

NASDAQ STATEMENT OF GOVERNANCE DIFFERENCES

As a Canadian corporation listed on Nasdaq, we are not required to comply with certain Nasdaq corporate governance standards. Section 5615(a)(3) of the Nasdaq Stock Market Rules permits Nasdaq to grant exemptions to a foreign private issuer for certain provisions of the Rule 5600 series, Rule 5250(b)(3) and Rule 5250(d). We are organized under the laws of Canada and our subordinate voting shares are listed for trading on the Neo Exchange Inc. (“NEO”) We comply with the applicable laws of Canada and rules and regulations of the NEO, including rules related to corporate governance practices. A description of the significant ways in which our corporate governance practices differ from those followed by U.S. domestic companies pursuant to the Nasdaq Stock Market Rules is as follows:

Majority Independent Board Requirements: Rule 5605(b)(1) of the Nasdaq Stock Market Rules requires that a majority of the board of directors are comprised of Independent Directors as defined in Rule 5605(a)(2). Our board of directors consists of six (6) directors, four (4) of whom do not meet the independence standard defined in Rule 5605(a)(2).

Audit Committee Requirements: Rule 5605(c)(2) of the Nasdaq Stock Market Rules requires that each Company have, and certify that it has and will continue to have, an audit committee of at least three (3) members. Our audit committee has only two (2) directors serving on the audit committee. We meet the requirements of 5605(c)(2)(A)(ii), which requires the directors meet the criteria for independence set forth in Rule 10A-3(b)(1).

Compensation Committee Requirements: Rule 5605(d)(2) of the Nasdaq Stock Market Rules requires that each Company have and certify that it has and will continue to have, a compensation committee of at least two members. Each committee member must be an Independent Director as defined under Rule 5605(a)(2). Our Compensation, Nomination and Governance Committee has three members, one of whom does not meet the independence standard defined in Rule 5605(a)(2).

Independent Director Oversight of Director Nominations Requirements: Rule 5605(e)(1) of the Nasdaq Stock Market Rules requires that Director nominees must either be selected, or recommended for the Board’s selection, either by: (A) Independent Directors constituting a majority of the Board’s Independent Directors in a vote in which only Independent Directors participate, or (B) a nominations committee comprised solely of Independent Directors. Our Directors are not selected either by a majority of the Board’s Independent Directors or by a nominations committee comprised solely of Independent Directors.

Quorum Requirements: Rule 5620(c) of the Nasdaq Stock Market Rules requires that the minimum quorum requirement for any meeting of a company’s shareholders be 33 1/3% of the outstanding voting shares. In addition, Rule 5620(c) requires that an issuer listed on Nasdaq state its quorum requirement in its bylaws. Our quorum requirement for a meeting of shareholders is set forth in our by-laws, which require at least two (2) persons holding or representing by proxy not less than five (5%) percent of our outstanding subordinate voting shares entitled to vote at the meeting.

Shareholder Approval Requirements: Rule 5635(c) of the Nasdaq Stock Market Rules requires that shareholder approval be obtained for certain issuances of securities that constitute an equity compensation arrangement within the meaning of the Nasdaq Stock Market Rules. We have issued securities that Nasdaq could deem to constitute an equity compensation arrangement without shareholder approval in accordance with NEO requirements.

The foregoing is consistent with the applicable laws in Canada and the rules of the NEO.