

NASDAQ CORPORATE GOVERNANCE

We are a foreign private issuer and our common shares are listed on the NASDAQ Global Market (“NASDAQ”). NASDAQ Marketplace Rule 5615(a)(3) permits a foreign private issuer to follow its home country practices in lieu of most of the requirements of the 5600 Series of the NASDAQ Marketplace Rules. In order to claim such an exemption, we must disclose the significant differences between our corporate governance practices and those required to be followed by U.S. domestic issuers under NASDAQ’s corporate governance requirements. Set forth below is a brief summary of such differences.

Shareholder Approval Requirements

NASDAQ Marketplace Rule 5635 requires each issuer to obtain shareholder approval prior to certain dilutive events, including a transaction other than a public offering involving the sale of 20% or more of the issuer’s common shares outstanding prior to the transaction for less than the greater of book or market value of the stock. The Company does not follow this NASDAQ Marketplace Rule. Instead, and in accordance with the NASDAQ exemption, the Company complies with the applicable TSX rules. Such rules require issuers to obtain shareholder approval prior to a distribution of common shares (other than in respect of public offerings or offerings at a price per security at or above market price, in each case subject to certain exceptions) that involve the sale of more than 25% of the issuer’s outstanding common shares prior to the transaction.

Stock Option Plan Requirements

NASDAQ Marketplace Rule 5635(c) requires that stock option plans that do not contain a formula for automatic increases in the shares available for grant and do not impose a limit on the number of shares available for grant would require shareholder approval of each grant under the plan. We do not follow this NASDAQ Marketplace Rule. Instead, and in accordance with the exemption under NASDAQ Rule 5615(a)(3), we comply with the applicable Toronto Stock Exchange rules which permit the maximum number of shares issuable under stock option plans to be expressed as a percentage of the issued and outstanding common shares from time to time, provided that all unallocated options, rights or other entitlements under such a plan are approved by shareholders upon institution and every three years thereafter.