

SUMMARY OF SHAREHOLDER'S RIGHTS

The following is a summary of certain differences between the rights of shareholders in the Company based upon current British Columbia legislation, Canadian corporate governance principles and the Company's current articles as compared to the rights of shareholders generally under Swedish corporate law (in those parts applicable on public limited liability companies whose shares are subject to trading on a multilateral trading facility).

The summary is of a general nature and it is not an exhaustive review of all potentially relevant differences between Canadian and Swedish law or corporate governance requirements.

The Business of the Company

British Columbia

Under the Business Corporations Act (British Columbia) ("BCBCA"), the articles set the rules of a company's conduct and set out every restriction, if any, on (i) the business that may be carried on by the company and (ii) the powers that the company may exercise. The articles of the Company do not include any restrictions on the Company's business.

Sweden

Under the Swedish Companies Act, the objectives of a Swedish company must be set out in the articles of association. These objectives set out the limits within which a company can operate.

Shares

British Columbia

The shares have been issued in accordance with the BCBCA. The capital structure of the Company is composed of an unlimited number of Common Shares without par value.

Sweden

Under the Swedish Companies Act, a company may issue different classes of shares only if such share classes are specified in a company's articles of association. The articles shall also contain limitations on the minimum and maximum number of shares of each share class.

Voting rights

British Columbia

Under the BCBCA, every company having more than 100 shareholders must, unless the central securities register is in a form constituting in itself an index, keep an index of the names of the shareholders of the company as a part of its central securities register, and, within 14 days after the date on which an alteration is made in the central securities register, make any necessary alteration in the index. The index of shareholders must be so kept as to enable particulars with respect to every shareholder to be readily ascertained. A shareholder has one vote in respect of each share held by that shareholder and is entitled to vote in person or by proxy. A registered shareholder can either attend the meeting and vote him or herself or appoint someone else to vote his or her Common Shares (a "proxy holder"). A shareholder appoints a proxy holder to attend and act on the shareholder's behalf at a meeting of shareholders by giving the proxy holder a completed and executed form of proxy. A proxy holder is required to vote the Common Shares in accordance with the shareholder's instructions.

Under ordinary principles of property and trust law a non-registered shareholder has beneficial ownership of the shares, but a trustee, person or other legal representative, agent or other intermediary (an “intermediary”) is the registered holder that holds the Common Shares on behalf of the beneficial owner. The intermediary cannot vote the Common Shares registered in its name unless it receives written voting instructions from the beneficial owner. If the beneficial owner requests and provides an intermediary with appropriate documentation, the intermediary must appoint the beneficial owner or nominee of the beneficial owner as proxy holder.

Unless the memorandum or by-laws otherwise provide, any meeting of shareholders may be held entirely by means of telephone or other communications medium, provided all shareholders and proxy holders participating in the meeting are able to communicate with each other.

Sweden

Under the Swedish Companies Act, all shares carry one vote unless different share classes with different voting rights are provided for in the articles of association of the company. No share may however have a voting right which exceeds ten times the voting rights of any other share.

Shareholders registered in the share register as of the record date for a general meeting are entitled to vote at such general meeting (in person or by appointing a proxy holder). Shareholders with shares registered through a nominee must request to be temporarily registered as a shareholder of record on the record date in order to participate in a general meeting. The share register is kept by Euroclear and the record date for a general meeting shall be the fifth business day prior to the date of the meeting. If provided for in the articles of association shareholders must give notice of their intention to attend a shareholder meeting.

Shareholder meetings

British Columbia

Under the BCBCA, the directors of the Company must call an annual meeting of shareholders not later than 18 months after the date on which it was recognized, and subsequently, at least once in each calendar year and not more than 15 months after the annual reference date for the preceding calendar year. Meetings of shareholders of a corporation shall be held in British Columbia, or may be held at a location outside British Columbia if the location for the meeting is approved by the resolution required by the articles for that purpose or approved by ordinary resolution, as applicable, or the location for the meeting is approved in writing by the registrar before the meeting is held.

The holders of, in the aggregate, at least 1/20 of the issued Common Shares may also requisition the directors to call a meeting of the shareholders for the purposes stated in the requisition, provided that the business may be transacted at a general meeting. Subject to certain exemptions, on receiving the requisition, the directors shall call a general meeting to be held not more than four months after the date on which the requisition is received. If the directors fail to send notice of a general meeting within 21 days after the date on which the requisition is received, any shareholder or group of shareholders who signed the requisition and hold, in the aggregate, more than 1/40 of the issued Common Shares may call the meeting.

Under the BCBCA, a consent resolution of shareholders is deemed to be a proceeding at a meeting of those shareholders and to be as valid and effective as if it had been passed at a meeting of shareholders.

Sweden

An annual general meeting must be held within six months from the end of each financial year at which the board of directors must present the annual report and auditor's report. Resolutions on the following matters must be passed at the annual general meeting: (i) adoption of the profit and loss account and balance sheet, (ii) allocation of the company's profit or loss as set out on the adopted balance sheet, (iii) discharge from liability for directors

and the managing director and (iv) other matters to be dealt with under the Swedish Companies Act or the articles of association of the company.

Under the Swedish Companies Act, the board of directors is responsible for convening general meetings but holders of not less than ten percent of all shares in the company may in writing demand that an extraordinary general meeting is convened. In such case, notice to attend the meeting shall be issued by the board within two weeks of receipt of the demand therefor. When a general meeting is not convened in the prescribed manner, the Swedish Companies Registration Office shall, following notification, convene the general meeting. General meetings shall be held in the municipality in which the board of directors holds its registered office or in another municipality in Sweden if specified in the articles of association.

The general meeting shall be opened by the chairman of the board or such person as the board has decided.

Notices

British Columbia

As a public company, the Company must send notice of the date, time and location of a general meeting of the Company at least 21 days but not more than two months before the meeting to each shareholder entitled to attend the meeting.

Sweden

Under the Swedish Companies Act, a general meeting of shareholders must be preceded by a notice. The notice of the annual general meeting of shareholders must be given not earlier than six weeks and not later than four weeks before the date of the meeting. In general, notice of extraordinary general meetings must be given not earlier than six weeks and not later than two (three weeks if a change of the articles is proposed) weeks before the meeting. The notice shall be announced in a press release, published in the Swedish Official Gazette and on the company's website. The company must also publish in a daily newspaper with nationwide circulation a short form message containing information regarding the notice and where it can be found. The notice shall include an agenda listing each item that the meeting is to resolve upon and the main content of the proposed resolutions.

Record date

British Columbia

The directors of the Company may set a date as the record date for any purpose, including for the purpose of determining shareholders entitled to notice of or entitled to vote at a meeting of shareholders. Under the BCBCA, the record date must not precede the date of the meeting by more than two months (or, in the case of a requisitioned meeting, four months). Under Canadian securities laws, the record date for notice of the meeting shall be no fewer than 30 days and no more than 60 days before the meeting date.

Sweden

Under the Swedish Companies Act the record date for a general meeting is the fifth work day (i.e. not a holiday) prior to the date of the meeting.

Issue of shares

British Columbia

Under the BCBCA:

- (1) subject to the notice of articles and the Company's articles, shares may be issued at the times and to the persons as the directors may determine, and for such consideration as set by a directors' resolution; and
- (2) a share must not be issued until (i) it is fully paid in money or in property or past services performed for the Company, and (ii) the valuation of the consideration received by the Company equals or exceeds, to the satisfaction of the directors, the issue price as determined by the directors.

Sweden

Under the Swedish Companies Act, resolutions on new share issues are as a main rule passed by the shareholders at a general meeting. A general meeting may also authorize the board of directors to issue new shares for a period no longer than until the next annual general meeting. Furthermore, the board of directors may also resolve to issue new shares without such authorization, provided that the resolution is conditioned upon the shareholders' subsequent approval at a general meeting.

New shares may be issued against payment in cash, in kind or by way of set-off. As a main rule, the shareholders have pre-emption rights to new shares issued (see the section entitled "Pre-emption rights", below).

When issuing new shares the limitations on maximum number of shares and share capital set out in the company's articles of association need to be adhered to, unless a general meeting decides to amend the articles of association.

Pre-emption rights

British Columbia

The articles of incorporation of the Company are not required to and do not contain any pre-emption rights.

Sweden

Under the Swedish Companies Act, shareholders have pre-emption rights (Sw. företrädesrätt) to subscribe for new shares issued pro rata to their shareholdings as of a certain record date for the new share issue. Pre-emption rights to subscribe for new shares do not apply in respect of shares issued for consideration in kind or shares issued pursuant to convertibles or warrants previously granted by the company. The pre-emption rights to subscribe for new shares may also be set aside by a resolution passed by two thirds of the votes cast and shares represented at the general meeting resolving upon the issue. The corresponding majority threshold applies to a decision by a general meeting to authorize the board to decide upon new share issues with deviation from shareholders' pre-emption rights.

Dividends

British Columbia

Under the BCBCA, the Company may declare and pay a dividend in property, including in money, or by issuing shares or warrants of the Company. The Company must not declare or pay a dividend in property, including in money, if there are reasonable grounds for believing that (a) the Company is insolvent, or (b) the payment of the dividend would render the Company insolvent.

Sweden

Under the Swedish Companies Act, resolutions on payments of dividends must be passed at a general meeting. A resolution to pay dividends may, with some exceptions, not exceed the amount recommended by the board of directors. Dividends may only be made if, after the payment of the dividend, there is sufficient coverage for the company's restricted equity and the payment of dividends is justified, taking into consideration the equity required for the type of operations, the company's (or the group's when applicable) need for consolidation and liquidity as well as the company's (or the group's when applicable) financial position in general. The assessment shall be based on the most recently adopted balance sheet taking into consideration changes in the restricted equity which have occurred subsequent to the balance sheet date.

Each shareholder appearing in share register as of the record date for the dividend is entitled to receive the dividend distribution. Dividends are normally distributed to the shareholders through Euroclear.

Distribution of assets on liquidation

British Columbia

Under the BCBCA, the Company may apply to the court to supervise a voluntary liquidation. After the final accounts have been approved by the court, the liquidator will distribute any remaining assets of the Company, after paying or making provision for all the Company's liabilities, among the shareholders according to their respective rights.

Swedish

Under the Swedish Companies Act, a company can enter into voluntary liquidation following a resolution passed at the general meeting by a simple majority of the votes cast, unless otherwise provided in the articles of association of the company. All shares carry equal rights in a liquidation procedure unless otherwise provided for in the company's articles of association.

The Swedish Companies Act also stipulates that a company shall enter into compulsory liquidation procedure in a capital deficiency situation and in certain other situations.

Certain extraordinary corporate actions

British Columbia

Under the BCBCA, certain extraordinary corporate actions, such as certain amalgamations and continuations, and other extraordinary corporate actions, such as liquidations, dissolutions and arrangements, are required to be approved by special resolution. A special resolution is a resolution passed at a meeting by not less than 2/3 of the votes cast on the resolution or a resolution signed by all of the shareholders entitled to vote on that resolution. In certain cases, a special separate resolution to approve an extraordinary corporate action is also required to be approved separately by the holders of a separate class or series of shares.

Sweden

Under the Swedish Companies Act, a statutory merger requires a shareholder resolution passed at a general meeting. The majority requirements for a valid resolution depends on the type of companies involved, however never less than two-thirds of the votes cast and the shares represented at the meeting. A material change of the operations conducted by the company may require a change of the company's objects and purposes in the articles of association. See the section entitled "Amendment to the articles or the by-laws" below.

Restrictions on change of control

British Columbia

British Columbia law does not impose any change of control restrictions on the Company.

Sweden

Not applicable for Swedish companies with shares listed on a multilateral trading facility.

Mandatory takeover bids/squeeze-out rules

British Columbia

Under British Columbia law, the takeover bid regime operates to establish procedures by which a person or persons may seek to take over control of a corporation. A takeover bid is defined as a direct or indirect offer to acquire a security that is made by a person other than the issuer of the security and within a prescribed class of offers to acquire. To trigger operation of the takeover bid regime the aggregate total of securities subject to the offer must exceed 20% of the issued and outstanding securities of the corporation when combined with the existing security holdings of the offeror. This 20% threshold may be met where multiple offerors, acting jointly and in concert, hold in the aggregate at least 20% of the issued and outstanding securities of that class.

Once the takeover bid regime is triggered, the offeror must make the offer to all security holders of the class of securities resident in the offering jurisdiction. Takeover bids are subject to a mandatory minimum tender requirement of more than 50% of the outstanding securities of the class subject to the bid, excluding those beneficially owned, or over which control or direction is exercised, by the offeror and its joint actors.

An offeror may commence a bid either by delivering the bid directly to the offerees or by publishing an advertisement in a major daily newspaper of general regular and paid circulation in each jurisdiction in which the offerees reside.

A takeover bid must remain open for a minimum 105 days, subject to limited exceptions, where offerees may decide whether to accept the bid and deposit their securities under the terms of the takeover bid. In the event of a successful bid, an offeror must pay identical consideration to the offerees of a particular class and an offeror is prohibited from entering into supplementary or collateral agreements with any of the offerees.

Sweden

Under applicable Swedish rules regarding certain trading platforms an obligation to launch a mandatory take-over bid applies when a party becomes the owner of 30 percent or more of the votes in a company with shares listed on a multilateral trading facility. A similar requirement is applicable in relation to companies with shares listed on a inter alia a multilateral trading facility.

Under the Swedish Companies Act, a shareholder holding more than 90 percent of the shares in a company (majority shareholder) is entitled, on a compulsory basis, to buy-out the remaining shares of the other shareholders of the company. On the other hand, a minority shareholder is also, in such situation, entitled to compel the majority shareholder to purchase his or her shares.

Redemption provisions

British Columbia

Under the BCBCA, the Company may liquidate by a special resolution of the shareholders.

After giving the appropriate notice and adequately providing for the payment or discharge of all its obligations, the Company will distribute its remaining property, either in money or in kind, among its shareholders according to their respective rights.

Subject to the conditions in the BCBCA and the Company's articles, the Company may purchase or otherwise acquire any of its shares. The Company must 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 (a) the Company is insolvent, or (b) making the payment would render the Company insolvent.

Notwithstanding this, but subject to the conditions in the BCBCA and the Company's articles, the Company may redeem, on the terms and in the manner provided in its articles, any of its shares that has a right of redemption attached to it. The Company must not make a payment or provide any other consideration to redeem any of its shares if there are reasonable grounds for believing that (a) the Company is insolvent, or (b) making the payment or providing the consideration would render the Company insolvent.

Sweden

Under the Swedish Companies Act, a company with shares listed on a multilateral trading facility is as a general rule not permitted to repurchase its own shares.

A general meeting may however resolve upon the redemption of the company's shares through which the share capital of the company will be reduced. This is a formal and complex process, which as a main rule involves also notice to the company's creditors.

Amendments to the articles

British Columbia

Under the BCBCA, any amendment to the articles generally requires approval by special resolution, which is a resolution passed by not less than two-thirds of the votes cast on the resolution or a resolution signed by all of the shareholders entitled to vote on that resolution.

Pursuant to its articles, the Company may by consent resolution of the directors or by special resolution authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

Sweden

Under the Swedish Companies Act, an amendment of the articles of association requires a shareholder resolution at a general meeting. The majority requirement for a valid resolution depends on the type of alteration. However, not less than two-thirds of the votes cast and of the shares represented at the meeting will be required. The board of directors is not allowed to make amendments to the articles of association. Any amendment to the articles will have to be registered with the Swedish Companies Registration Office.

Directors and the board of directors

Number of directors

British Columbia

Under the BCBCA, a public company must have at least three directors. The first directors of a company hold office as directors from the recognition of the company until they cease to hold office upon expiry of term, death or resignation of the director or removal by a special resolution of the shareholders. At every annual general meeting, the shareholders entitled to vote at the annual general meeting for the election of directors must elect a board of directors consisting of the number of directors set under the Company's articles. All the directors cease to hold office immediately before the election or appointment of directors at the next annual general meeting, but are eligible for re-election. Under the BCBCA and the articles of the Company, the directors may also appoint one or more additional directors, who shall also hold office for a term expiring at the end of the next annual meeting,

provided that the total number of directors so elected shall not exceed one-third of the number of directors elected at the previous annual general meeting.

The articles of the Company include advance notice provisions intended to provide shareholders with a mechanism for nominating directors in advance of an annual general meeting. Pursuant to these provisions, a person will be eligible for election as a director of the Company upon a registered shareholder providing notice to the Company of the intention to nominate such person not less than 35 days and not more than 65 days prior to the annual general meeting.

Sweden

Under the Swedish Companies Act, the board of directors in a public company shall comprise not less than three members and the chairman of the board of directors may not be the managing director of the company. At least half of the directors shall be resident within the European Economic Area, unless otherwise approved by the Swedish Companies Registration Office. The actual number of board members shall be determined by a shareholders' meeting, within the limits set out in the company's articles of association.

Nomination, Appointment and Removal of Directors

British Columbia

Under the BCBCA, the Company may remove a director before the expiration of the director's term in office by a special resolution, which is a resolution passed by not less than two-thirds of the votes cast on the resolution or a resolution signed by all of the shareholders entitled to vote on that resolution. However, there are a couple of exceptions. If the shareholders holding shares of a class or series of shares of the Company have the exclusive right to elect or appoint one or more directors, a director so elected or appointed may only be removed by a special separate resolution of those shareholders. In addition, the articles of the Company provide that the directors may remove any director before the expiration of his or her term if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director and does not promptly resign.

Sweden

Under Swedish law, the board of directors shall, except for any employee representatives, be elected by the shareholders at a general meeting, unless the articles of association provide otherwise. The members of the board of directors are usually elected for the period until the end of the first annual general meeting held after the year in which the directors were elected, unless a longer term of up to four financial years is set out in the articles of association. It is possible for a board member to be re-elected for a new term of office.

Remuneration

British Columbia

According to the articles of the Company, the directors are entitled to the remuneration for acting as directors, if any, as the directors may determine from time to time and if the directors so decide, such remuneration, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director. The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company. If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

Sweden

Under the Swedish Companies Act, the remuneration to the board of directors shall be determined by the general meeting of shareholders, specifying the amount for each director.

Powers of the board of directors

British Columbia

Subject to the BCBCA and the Company's articles, the directors of the Company must manage or supervise the management of the business and affairs of the Company. Directors of corporations governed by the BCBCA have fiduciary obligations to the corporation. Under the BCBCA, directors must act honestly and in good faith with a view to the best interests of the Company, exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances, act in accordance with the BCBCA and the regulations, and, subject to the preceding duties, act in accordance with the articles of the Company.

Pursuant to the articles of the Company, the directors may from time to time, by power of attorney or other instrument, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under the articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit.

Sweden

Under the Swedish Companies Act, the board of directors is responsible for the organization of the company and the management of the company's affairs. The board of directors shall regularly assess the financial position of the company and ensure that the company's organization is structured in such a manner that accounting, management of funds and the company's finances in general are monitored in a satisfactory manner. Further, the board shall appoint a managing director and issue instructions to such director setting out the responsibilities of the board and managing director. The board shall also issue instructions in reporting obligations in order for the board to fulfill its duties.

The managing director is responsible for the day-to-day management of the company pursuant to guidelines and instructions issued by the board of directors. In addition, the managing director may, without authorization by the board of directors, take measures which, in light of the scope and nature of the company's operations, are of an unusual nature or of great significance, provided a decision by the board of directors cannot be awaited without significant prejudice to the company's operations. In such cases, the board of directors shall be notified as soon as possible of any measures taken. The managing director shall be resident within the European Economic Area, unless otherwise approved by the Swedish Companies Registration Office.

Right to indemnification

British Columbia

Under the BCBCA, the Company may indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Company's request as a director or officer, or an individual acting in a similar capacity, of another entity (an "Eligible Party"), against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by the individual in respect of a proceeding in which the individual is joined as a party or liable by reason of the Eligible Party's association with the Company or other entity. The Company must not indemnify an Eligible Party if (a) the Eligible Party did not act honestly and in good faith with a view to the best interests of the Company or the associated corporation; or (b) in the case of a 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.

The BCBCA also allows the Company to pay the expenses actually and reasonably incurred by an Eligible Party, as they are incurred in advance of the final disposition of an eligible proceeding. The Company must not make such payments unless the Company receives a written undertaking from the Eligible Party that, if the Eligible Party does not fulfill the conditions noted in (a) and (b) above, the Eligible Party will repay the amounts advanced.

The articles of the Company require that, subject to the BCBCA, the Company must indemnify a director, former director or alternate director of a Company and his or her heirs and legal personal representatives against all “eligible penalties” to which such person is or may be liable, and the Company must, after the final disposition of an “eligible proceeding”, pay the expenses actually and reasonably incurred by such person in respect of that proceeding.

The articles of the Company define an “eligible proceeding” as a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company or any of the heirs and legal personal representatives of such person, by reason of such person being or having been a director or alternate director of the Company: (a) is or may be joined as a party; or (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding. The articles of the Company further define an “eligible penalty” as a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding.

The articles of the Company allow that, subject to any restrictions of the BCBCA, the Company may indemnify any person.

Sweden

The Swedish Companies Act does not contain any specific provisions requiring that the articles of association provide for indemnification of board members, officers or other persons. Instead, Swedish companies can have professional indemnity insurance in place for its board members and officers.

The annual general meeting of shareholders shall resolve on the discharge of the board of directors and managing director from liability. An action for damages on behalf of the company may be available in certain circumstances against a founder, board member, managing director, auditor or shareholder of the company. Such action may be brought if the majority, or a minority comprising owners of at least one-tenth of all shares in the company, has supported a general meeting resolution to bring an action for damages or, in the case of a director or managing director, have voted against a resolution on discharge from liability. The action for damages in favor of a company may also be conducted by owners (in their own name) of at least one-tenth of all shares.

A settlement on liability for damages for the company may be concluded only at a general meeting and only if owners of at least one-tenth of all shares in the company do not vote against the settlement proposed. However, if an action for damages is brought by a shareholder on behalf of the company, a settlement may not be reached without his or her consent.

Financial statements, auditor’s reports, auditors and audit committee

British Columbia

Under the BCBCA, the directors of the Company must place before the shareholders at every annual general meeting: (a) comparative financial statements as prescribed, relating separately to the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and the immediately preceding financial year; (b) any auditor’s report on those financial statements; and (c) any further information respecting the financial position of the Company and the results of its operations required by the articles or any unanimous shareholder agreement.

A reporting issuer that is listed on the TSX Venture Exchange (“TSXV”) is required to prepare and file on SEDAR its annual financial statements an annual MD&A, along with the report of the auditor, if any, on or before the earlier of (a) the 120th day after its financial year-end; and (b) the date of filing, in a foreign jurisdiction, its annual financial statements for the most recently completed financial year. A reporting issuer that is listed on the TSXV is required to prepare and file on SEDAR its quarterly financial statements and interim MD&A on or before the earlier of (a) the 60th day after the interim period; and (b) the date of filing, in a foreign jurisdiction, its interim financial statements for the most recently completed interim period.

Under the BCBCA, a public company or financial institution must, at the first meeting held on or after each annual reference date, elect an audit committee from among their number. An audit committee must be composed of at least three directors, and a majority of the members of the committee must not be officers or employees of the company or an affiliate of the company. The primary responsibility for the Company’s financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the directors of the Company. The audit committee is a standing committee of the board, established to assist it in fulfilling its responsibilities in this regard. The audit committee must, in addition to or as part of any responsibilities assigned to it under the BCBCA, review and report to the directors on (a) the annual or interim financial statements of the company; and (b) the auditor’s report if any, prepared in relation to those financial statements, before any of the preceding documents are published. While it is management’s responsibility to design and implement an effective system of internal control, it is the responsibility of the audit committee to ensure that management has done so.

Sweden

Under the Swedish Companies Act, the annual general meeting shall adopt the balance sheet and the profit and loss statement. Further, the shareholders decide on the disposition of the company’s profit or loss (such as payment of dividends).

The annual report, together with the auditor’s report, must be presented at the annual general meeting which according to the Swedish Companies Act is to be held within six months after the end of the financial year.

Auditors are appointed by the general meeting of shareholders, whereby a registered accounting firm may be appointed as auditor.

Corporate governance reports and website

British Columbia

If management of a company listed on the TSXV solicits a proxy from a security holder of the company for the purpose of electing directors to the company’s board of directors, the company must provide corporate governance information in its management information circular (usually referred to as a proxy circular). The circular is distributed together with the notice of the relevant shareholders’ meeting and is filed on SEDAR. There is no requirement to include the circular on the company’s website, unless the company is relying on certain notice-and-access provisions in National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, nor is there a requirement to have the circular reviewed by the company’s auditors. The content of the circular is regulated by Canadian securities laws, and the circular must, among other things, include a discussion of the company’s compliance with Canadian corporate governance principles.

The Company may include information useful to investors on its website; however, all such information must comply with relevant securities laws regarding permitted, required and restricted disclosure.

Sweden

Swedish companies with shares listed on a multilateral trading facility are required to have a website on which all published information from the company to the market shall be readily available for at least 5 years. On the website, annual reports, prospectuses and other information provided for distribution to, or kept available to,

shareholders shall be readily available, unless special cause exists. The website shall also include the company's articles of association and details of the current board of directors and senior management and also the name of a certified adviser (for companies with shares listed on Nasdaq First North).

Shareholder remedies and special audit rights

British Columbia

The most common shareholder remedies under the BCBCA are the oppression remedy, derivative actions, dissent rights and court-appointed inspections.

Oppression Remedy

A shareholder may apply to the court for an order on the ground (a) that 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 the shareholders, including the applicant, or (b) that some act of the company has been done or is threatened, or that some resolution of the shareholders has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant. In this case, a "shareholder" means (a) a registered or beneficial owner of a share of the company; and (b) any other person whom the court considers to be an appropriate person to make such an application.

In connection with such an application, the court may make any interim or final order it considers appropriate, subject to the conditions in the BCBCA, including an order (a) directing or prohibiting any act; (b) regulating the conduct of the company's affairs; (c) appointing a receiver or receiver manager; (d) directing an issue or conversion or exchange of shares; (e) appointing directors in place of or in addition to all or any of the directors then in office; (f) removing any director; (g) directing the company to purchase some or all of the shares of a shareholder and, if required, to reduce its capital in the manner specified by the court; (h) directing a shareholder to purchase some or all of the shares of any other shareholder; (i) directing the company or any other person to pay to a shareholder all or any part of the money paid by that shareholder for shares of the company; (j) 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; (k) varying or setting aside a resolution; (l) 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; (m) directing the company to compensate an aggrieved person; (n) directing correction of the registers or other records of the company; (o) directing that the company be liquidated and dissolved, and appointing one or more liquidators, with or without security; (p) directing that an investigation be made under the BCBCA; (q) requiring the trial of any issue; or (r) authorizing or directing that legal proceedings be commenced in the name of the company against any person on the terms the court directs.

Derivative Actions

A "complainant", which includes any individual described as a "shareholder" above as well as any director of the Company, may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the Company to enforce a right, duty or obligation owed to the company or to obtain damages for any breach of such right, duty or obligation. With leave of the court, a complainant may also, in the name and on behalf of the Company, defend a legal proceeding brought against the Company. In connection with such an action brought or defended, the court may grant leave where reasonable efforts have been made, notice of the application for leave has been given to the company and to any other appropriate party, the complainant is acting in good faith and it appears to the court that it is in the best interests of the Company. In connection with such an action brought or defended, the court may make any order it considers appropriate, including an order that a person to whom costs are paid repay to the Company some or all of those costs; the Company or any other party to the proceeding indemnify the complainant or the person controlling the conduct of the legal proceeding; or the complainant indemnify one or more of the Company, a director of the Company and an officer of the Company for expenses, including legal costs, that they incurred as a result of the legal proceeding.

Dissent Rights

In certain circumstances, shareholders of a BCBCA company are entitled to dissent from some fundamental action undertaken by the company and demand to be paid fair value for their shares. Examples of these circumstances include amalgamations, resolutions to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking, continuation of the company into a jurisdiction other than British Columbia or a resolution to alter the articles of the company to add, change or remove any restriction on the business or businesses that the corporation may carry on. Procedures for dissenting are complex and failure to strictly comply with the procedures may result in the loss of all dissent rights. If the procedures are followed, the dissenter's shares must then be purchased by the corporation at fair market value. In the event that the parties cannot agree on what constitutes fair market value, either the company or the dissenter can apply to court to determine the appropriate fair market value.

Inspections

One or more shareholders who, in the aggregate, hold at least one-fifth of the issued Common Shares of the Company may apply to the court to appoint an inspector to conduct an investigation of the Company and determine the manner and extent of the investigation. The court may make such an order if it appears to the court that there are reasonable grounds for believing that (a) the affairs of the company are being or have been conducted, or the powers of the directors are being or have been exercised, in a manner that is oppressive or unfairly prejudicial to one or more shareholders, including the applicant, (b) the business of the company is being or has been carried on with intent to defraud any person, (c) the Company was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose, or (d) persons concerned with the formation, business or affairs of the Company have, in connection with it, acted fraudulently or dishonestly. The powers of the inspector will be set out in the enabling court order, such powers including the power to examine under oath any person who is or was a director, receiver, receiver manager, officer, employee, banker, auditor or agent of the Company or any of its affiliates in relation to the affairs, management, accounts and records of or relating to the Company. In addition, a person so described must, on the request of an inspector so appointed, (a) produce, for the examination of the inspector, each accounting record and each other record relating to the Company or any of its affiliates that is in the custody or control of that person, and give to the inspector every assistance in connection with the investigation that that person is reasonably able to give.

Sweden

Special examination

Under the Swedish Companies Act, a shareholder may submit a proposal for an examination carried out by a special examiner. The proposal shall be submitted to an annual general meeting, or to any general meeting for which the matter is included in the notice to attend the general meeting. The scope of the examination shall be defined in the proposal, and may relate to the company's management and accounts during a specific period of time in the past, or certain measures or circumstances within the company. If the proposal is supported by owners of at least one-tenth of all shares, or at least one-third of the shares represented at the general meeting, the Swedish Companies Registration Office shall appoint one or more examiners. The Swedish Companies Registration Office shall give the company's board of directors the opportunity to submit its comments prior to the appointment of a special examiner. The examiner shall submit a report regarding the examination, which shall be made available to the shareholders and presented at the general meeting. Persons who are no longer shareholders, but who were included in the voting register prepared for the general meeting at which the issue of the appointment of a special examiner was addressed, shall also have the right to read the report.

Minority shareholders' auditor

A shareholder may propose that a minority shareholders' auditor shall be appointed. The proposal shall be submitted to a general meeting at which the election of auditors is to take place, or at a general meeting where the proposal is included in the notice to attend the general meeting. The Swedish Companies Registration Office

shall appoint such auditor upon the request of any shareholder, if the proposal is supported by at least one-tenth of all shares in the company, or at least one-third of the shares represented at the general meeting. The company's board of directors shall be afforded the opportunity to comment prior to the appointment of an auditor. The appointment shall relate to the period of time up to and including the next annual general meeting. The auditor shall participate in the audit together with the other auditors.

Company's obligation to disclose changes in its share capital

British Columbia

The TSXV does not impose any obligation on the Company to report or disclose changes in its share capital on an ongoing basis. It is the Company's practice to report changes in its share capital on a monthly basis for publication on its website by its investor relations consultant, but it is under no legal obligation to do so.

Sweden

Companies with shares listed on a multilateral trading facility are not required to disclose changes in the number of shares or votes on the last trading day of the calendar month in which the increase or decrease of shares or votes occurred.

Distribution of information to the Canadian and Swedish markets

The content and format of the disclosure obligations of Canadian reporting issuers is mandated under National Instrument 51-102 – Continuous Disclosure Obligations and other regulations under Canadian securities laws, as well as the regulations applicable to TSXV-listed issuers. The Canadian Securities Administrators have implemented National Policy 51-201 – Disclosure Standards to provide guidance on best disclosure practices in order to ensure that everyone investing in securities will have equal access to information that may affect their investment decisions. Canadian securities legislation prohibits a reporting issuer from selective disclosure or informing any person or company in a special relationship with a reporting issuer, other than in the necessary course of business, of a material fact or a material change before that material information has been generally disclosed. Securities legislation also prohibits anyone in a special relationship with a reporting issuer from purchasing or selling securities of the reporting issuer with knowledge of a material fact or material change about the issuer that has not been generally disclosed.

The Company will be subject to the rules on disclosure of the Nasdaq First North Nordic - Rulebook and the Regulation (EU) no 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC ("MAR"). The Company will be required to handle inside information in accordance with MAR and disclose inside information as soon as possible, but, if certain conditions are met, the disclosure may be delayed. If the Company delays the disclosure of inside information, the Company must document when the inside information arose and when the decision to delay the disclosure was taken. The reasons for the delay must also be documented and the Company must keep an insider list. When the inside information is later made public, the Company must inform the SFSA of the decision to delay the disclosure and, upon request by the SFSA, provide an explanation of the reasons for the delay.

Swedish insider reporting rules

In addition to any reporting requirements under applicable Canadian laws, persons discharging managerial responsibilities in a company whose shares are subject to trading on a multilateral trading facility (or for which a complete application for admission to trading on a multilateral trading facility has been made), and persons closely associated to such persons, are required to report their holdings of shares and other financial instruments to the Swedish Financial Supervisory Authority (the "SFSA") as well as to the company. Such reporting shall be made in

accordance with MAR. In addition, MAR stipulates a trading ban for persons discharging managerial responsibilities in such companies during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report.

The following is a summary of certain laws and regulations governing the account keeping of financing instruments in British Columbia based upon current British Columbia legislation and the TSXV Corporate Finance Manual. The summary is of a general nature and it is not an exhaustive review of all potentially relevant laws and regulations governing the account keeping of financing instruments in Canada.

Under the BCBCA, unless the shares are uncertificated shares, a shareholder is entitled, in respect of his or her shares, to evidence of security ownership in the form of a share certificate in a form that complies with the BCBCA or a non-transferable written acknowledgment of the shareholder's right to obtain such a certificate. Evidence of security ownership may take various forms including physical certificates or the Direct Registration System or other electronic book-entry system which is a form of registration that allows listed securities to be held in electronic form without having a physical security certificate issued as evidence of ownership.

Under the BCBCA, a company is required to maintain a central securities register in which it registers the date and particulars of shares issued by the company or transferred and, with respect to those shares, the name and last known address of each person to whom those shares have been issued or transferred. The Company must maintain its central securities register at its records office or at any location inside or outside British Columbia designated by the directors, provided that the Company complies with the requirement that the central securities register be available for inspection and copying in accordance with sections 46 and 48 of the BCBCA.

While its securities are listed on the TSXV, the Company must appoint and maintain a transfer agent and registrar with a principal office in one or more of Vancouver, British Columbia; Calgary, Alberta; Toronto, Ontario; Montréal, Québec; or Halifax, Nova Scotia, where all the issued securities of the listed classes must be directly transferable. The transfer function involves keeping a ledger listing the security holders' names and addresses and the number of securities registered in the name of each security holder. The transfer agent issues new securities in either certificated or uncertificated form and to the extent certificated, cancels old certificates. It may also provide such services to companies as the distribution of dividend cheques and proxy materials to shareholders and the administration of dividend reinvestment plans.

The registrar function involves receiving old cancelled certificates as well as new certificates from the transfer agent. The registrar then validates the transfer by signing and recording the new certificate. The registrar ensures that the number of securities issued in certificate form is consistent with the number of securities actually issued by the company.