadian business or (ii) to acquire control of an existing Canadian business where the transaction does not qualify as a reviewable transaction under the Investment Canada Act require the non-Canadian to file a notification in prescribed form with the responsible federal government department not later than 30 days after closing (however, pursuant to recently enacted but no yet in force amendments, such notification will be required on a pre- closing basis in respect of Canadian businesses that carry on to be prescribed activities).

Subject to certain exemptions, a transaction that is reviewable under the Investment Canada Act may not be implemented until an application for review has been filed and the responsible minister of Canada's federal cabinet has determined that the investment is likely to be of "net benefit to Canada" taking into account certain factors set out in the Investment Canada Act. Under the Investment Canada Act, an investment by a non-Canadian in the Common Shares or to acquire all or substantially all of the assets of the Company, would be reviewable only if (a) the Company is a "Canadian business" at the time of such investment, (b) it were an investment to acquire control of the Company pursuant to the Investment Canada Act and (c) our enterprise value was equal to or greater than C$2.179 billion in the case of a non-state owned "trade agreement investor" (which includes United States or EU investors, among certain others) and C$1.452 billion in the case of a non-state owned investor from other WTO member countries. Lower financial thresholds apply to investments by state-owned enterprises and in respect of investments by a non-Canadian from a non-WTO member country. The applicable financial thresholds are adjusted annually.

In addition, under the national security review regime of the Investment Canada Act, review on a discretionary basis may also be undertaken by Canada's federal government in respect of an investment that is subject to a filing requirement (as discussed above) in addition to a much broader range of investments by a non-Canadian to "acquire, in whole or part, or to establish an entity carrying on all or any part of its operations in Canada if the entity has (i) a place of operations in Canada, (ii) an individual or individuals in Canada who are employed or self-employed in connection with the entity's operations, or (iii) assets in Canada used in carrying on the entity's operations." No financial threshold applies to a national security review. The relevant test is whether such investment by a non-Canadian could be injurious to Canada's national security, including taking into account any applicable government policies. Review on national security grounds may occur on a pre- or post-closing basis, subject to the application of a 45-day limitation period which runs from the date an applicable filing is made with the responsible federal government department (which filings include a notification filing or application for review as described above, or a voluntary filing where neither of the former filings are required). For investments that are subject to the national security review regime but for which there is no mandatory filing obligation and a voluntary filing is not made, the Canadian government has jurisdiction to initiate the national security review process for up to five years following implementation of the investment.

Competition Act

The Competition Act (Canada) permits the Commissioner of Competition (the "**Commissioner**"), to review any acquisition or establishment, directly or indirectly, including through the acquisition of shares, of control over or of a significant interest in the Company. This legislation grants the Commissioner jurisdiction, for up to three years after the acquisition has been substantially completed, or, where the acquisition has been notified to the Commissioner, up to one year after the acquisition has been substantially completed, to challenge this type of acquisition by seeking a remedial order, including an order to prohibit the acquisition or require divestitures, from the Competition Tribunal, which may be granted where the Competition Tribunal finds that the acquisition substantially prevents or lessens, or is likely to substantially prevent or lessen, competition.

The Competition Act (Canada) also requires any person or persons who intend to acquire more than 20% of the Common Shares or, if such person or persons already own more than 20% of the Common Shares prior to the acquisition, more than 50% of the Common Shares, to file a notification with the Canadian Competition Bureau if certain financial thresholds are exceeded. These financial thresholds would be exceeded if: (i) the Company has assets in Canada or revenues in, from or into

Canada exceeding C$93 million (this threshold can be adjusted annually); and (ii) the Company and the potential acquirer, together with our respective affiliates, have assets in Canada or revenues from sales in, from or into Canada of C$400 million or more. The Competition Act (Canada) also requires any person or persons who intend to acquire assets of the Company to file a notification with the Canadian Competition Bureau if (i) the aggregate value of the assets in Canada to be acquired from the Company or the aggregate revenues in, from or into Canada generated by all of the assets to be acquired from the Company exceeds C$93 million (this threshold can be adjusted annually); and (ii) the Company and the potential acquirer, together with our respective affiliates, have assets in Canada or revenues from sales in, from or into Canada of C$400 million or more. Where a notification is required, unless an exemption is available, the legislation prohibits completion of the acquisition until the expiration of the applicable statutory waiting period, unless the Commissioner either waives or terminates such waiting period or issues an advance ruling certificate. The Commissioner's review of a notifiable transaction for substantive competition law considerations may take longer than the statutory waiting period.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as at the date of this Document, a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") generally applicable to a holder of Shares who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, (i) is neither resident nor deemed to be resident in Canada, (ii) deals at arm's length and is not affiliated with the Company or the Hong Kong **[REDACTED]**, (iii) holds the Shares as the beneficial owner thereof and as capital property, (iv) does not and is not deemed to use or hold the Shares in, or in the course of or otherwise in connection with, carrying on a business in Canada, (v) is not exempt from tax under the Tax Act, and (vi) is not a foreign affiliate of a taxpayer resident in Canada for the purposes of the Tax Act (a "**Non-Resident Holder**"). Generally, the Shares will be considered to be capital property to a Non-Resident Holder provided that such holder does not use or hold the Shares in the course of carrying on a business and such holder has not acquired the Shares or been deemed to have acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade. In addition, this summary does not apply to an insurer who carries on business in Canada and elsewhere, an "authorized foreign bank", a "financial institution", a "specified financial institution", or an entity or interest of which is a "tax shelter investment" (all as defined in the Tax Act). Such holders should consult their own tax advisers with respect to an **[REDACTED]** in the Shares.

This summary is based on the facts set out in this Document, the provisions of the Tax Act in force on the date hereof and the Company's understanding of the current administrative policies of the Canada Revenue Agency ("**CRA**") published in writing by the CRA prior to the date hereof. It also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof ("**Tax Proposals**") and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies of the CRA, whether by legislative, governmental or judicial action or decision, nor does it take into account any other federal, provincial, territorial, or foreign income tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Non-Resident Holder, and no representations with respect to the income

tax consequences to any Non-Resident Holder or other person are made. All holders (including Non-Resident Holders) should consult their own tax advisers with respect to the tax consequences applicable to them, having regard to their own particular circumstances.

Currency Conversion

Generally, for the purposes of the Tax Act, each amount relating to the acquisition, holding or disposition of the Shares must be determined in Canadian dollars. Amounts denominated in any other currency must be converted into Canadian dollars based on the relevant exchange rate as determined in accordance with the Tax Act.

Dividends on Shares

Dividends paid or credited or deemed to be paid or credited on the Shares to a Non-Resident Holder will be subject to Canadian non-resident withholding tax at a rate of 25% of the gross amount of the dividend, unless such rate is reduced by virtue of the provisions of an applicable income tax treaty or convention between Canada and the jurisdiction of which the Non-Resident Holder is a resident. For example, under the *Agreement between the Government of Canada and the Government of the Hong Kong Special Administrative Region of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed on November 11, 2012* (the "**Treaty**"), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is the beneficial owner of the dividends, is a resident of the Hong Kong Special Administrative Region for the purposes of the Treaty, and is entitled to such Treaty benefit is generally limited to 15% of the gross amount of the dividend (or 5% in the case of such a holder that is a company that controls directly or indirectly at least 10% of the voting power in the company paying the dividend). The *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (the "**MLI**") of which Canada is a signatory, affects many of Canada's bilateral tax treaties (including the Treaty) and the ability to claim benefits thereunder. Non-Resident Holders are urged to consult their own tax advisers to determine their entitlement to relief under an applicable income tax treaty or convention.

A Non-Resident Shareholder that is entitled to a reduction in the rate of withholding tax will be required to furnish the Company with certain documentation in support of such reduced withholding rate. For Non-Resident Shareholders who hold the Shares through CCASS, it is our understanding that CCASS will not be able to provide any supporting documentation in respect of the beneficial holders of the Shares that are on deposit with CCASS and accordingly, such Non-Resident Shareholders will not be entitled to a reduction of the withholding tax at source. However, they may be entitled to obtain a refund from the Canadian taxing authority for any excess amount that may be withheld and remitted. Such persons should consult their own tax advisers with respect to the requirements and timelines applicable to obtaining such refunds.

Disposition of Shares

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of any capital gain realized by such holder (and will not be entitled to claim any capital loss realized by such holder) on a disposition or a deemed disposition of Shares unless the Shares constitute "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided the Shares are **[REDACTED]** on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the TSX, NYSE American, and **[REDACTED]**) at the time of disposition, the Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition, the following two conditions are met concurrently: (a) one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm's length, and (iii) partnerships in which the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length hold a membership interest (directly or indirectly through one or more partnerships), owned 25% or more of the issued shares of any class or series of shares of the Company; and (b) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of: (i) real or immovable property situated in Canada; (ii) Canadian resource properties (as defined in the Tax Act); (iii) timber resource properties (as defined in the Tax Act); and (iv) options in respect of, or interests in, or for civil law rights in, property described in any of (i) to (iii) above, whether or not the property exists. Furthermore, under certain provisions of the Tax Act, the Shares may be deemed to be "taxable Canadian property."

Non-Resident Holders whose Shares may constitute taxable Canadian property should consult their own tax advisers.

SHAREHOLDER PROTECTION MATTERS

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

The Stock Exchange accepted the **[REDACTED]** on the Stock Exchange on the basis that, with respect to most of the shareholder protection items set out in the attachment to the Joint Policy Statement, the standards of shareholder protection afforded to shareholders of companies incorporated in British Columbia, taken as a whole, are, in all material respects, at least equivalent to, or broadly commensurate with, standards of shareholder protection afforded to shareholders of companies incorporated in Hong Kong.

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

Material shareholder protection matters

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

Variation of class rights

Under the Joint Policy Statement, the rights attached to any class of shares of an overseas company may only be varied with the approval of members on terms comparable to those required of a Hong Kong incorporated public company (i.e. a three-quarter majority vote in general meeting subject to rights of members holding not less than 10% of the nominal value of the issued shares of that class to make a petition to the court to have the variation cancelled). Under the section 58(2)(b) of the BCBCA, the alteration of class rights requires a special resolution of all shareholders and a special separate resolution by the holders of the applicable class. The threshold for a special resolution under the Company's Articles is currently two-thirds and therefore is not equivalent to the three-quarter majority required for a Hong Kong incorporated public company. However, consistent with the Joint Policy Statement, the Company's Articles and the BCBCA each require a supportive vote in excess of a base majority. There is no specific legislative right in British Columbia to petition the court in relation to a variation of class rights by special resolution, but minority shareholders do have the ability to challenge an improper variation that is oppressive through the British Columbia courts through oppression remedies available both at statute and at common law.[1]

Voluntary Winding Up

Under the Joint Policy Statement, the voluntary winding up of an overseas company should be approved by members on terms comparable to those required of a Hong Kong incorporated public company (e.g. currently a three-quarter majority vote in general meeting is required). The BCBCA has different resolution requirements for voluntary dissolution and liquidation. A company may voluntarily dissolve by passing an ordinary resolution. However, before a company can voluntarily dissolve it must have no assets and either no liabilities or adequate provision for payment of its liabilities. These provisions provide protection for shareholders in that all the company's assets will have to be distributed out before dissolution. Liquidation of a company in British Columbia requires a special resolution.[2]

Change to Constitutional Documents

Under the Joint Policy Statement, any change to an overseas company's constitutional document, however framed, should be subject to approval by members on terms comparable to those required of a Hong Kong incorporated public company (e.g. currently a three-quarter majority vote in general meeting is required). Under the BCBCA, and proposed changes to the Company's Articles must be approved by special resolutions. The threshold for a special resolution under the Company's Articles is currently two-thirds and therefore is not equivalent to the three-quarter majority required for a Hong Kong incorporated public company. However, consistent with the Joint Policy Statement, the Company's Articles and the BCBCA each require a supportive vote in excess of a base majority.[3]

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[1] Silvercorp proposes to amend the Articles so that any variation of class rights is subject to the required three-quarters approval threshold.

[2] Silvercorp proposes to amend the Articles so that liquidation is subject to the required three-quarters approval threshold.

[3] Silvercorp proposes to amend the Articles so that any amendment of the Company's Articles is subject to the required three- quarters approval threshold.

Reduction of Share Capital

Under the Joint Policy Statement, any reduction of share capital in an overseas company must be (i) confirmed by the court and (ii) approved by members on terms comparable to those required of a Hong Kong incorporated public company (e.g. currently a three-quarter majority vote in a general meeting is required). Under the BCBCA, a company can reduce its share capital by court order or by special resolution (currently a two-thirds majority vote), but is not required to obtain the approval of both the court and shareholders. Except where authorized by a court order, the BCBCA prohibit a company from reducing its share capital if doing so would render the company insolvent.

Redemption of Shares

Under the Joint Policy Statement, an overseas company may only redeem its shares out of distributable profits or with the proceeds from a new issue of shares or under other circumstances comparable to those under which a Hong Kong incorporated public company may be allowed to make such redemption. The primary restriction on redemption of shares for a British Columbia company is that redemption is not permitted if the company is insolvent or would be rendered insolvent as a result of the redemption.

Distribution of Assets

Under the Joint Policy Statement, an overseas company may only distribute its assets to its members in circumstances comparable to those under which a Hong Kong incorporated public company may be allowed to make such distribution (e.g. out of realized profits and, if out of assets, the remaining net assets must not be less than the share capital plus undistributable reserves). The primary restriction on a British Columbia company's ability to pay dividends is that a company may not declare or pay a dividend if there are reasonable grounds for believing that (i) the company is insolvent or (ii) the payment of the dividend would render the company insolvent. If the payment of a dividend would result in the reduction of the Company's share capital, the Company would not be able declare or pay the dividend without first obtaining a court approval or the approval of shareholders by way of special resolution.

United States Federal Securities Laws and NYSE American Company Guide

Due to the Company being a Canadian corporation, the U.S. federal securities laws and the NYSE American Company Guide are not the primary sources of shareholder protection for holders of the Common Shares. However, there may be cases in which the U.S. federal securities laws and the NYSE American Company Guide provide additional information or protection for shareholders.

Other Matters

The Company notes that there are three additional areas in which items in the Joint Policy Statement are addressed in significantly divergent manners as between Canada and Hong Kong. As such, it is not possible for the Company or the sole sponsor to state or conclude on objective grounds that such three areas are truly comparable. The three areas are as follows:

Loans to Directors

Under the Joint Policy Statement, the circumstances in which an overseas company may make loans to a director must be confined to circumstances no less stringent than those permitted for a Hong Kong incorporated public company. Under the BCBCA, there is no prohibition on giving financial assistance to directors, although disclosure is mandated under the BCBCA except in limited circumstances. Under the BCBCA, full details of any loans to directors must be disclosed on an annual basis and, if such loans are sufficiently large, approval of the minority shareholders must be obtained. Notwithstanding the BCBCA, the United States Sarbanes-Oxley Act of 2002 generally prohibits the Company from making, or arranging for third parties to make, personal loans to directors.

Financial Assistance

Under the Joint Policy Statement, the circumstances in which an overseas company may give financial assistance for the acquisition of its own shares must be clearly stated. Under the BCBCA there is no prohibition on giving financial assistance to a person who is acquiring or proposing to acquire shares of the Company. Instead, the BCBCA requires disclosure of material financial assistance for this purpose. Under section 195 of the BCBCA, subject to certain carve-outs for financial assistance by ordinary course lenders, to certain related entities and persons, to employees for housing and to employees to purchase shares or to court waiver, a company must disclose any financial assistance that is material to the company and that the company gives to:

- a person known to the company to be a shareholder, director, officers or employee of the company or an affiliate of the company;
- a person known to the company to be an associate of any of the foregoing; or
- any person for the purpose of the purchase by that person of shares issued or to be issued by the company or an affiliate of the company.

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

Under the joint Policy Statement, any payment to a director or past director of an overseas company as compensation for loss of office or retirement from office is required to be approved by members of the company on terms comparable to those required of a Hong Kong incorporated public company (e.g. currently a majority vote of shareholders in a general meeting is required). Under the BCBCA, the directors of the Company have the power to approve agreements with directors and officers that provide for payments upon termination of employment, a change of control of the corporation, or change of responsibilities following a change of control. All such contracts with directors and named executive officers must be described in the statement of executive compensation included in the proxy circular for its annual general meeting. In addition, takeover bid rules prohibit the payment of a collateral benefit to any person in connection with a bid for control of a company. Any payment by a bidder to a director or officer upon a change of control as compensation for loss of office where that payment was not previously approved by the board and the compensation committee could constitute a collateral benefit and would be prohibited.

NOTIFIABLE AND CONNECTED TRANSACTIONS

The Canadian and Hong Kong regulatory regimes governing notifiable and connected transactions have differences in approach, but both provide material shareholder protections.

In terms of notifiable transactions, Hong Kong uses asset, consideration, profit, revenue and equity capital ratios to determine whether a transaction is subject to notifiable transaction requirements. The Canadian system does not prescribe ratios in determining whether a transaction is notifiable, but instead focuses on whether the details of a transaction constitute "material information". Material information is any information relating to the business and affairs of a company that results in or would reasonably be expected to result in a significant change in the market price or value of any of the company's listed securities.

In terms of connected party transactions, both the Hong Kong and Canadian regulatory regimes have substantially the same policy basis in terms of providing shareholder approval, independent valuation and disclosure requirements for transactions that are conducted with "connected persons" of an issuer. For reporting issuers in British Columbia, transaction with "connected issuers" are principally governed by Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The definition of "related party transaction" under MI 61-101 is broad enough to include the transactions contemplated in the definition of "transaction" in Chapter 14A. The definition of "related party" in MI 61-101 is similar to the definition of "connected person" in Chapter 14A, but does not include past directors, associates, promoters or supervisors.

The following is a summary of the regulatory regime for notifiable and connected transaction applicable to TSX-listed reporting issuers in British Columbia. Certain aspects of U.S. federal securities laws and the NYSE American Company Guide are also discussed.

Notifiable Transactions

In British Columbia, three sources of regulation govern notifiable transactions, being (i) the TSX Listing Policies, (ii) the *Securities Act* (British Columbia) and (iii) the BCBCA.

TSX Listing Policies

The Company is required to notify the TSX in writing of any transaction involving the issuance or potential issuance of any of its listed securities, including securities exchangeable for or convertible into any of its listed securities. A TSX listed issuer may not proceed with any transaction involving the issuance of listed securities, or securities exchangeable for or convertible into any of its listed securities, unless accepted by the TSX. In addition to any specific requirement for shareholders' approval, the TSX will generally require shareholders' approval as a condition of acceptance of a transaction if the transaction (i) materially affects control of the TSX listed issuer or (ii) provides consideration to insiders in aggregate of 10% or greater of the market capitalization of the TSX listed issuer during any six-month period. In addition to general notification and shareholder approval requirements, the TSX imposes certain additional requirements for document offerings, private placements, acquisitions which involve the issuance of securities and other corporate actions related to share issuances.

TSX-listed issuers are subject to a general obligation to disclose all material information concerning its business and affairs immediately after management of the issuer becomes aware of the existence of material information, or in the case of information previously known, upon it becoming apparent that the information is material.

Canadian Securities Laws

Reporting issuers in Canada are subject to a general obligation to make immediate disclosure of any material change in its affairs by immediately issuing and filing a news release disclosing the nature and substance of the change and, no later than ten days after the date on which the change occurred, filing a material change report in prescribed form. Subject to certain limited exceptions for contracts entered into in the ordinary course of business, all material contracts of a reporting issuer are required to be publicly filed on SEDAR+ at **www.sedarplus.ca**.

British Columbia Business Corporations Act

Under the BCBCA, certain transactions require notification to, and approval of, shareholders. These transactions include amendments to a company's articles of incorporation, amalgamations, plans of arrangement, compulsory acquisitions, disposals of significant assets, continuances, dissolutions and liquidations.

United States Federal Securities Laws and NYSE American Company Guide

Similarly, the NYSE American Company Guide requires that prior NYSE American approval be obtained by a listed issuer for any proposed issuance of the listed securities and, in certain circumstances, prior approval of the listed issuer's shareholders.

The NYSE American Company Guide requires a listed company to make immediate public disclosure of all material information concerning its affairs, except in unusual circumstances.

Due to the Company being a Canadian foreign private issuer that reports with the SEC pursuant to the U.S.-Canada multijurisdictional disclosure system, the U.S. federal securities laws defer to a significant degree to Canadian laws and TSX rules in determining the timing and content of required SEC disclosures.

Connected Party Transactions

The BCBCA and the Company's Articles require directors to disclose interests and abstain from voting on matters in which they are interested. The TSX Listing Policies require listed issuers to obtain shareholder approval where insiders are parties to significant transactions. However, Canadian securities laws impose the most comprehensive regime including heightened disclosure, independent valuation and shareholder approval obligations. The following provides a summary of the Canadian securities law rules relating to related party transactions.

Definition of Related Party Transactions

Related party transactions are widely defined as transactions between a reporting issuer and a person or company that is a related party of the issuer at the time the transaction is agreed to. A "related party" is broadly defined to include persons with direct and indirect relationships with the issuer, including control persons, persons holding greater than 10% of the voting securities of the issuer, directors or senior officers and affiliates of any of the foregoing.

Disclosure Obligations

Where minority approval is required (as discussed below), the issuer must call a shareholders' meeting and send an information circular to its shareholders. The information circular must contain detailed disclosure relating to the transaction in accordance with the requirements of MI 61-101, including the background to the transaction, a discussion of the review and approval process adopted by the board of directors and, if applicable, a summary of the formal valuation in respect of the subject matter of the transaction.

Formal Valuation

Subject to certain exemptions set forth in MI 61-101, Canadian securities law require an issuer to obtain an independent formal valuation of the subject matter of a related party transaction. If a formal valuation is required, the valuation must contain prescribed disclosure such as the valuator's opinion as to the fair market value of the subject matter and how the valuator arrived at the conclusion. The valuation must be publicly filed concurrently with the disclosure document.

Minority Approval

Subject to certain exemptions set forth in MI 61-101, related party transaction are subject to majority of the minority approval. In determining whether majority of the minority approval has been obtained, an issuer shall exclude the votes attached to affected securities that are beneficially owned or over which control or direction is exercised by (i) an interested party, (ii) any related party of an interested party (unless the related party meets that description solely in its capacity as a director or senior officer of one or more entities that are neither interested parties nor issuer insiders of the issuer) or (iii) a joint actor with a person or company referred to above.

United States Federal Securities Laws and NYSE American Company Guide

Under Section 120 of the NYSE American Company Guide, related party transactions must be subject to appropriate review and oversight by the Company's Audit Committee or a comparable body of the board of directors. The Company has assigned this responsibility to the Audit Committee pursuant to the terms of the Audit Committee Charter. For purposes of Section 120, the term related party is generally understood to include an issuer's directors, executive officers and persons who beneficially own more than 5% of the issuer's securities.

Due to the Company being a Canadian foreign private issuer that reports with the SEC pursuant to the U.S.-Canada multijurisdictional disclosure system, the U.S. federal securities laws defer to a significant degree to Canadian laws and TSX rules in the procedures applicable to related party transactions.

CONTINUOUS DISCLOSURE OBLIGATIONS

Canadian securities laws and TSX Listing Policies contain extensive continuing disclosure obligations which provide sufficient shareholder protection. Broadly speaking, Canadian continuous disclosure obligations can be divided into two categories: routine filings and special event filings.

- Routine filings are prescribed filings that the Company must make on a regular basis. The principle behind routine filings is to provide shareholders with consistent, predictable disclosure relating to reporting issuers. Routine filings include (i) annual and quarterly financial statements together, in each case, with related management's discussion and analysis, (ii) an annual information form in prescribed form and (iii) an information circular in connection with its annual general meeting including, among other things, a statement of executive compensation and disclosure with respect to corporate governance matters.

- The Company must make public disclosure and filings upon the occurrence of specified events or changes. For example, any event that constitutes material information requires the Company to immediately issue a press release and, if such an event constitutes a material change, file a material change report in the prescribed form within ten days. Other examples of special events requiring specific filings include the institution of an incentive option scheme, a significant business acquisition and the payment of dividends to shareholders.

Documents filed in accordance with the Company's continuance disclosure obligations are filed with Canadian securities regulators through SEDAR+ and are available at **www.sedarplus.ca**.

Similarly, United States federal securities laws require the Company to make certain annual and other periodic filings with and submissions to the SEC. Most documents filed or submitted by the Company to the SEC are submitted through EDGAR and available at **www.sec.gov**. The NYSE American Company Guide also requires the Company to make certain public disclosures of material and other information and to submit certain information to the NYSE American.