



NASDAQ STATEMENT OF GOVERNANCE DIFFERENCES

As a British Columbia 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 British Columbia, Canada and our common shares are listed for trading on the TSX. We comply with the applicable laws of Canada and rules and regulations of the TSX, 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:

Shareholder Meeting Quorum Requirement

The NASDAQ minimum quorum requirement for a shareholder meeting under Section 5620(c) of the NASDAQ Stock Market Rules is one-third of the outstanding shares of common voting stock. In addition, a company listed on NASDAQ is required to state a quorum requirement in its by-laws. Our quorum requirement is set forth in our articles. A quorum for our shareholder meeting is two persons, who are, or who represent by proxy, shareholders who, in the aggregate hold at least 25% of the issued shares of the Corporation entitled to be voted at the meeting (subject to the special rights or restrictions attached to the shares of any class or series of our shares).

Shareholder Approval Exemption

Rule 5635 of the NASDAQ Stock Market Rules sets forth circumstances under which shareholder approval is required prior to certain types of security issuances. Pursuant to the NASDAQ Stock Market Rules, a company must receive prior shareholder approval for transactions involving: (1) the sale, issuance or potential issuance by a listed company of its common stock (or securities convertible into or exercisable for its common stock) (i) at a price less than the greater of book value or market value, and (ii) which together with sales by officers, directors, or substantial stockholders, is equal to 20% or more of the company's shares of common stock or 20% or more of the voting power outstanding before the issuance; or (2) the sale, issuance or potential issuance by a listed company of common stock (or securities convertible into or exercisable common stock) (i) at a price less than the greater of book value or market value, and (ii) is equal to 20% or more of the company's shares of common stock or 20% or more of the voting power outstanding before the issuance. In the event of an issuance meeting the criteria set forth above, we may not be required to seek prior shareholder approval under applicable Canadian law and the rules of the TSX, and, if that is the case, we will submit a certification to NASDAQ from independent Canadian counsel to such effect.

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