



**ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS**

TO BE HELD ON TUESDAY, APRIL 7, 2020

**NOTICE OF MEETING
AND MANAGEMENT INFORMATION CIRCULAR AND PROXY
STATEMENT**

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF BLACKLINE SAFETY CORP., OF PROXIES TO BE VOTED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF BLACKLINE SAFETY CORP. TO BE HELD ON APRIL 7, 2020.

TO BE HELD AT:

**Dominion Bridge
Unit 100, 803 24th Avenue S.E.
Calgary, Alberta**

At 3:00 p.m. (Calgary time)



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

The annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Blackline Safety Corp. (the "**Corporation**") will be held at Dominion Bridge, Unit 100, 803 24th Avenue S.E., Calgary, Alberta, on Tuesday, April 7, 2020 at 3:00 p.m. (Calgary time), to:

1. receive and consider the audited financial statements of the Corporation for the financial year ended October 31, 2019 and the report of the auditor thereon;
2. elect five (5) directors for the ensuing year;
3. appoint PricewaterhouseCoopers LLP as the auditors of the Corporation for the ensuing year and to authorize the board of directors to fix the auditor's remuneration as such;
4. consider, and if thought appropriate, to pass an ordinary resolution approving the Corporation's stock option plan, all as more particularly described in the accompanying management information circular – proxy statement of the Corporation dated March 3, 2020 (the "**Management Information Circular**");
5. consider, and if thought appropriate, to pass an ordinary resolution approving an advance notice by-law as described in the attached Management Information Circular; and
6. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

It is desirable that as many Common Shares as possible be represented at the Meeting. Shareholders of the Corporation who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and deposit it with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America), or 1-312-588-4290 (outside North America). In order to be valid and acted upon at the Meeting, Instruments of Proxy must be received by Computershare Trust Company not less than 48 hours (excluding, Saturdays, Sundays and statutory holidays in the Province of Alberta) before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

The board of directors of the Corporation has fixed the record date for the Meeting at the close of business on March 3, 2020 (the "**Record Date**"). Shareholders of the Corporation of record as at the Record Date are entitled to receive notice of the Meeting and to vote those Common Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers the ownership of his or her Common Shares after the Record Date and the transferee of those Common Shares establishes that he or she owns the Common Shares and demands not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Particulars of the foregoing matters are set forth in the accompanying Management Information Circular. The financial statements for the year ended October 31, 2019 and the report of the auditor of the Corporation thereon are available on SEDAR at www.sedar.com.

DATED at Calgary, Alberta March 3, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Cody Slater"

Cody Slater

Chief Executive Officer and Director



**MANAGEMENT INFORMATION CIRCULAR – PROXY STATEMENT
DATED MARCH 3, 2020**

**For the Annual and Special Meeting
of Shareholders to be held on April 7, 2020**

PROXIES

Solicitation of Proxies

This management information circular – proxy statement (the "**Management Information Circular**") is provided in connection with the solicitation by the management of Blackline Safety Corp. (the "**Corporation**") of proxies from the holders of common shares (the "**Common Shares**") for the annual and special meeting of the shareholders ("**Shareholders**") of the Corporation (the "**Meeting**") to be held on Tuesday, April 7, 2020 at 3:00 p.m. (Calgary time) at Dominion Bridge, Unit 100, 803 24th Avenue S.E., Calgary, Alberta, or at any adjournment thereof for the purposes set out in the accompanying notice of annual and special meeting ("**Notice of Meeting**").

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on March 3, 2020 (the "**Record Date**"). Only Shareholders of record on the Record Date are entitled to notice of, and to attend and vote at, the Meeting, unless a Shareholder transfers the ownership of his or her Common Shares subsequent to that date and the transferee of those Common Shares establishes that he or she owns the Common Shares and demands not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Unless otherwise stated, the information in this Management Information Circular is given as at March 3, 2020.

This solicitation is made on behalf of management of the Corporation. The Corporation is not using "notice-and-access" to send its proxy-related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The costs incurred in the preparation and mailing of the instrument appointing a proxy (the "**Instrument of Proxy**"), Notice of Meeting and this Management Information Circular will be borne by the Corporation. In addition to mailing Instruments of Proxy, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the Beneficial Shareholders (as defined below) by such persons, and since costs are being borne by the Corporation, the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The Corporation does not intend to pay for costs of an intermediary to deliver to objecting Beneficial Holders (as defined below) the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary* of NI 54-101, and objecting Beneficial Holders will not receive the materials unless their intermediary assumes the cost of delivery.

Appointment and Revocation of Proxies

The Instrument of Proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The persons named (the "**Management Designees**") in the enclosed Instrument of Proxy have been selected by the Board and have indicated their willingness to represent, as proxy, the Shareholder who appoints them. **A Shareholder has the right to designate a person (who need not be a Shareholder) other than the Management Designees to represent him or her at the Meeting.** Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy, the name of the person to be designated and by striking out the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the Corporation's transfer agent, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America), or 1-312-588-4290 (outside North America). Shareholders should notify any nominee that is not a Management Designee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the Shareholder's Common Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form).

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Computershare Trust Company, 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, Attention: Proxy Department or faxed to Computershare Trust Company at 1-866-249-7775, at least forty-eight (48) hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his or her authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with Computershare Trust Company, 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, at any time prior to 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or at any adjournment thereof.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation's transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Securities Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for their clients (the Beneficial Shareholder). **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or

the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from their clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") or another intermediary. Broadridge typically prepares a machine readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge or another intermediary it cannot be used as a proxy to vote Common Shares directly at the Meeting as the proxy must be returned (or otherwise reported) as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

Exercise of Discretion by Proxy

Each Shareholder may instruct his or her proxy how to vote his or her Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting, by properly executed proxies, will be voted or withheld from voting (including the voting on any ballot) and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy accepted by the Corporation, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments or variations of those matters identified in the Instrument of Proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. As of the time of printing this Management Information Circular, management knows of no such amendment, variation or other matter. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders of the Corporation if at least two persons holding or representing by proxy not less than five (5%) percent of the outstanding shares of the Corporation entitled to vote at the Meeting are present.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. As at March 3, 2020 there were 47,977,011 Common Shares issued and outstanding and no preferred shares issued and outstanding. The Common Shares are the only shares entitled to be voted at the Meeting and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares as at the Record Date (being March 3, 2020) are entitled to vote such Common Shares at the Meeting except to the extent that: (a) the Shareholder has transferred the ownership of any of his, her or its Common Shares, as applicable, after the Record Date; and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or it, as applicable, owns the Common Shares, and demands not later than ten (10) days before the Meeting that his, her or its name, as applicable, be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his, her or its Common Shares, as applicable, at the Meeting.

Other than as stated below, to the best of the knowledge of the Corporation's directors and executive officers, as at the date hereof, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the votes attached to all of the issued and outstanding Common Shares.

Name of Shareholder	Common Shares Owned, Controlled or Directed ⁽²⁾	Percentage of the Outstanding Common Shares of the Corporation
DAK Capital Inc.	12,124,264	25.3%

Notes:

- (1) This information as to Common Shares owned, controlled or directed, has been furnished by the respective Shareholder based on public filings.
- (2) DAK Capital Inc. ("**DAK**") has been provided the right that, so long as DAK (including any affiliates of DAK) owns and controls (directly or beneficially) greater than 5% of the outstanding Common Shares on a fully diluted basis, DAK shall have the right to nominate one individual to be a director of the Corporation (the "**DAK Nominee**"). See "*Interests of Informed Persons in Material Contracts*".

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting and detailed below.

Receipt of the Financial Statements and Auditors' Report

At the Meeting, Shareholders will receive and consider the audited financial statements of the Corporation for the year ended October 31, 2019 and the auditors' report thereon. The audited financial statements of the Corporation for the year ended October 31, 2019 and the auditors' report thereon have been approved by the Board and no formal action is required, or proposed to be taken, at the Meeting with respect to these financial statements. These financial statements are available at the Corporation's profile on SEDAR at www.sedar.com.

Election of Directors

The Corporation currently has five (5) directors for whom their term of office expires at the Meeting. All of the directors are standing for re-election as directors of the Corporation at the Meeting. **Unless otherwise directed, it is the intention of management to vote proxies in the accompanying Instrument of Proxy in favour of the election as directors for the ensuing year the five (5) nominees hereinafter set forth:**

Cody Slater	Robert Herdman
Michael Hayduk	Brad Gilewich
Dr. John Finbow	

Management does not contemplate that any of such nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Alberta).

The following table sets forth various details with respect to each of the persons proposed to be nominated for election as a director.

Name, Province/State and Country of Residence	Position Presently Held	Director Since	Principal Occupation During the Five Preceding Years	Number and Percentage⁽¹⁾ of Common Shares Beneficially Owned or Controlled or Directed on March 3, 2020
Cody Slater Alberta, Canada	Chief Executive Officer, Chairman and Director	February 25, 2009	CEO of Blackline Safety Corp.	1,386,732 2.9%
Dr. John Finbow⁽²⁾⁽³⁾ Alberta, Canada	Director	January 10, 2011	Independent businessman providing an advisory role to technology firms	978,025 ⁽⁵⁾ 2.0%
Michael Hayduk⁽²⁾ Alberta, Canada	Director	February 25, 2009	Lawyer with Smith Mack Lamarsh	65,000 0.1%
Robert Herdman⁽²⁾⁽³⁾ Alberta, Canada	Director	April 5, 2011	Retired. Formerly a partner with PricewaterhouseCoopers LLP.	42,800 0.1%
Brad Gilewich⁽²⁾⁽⁴⁾ Alberta, Canada	Director	June 23, 2016	Senior Vice President, Corporate Affairs at the Katz Group	142,750 ⁽⁶⁾⁽⁷⁾ 0.3%

Notes:

- (1) As at March 3, 2020 there were 47,977,011 Common Shares issued and outstanding.
- (2) Member of the Audit Committee. Robert Herdman is the Chairman of the Audit Committee.
- (3) Member of the Corporate Governance and Compensation Committee.
- (4) Mr. Gilewich is standing for election as the DAK Nominee.
- (5) Includes 242,630 Common Shares controlled by Dr. John Finbow but registered in the names of his spouse, children and grandchildren.
- (6) Mr. Gilewich owns or controls 100,000 Common Shares through WACS Consulting Inc.
- (7) Mr. Gilewich is the nominee of DAK, which owns or control 12,124,264 Common Shares, representing approximately 25.3% of the issued and outstanding Common Shares.

The Board has adopted a policy (the "**Majority Voting Policy**") which requires that any nominee for director who receives a greater number of votes "withheld" than votes "for" their election as a director shall, forthwith following the applicable shareholders' meeting, submit their resignation to the Board. The Board shall make a determination whether to accept or reject the resignation within 90 days of the applicable shareholders' meeting and a press release shall be issued by the Corporation announcing the Board's determination and the reasons for such determination. In determining whether to accept or reject the tendered resignation, the Board will assess all matters the Board believes to be relevant and shall accept such resignation absent exceptional circumstances. Any director who tenders their resignation shall not participate in any meetings to consider whether the resignation shall be accepted. The Majority Voting Policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected. If the Board determines to accept the resignation, the Board may fill

any vacancy resulting from a resignation pursuant to the Majority Voting Policy in accordance with the Corporation's by-laws and articles and applicable laws.

Cease Trade Orders

To the knowledge of the management of the Corporation, except as described below, none of the proposed directors is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer (including the Corporation) that: (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order, or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or (b) was, after that person ceased to be a director, chief executive officer or chief financial officer, the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer.

Mr. Herdman, a director of the Corporation, served as a director of SemBioSys Genetics Inc. ("**SemBioSys**") a development stage biotechnology company, until May 1, 2012. On May 25, 2012, the Alberta Securities Commission issued a cease trade order against SemBioSys for failure to file the required certification of interim filings for the interim period ended March 31, 2012. The securities commission of each of British Columbia, Manitoba, Ontario and Quebec issued similar orders in respect of the failure to file the certification of interim filings.

Bankruptcies

Except as disclosed below, to the knowledge of the management of the Corporation, no proposed director of the Corporation is, or within the 10 years prior to the date of this Management Information Circular was: (a) declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person; or (b) was a director or executive officer of a corporation (including the Corporation) that while that person was acting in that capacity or within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Robert Herdman served as a director of SemBioSys, a development stage biotechnology company, until May 1, 2012. On June 22, 2012, a secured creditor of SemBioSys was granted an order under the *Bankruptcy and Insolvency Act* (Canada) appointing a receiver to take possession of and deal with specific assets of SemBioSys which had been pledged to that creditor.

Penalties or Sanctions

To the knowledge of management of the Corporation, no proposed director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director of the Corporation.

Appointment of Auditor

Unless otherwise directed, it is management's intention to vote the proxies in favour of the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants ("**PwC**"), to serve as auditors of the Corporation until the next annual meeting of shareholders and to authorize the directors to fix their remuneration as such. PwC has acted as the auditor of the Corporation since October 11, 2006.

Approval of the Stock Option Plan

Pursuant to the TSX Venture Exchange (the "**Exchange**") Policy 4.4 – *Incentive Stock Options* (the "**Option Policy**") the Corporation is permitted to maintain a "rolling" stock option plan (the "**Stock Option Plan**") reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options ("**Options**") granted under the Stock Option Plan. In accordance with the Option Policy, rolling option plans must receive shareholder approval yearly at the Corporation's annual meeting.

Shareholders will be asked at the Meeting to consider and if thought advisable, approve the Stock Option Plan (the "**Option Plan Resolution**"). The Shareholders of the Corporation last approved the Stock Option Plan at the annual and special meeting of Shareholders held on April 16, 2019. Following such approval, on March 5, 2020, the Board approved certain amendments to the Option Plan. The amendments included:

- (a) adding a prohibition on any reduction in the exercise price of an Option, including a reduction in the exercise price of an Option by the cancellation and immediate re-issue of Options or other entitlements;
- (b) the addition of clarifying language that reaffirms the authority of the Board to determine, in its sole discretion, the vesting of Options;
- (c) the addition of a provision extending the Option Period (as defined below) in respect of Options that would otherwise expire during a period of time during which a Service Provider (as defined below) cannot exercise an option, or sell optioned Common Shares, due to the applicable insider trading policies of the Corporation;
- (d) requiring the Board to seek Shareholder approval in respect of certain future amendments to the Stock Option Plan or Options, including, but not limited to, extending the expiry date of any outstanding option and any further amendment to the amendment section thereof;
- (e) adding a provision intended to address the treatment of options in a transaction or series of transactions whereby the Corporation or all or substantially all of the Corporation's undertaking, property or assets would become the property of any other trust, body corporate, partnership or other person; and
- (f) certain additional housekeeping amendments, including, but not limited to, changing the name of the Corporation in the Stock Option Plan to reflect its current name, "Blackline Safety Corp."

A copy of the Stock Option Plan, as amended and restated, is attached as Schedule "C" to this Management Information Circular. The Corporation currently has 2,615,137 outstanding Options at an average exercise price of \$4.55 per Common Share.

The purpose of the Stock Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants (collectively, "**Service Providers**") of the Corporation and of its subsidiaries and affiliates, if any, to acquire Common Shares thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentives in their efforts on behalf of the Corporation.

The Stock Option Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board.

The Board may designate eligible Service Providers of the Corporation and its subsidiaries and affiliates to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

- (a) the total number of Common Shares reserved for issuance on exercise of Options issued under the Stock Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;
- (b) the aggregate number of Common Shares reserved for issuance to any one optionee in a 12-month period shall not exceed 5% of the number of issued and outstanding Common Shares (determined at the time an Option is granted);
- (c) the aggregate number of Common Shares reserved for issuance to any one consultant in a 12-month period shall not exceed 2% of the number of issued and outstanding Common Shares (determined at the time an Option is granted); and

- (d) the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12-month period shall not exceed 2% of the number of issued and outstanding Common Shares (determined at the time an Option is granted).

Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof, will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan.

The Board (or appointed committee of the Board) may, in its sole discretion, before and/or after the date of grant of an Option determine: (i) the time during which Options will vest; and (ii) the method of vesting. The exercise price of Options shall be determined by the Board, provided however that the exercise price of Options shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed. The period during which an Option is exercisable shall be such period, not in excess of five (5) years, as may be determined by the Board at the time of grant (the "**Option Period**"). Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

- (a) upon the death, permanent disability or normal retirement of an optionee, the Option shall terminate on the earlier of: (i) the end of the Option Period; (ii) the ninetieth (90th) day from date of normal retirement; and (iii) one (1) year from date of death or permanent disability;
- (b) if an optionee shall no longer be a Service Provider (other than by reason of death, permanent disability or normal retirement), the Option shall terminate at 5:00 p.m. on the earlier of: (i) the end of the Option Period; and (ii) the ninetieth (90th) day from the date the optionee ceases to be a Service Provider;
- (c) if an optionee engaged in investor relations activities of the Corporation ceases to be retained by the Corporation (other than by reason of death, permanent disability or normal retirement), the Option shall terminate at 5:00 p.m. on the earlier of: (i) the end of the Option Period; and (ii) the thirtieth (30th) day from the date the optionee ceases to be engaged in investor relations activities for the Corporation; and
- (d) if an optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination shall be, in all cases, the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a Service Provider.

In the event of a subdivision or consolidation of the outstanding Common Shares, a corresponding adjustment will be made changing the number of Common Shares deliverable upon the exercise of any Option granted prior to such event. In the event the Corporation is reorganized, merged, consolidated or amalgamated with another corporation, appropriate provisions will be made for the continuance of the Options outstanding under the Stock Option Plan.

The Stock Option Plan allows the Board to amend or discontinue the Stock Option Plan at any time subject to regulatory approval, and in certain instances, Shareholder approval.

A copy of the Stock Option Plan, as amended and restated, is attached as Schedule "C" to this Management Information Circular. A copy of this Management Information Circular will be filed on SEDAR and can be found at www.sedar.com. The Corporation will, upon request being made, provide a copy of such Stock Option Plan free of charge to a Shareholder.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the following ordinary resolutions to approve the Stock Option Plan:

"BE IT RESOLVED THAT:

1. the stock option plan (the "**Stock Option Plan**") of Blackline Safety Corp. (the "**Corporation**"), as described in the management information circular and proxy statement of the Corporation dated March 3, 2020, be and is hereby approved and adopted as the Stock Option Plan of the Corporation;
2. the form of the Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further Shareholder approval; and
3. any one (or more) directors or officers of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in favour of the ordinary resolution approving the Stock Option Plan.

Approval of Advance Notice By-law

Background

On January 28, 2020, the Board approved, subject to the conditional approval of the TSX Venture Exchange (the "**TSXV**"), the adoption by the Corporation of a By-law regarding advance notice of nominations of directors of the Corporation (the "**Advance Notice By-law**"). The TSXV provided conditional approval of the adoption of the Advance Notice By-law on February 7, 2020. A copy of the Advance Notice By-law is attached to this Management Information Circular as Schedule "D" and is also available for review on the Corporation's SEDAR profile at www.sedar.com.

Purpose of the Advance Notice By-law

The purpose of the Advance Notice By-law is to provide Shareholders, the Board and management of the Corporation with a clear framework for director nominations to help ensure orderly business at Shareholder meetings. Among other things, the Advance Notice By-law fixes a deadline by which a Shareholder must submit director nominations to the Corporation prior to any annual or special meeting of Shareholders. It also specifies the information that a nominating Shareholder must include in the notice to the Corporation in order for any director nominee to be eligible for election at any annual or special meeting of Shareholders.

The directors of the Corporation are committed to:

- (a) facilitating an orderly and efficient annual general or special meeting process;
- (b) ensuring that all Shareholders receive:
 - (i) adequate notice of director nominations; and
 - (ii) sufficient information in advance of an annual general or special meeting with respect to all director nominees and the ownership interests (including derivatives, hedged positions and other economic incentives and voting interests) of the nominating Shareholder in order to assess the qualifications of the proposed nominees for election to the Board and the nature of the nominating Shareholder's interest in the Corporation; and
- (c) allowing Shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

Summary of Terms of the Advance Notice By-law

The Advance Notice By-law provides that advance notice to the Corporation must be made in circumstances where nominations of persons for election to the Board are made other than:

- (a) by or at the direction of the Board, including pursuant to a notice of meeting; or
- (b) by or at the direction or request of one or more Shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act (Alberta)* (the "**ABCA**"), or a requisition of meeting of the shareholders of the Corporation made in accordance with the provisions of the ABCA.

The Advance Notice By-law fixes a deadline by which Shareholders must submit director nominations to the Chief Financial Officer of the Corporation prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the Chief Financial Officer of the Corporation for an effective nomination to occur. No person nominated by a Shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-law.

In the case of an annual meeting of Shareholders, notice to the Corporate Secretary of the Corporation must be made not less than thirty (30) 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 fifty (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 tenth (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 Corporation must be made not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any provisions of the Advance Notice By-law.

Confirmation and Approval of Advance Notice By-law by Shareholders

In accordance with the ABCA, the Advance Notice By-law is in effect until it is confirmed, confirmed as amended or rejected by Shareholders at the Meeting, and if confirmed or confirmed as amended, the Advance Notice By-law will continue in effect in the form in which it is so confirmed. If Shareholders reject the confirmation of the Advance Notice By-law at the Meeting, it will thereafter cease to have effect. For greater certainty, the Corporation's existing bylaws are not impacted by the Advance Notice By-law and will continue in effect, unamended.

In order for the Advance Notice By-law Resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting on such resolution.

At the Meeting, Shareholders will be asked to approve the following by ordinary resolution (the "**Advance Notice By-law Resolution**"):

"BE IT RESOLVED that:

1. the Advance Notice By-law, in the form attached as Schedule "D" to the Management Information Circular of Blackline Safety Corp. (the "**Corporation**") dated March 3, 2020 is hereby ratified, adopted and confirmed as a By-law of the Corporation;
2. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
3. notwithstanding the passing of this resolution by the Shareholders, the Board of Directors of the Corporation may revoke this resolution before it is acted upon, without further approval of the Shareholders, if the Board of Directors determines, in its sole and absolute discretion, that such revocation is in the best interests of the Shareholders."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in favour of the Advance Notice By-law Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

The Corporation's disclosure with respect to certain director and executive compensation matters and practises is set forth in Schedule "A" hereto.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in Column (a)) ⁽¹⁾ (c)
Equity compensation plans approved by securityholders	2,751,804	\$4.46	1,694,552
Equity compensation plans not approved by securityholders	-	-	-
Total	2,751,804	\$4.46	1,694,552

Note:

- (1) Represents the maximum number of additional Common Shares issuable under the Stock Option Plan and the ESOP based upon the 47,835,843 Common Shares outstanding as at October 31, 2019. The aggregate number of Common Shares that may be reserved for issuance under the Stock Option Plan shall not exceed 10% of the Corporation's issued and outstanding shares. See "*Matters to be Acted Upon at the Meeting – Approval of the Stock Option Plan*" for the material terms of the Option Plan.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

At no time during the most recently completed fiscal year period was there any indebtedness of any executive officer, director, employee or any former executive officer, director or employee of the Corporation, or any associate of any of the foregoing, to the Corporation or to any other entity which is, or at any time since the beginning of the most recently completed financial period, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL CONTRACTS

Except as disclosed herein, there were no material interests, direct or indirect, of any Informed Persons (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation, any proposed director, or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation, or in any proposed transaction which has materially affected, or would materially affect, the Corporation or any of the Corporation's subsidiaries and affiliates.

In connection with the subscription and purchase of Common Shares and warrants in the capital of the Corporation in February 2014, DAK, an insider of the Corporation by virtue of its ownership of the Corporation's voting securities, has been provided the contractual right to nominate a mutually agreeable individual to serve on the Board, subject to customary conditions and approvals, including maintaining a significant equity interest in the Corporation (5% of the issued and outstanding Common Shares on a non-diluted basis). Brad Gilewich has been presented to the Board by

DAK for consideration and nomination as a director of the Corporation pursuant to DAK's above noted nomination right and Mr. Gilewich is included as a proposed director of the Corporation for election at the Meeting. See "*Matters to be Acted Upon at the Meeting – Election of Directors*".

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Corporation, or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. See also "*Interest of Informed Persons in Material Contracts*".

AUDIT COMMITTEE INFORMATION

The following disclosure is provided in accordance with National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The Corporation is a venture issuer and relies on an exemption to provide the Audit Committee disclosure contained in this Management Information Circular as required by Form 52-110F2 - *Disclosure by Venture Issuers*.

Audit Committee's Charter

The Audit Committee Charter is attached as Schedule "B" to this Management Information Circular.

Composition of the Audit Committee

The current members of the Audit Committee, all of whom are independent directors and financially literate (for the purposes of NI 52-110), are Robert Herdman (Chairman), Dr. John Finbow, Michael Hayduk and Brad Gilewich.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Corporation. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation.

The education and related experience of each of the Audit Committee members relevant to the performance of their responsibilities as members of the Audit Committee are set out below.

Robert Herdman, FCA: Mr. Herdman is a Fellow Chartered Accountant and was formerly a senior Partner at PwC in Calgary serving that firm's largest Calgary based public clients, with extensive experience in a number of industries including manufacturing, utilities, transportation, mining, oil and gas and financial services. After enjoying a 34-year career with PwC, Mr. Herdman retired from practice in 2010. He currently serves on the Boards of Directors of a number of companies and has served on a number of committees overseeing the practice of accounting in Alberta and as a director for a number of not for profit organizations. Mr. Herdman graduated with a Bachelor of Education degree from the University of Calgary.

Dr. John Finbow: Dr. Finbow has been involved in several start-up companies as an investor, director, and consultant both in the USA and the UK. Dr. Finbow was the former Chairman of BW Technologies Ltd. until the sale of the company to First Technology in 2004. Prior thereto, Dr. Finbow was a founding member of City Technology Ltd., a company designed to manufacture a range of electrochemical gas sensors. He assumed the role of CEO in 1989 and oversaw the management buyout of the company in 1993 for \$50 million followed by its successful IPO on the London Stock Exchange in 1996 with a valuation of approximately \$170 million. Dr. Finbow retired from City Technology Ltd. in 1999. He is a graduate from the University of London with a degree in Chemistry.

Michael Hayduk, LL.M., Q.C.: Mr. Hayduk has been a practicing lawyer since 1978, from 2007 as an associate with Smith Mack Lamarsh, from 1987 to 2006 as associate and partner with Miller Thomson LLP, from 1981 to 1987 as counsel at the Alberta Securities Commission and prior thereto with a small firm. Mr. Hayduk has been a member of the Audit Committee since 2009. He was a director of Valentine Ventures Corp., a listed capital pool corporation, from 2006 to 2010 when the qualifying transaction was completed. He was secretary of Sawtooth International Resources, a listed oil and gas company, from 1997 to 2006.

Brad Gilewich, CA: Mr. Gilewich is a Chartered Accountant with over 20 years of experience in advising private companies, including five years as a Partner at PwC in Edmonton until 2011 when he joined Katz Group. He is Senior Vice President, Corporate Affairs and is responsible for corporate investment across the organization, which includes financial review and liaising with operational leaders in the pharmacy, real estate, and sports & entertainment divisions.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits an issuer to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies regarding non-audit services to be rendered by the external auditor which are refinements of the general policies in the Audit Committee's Charter (attached hereto as Schedule "B"): (a) all non-audit services must be approved by the Chairman of the Audit Committee in advance of the Corporation engaging the services of the external audit firm; and (b) a separate engagement letter is required for each individual service to be provided by the external auditors. Where non-audit services are approved by the Chairman of the Audit Committee in advance of the Corporation engaging the services of the external audit firm, the Audit Committee is apprised of such approval at the next meeting of the Audit Committee.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit and other fees are as follows:

Fiscal Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾	Total
October 31, 2019	\$152,500	\$Nil	\$52,650	\$25,000	\$230,150
October 31, 2018	\$150,000	\$Nil	\$69,300	\$94,000	\$313,300

Notes:

- (1) "Audit Fees" include (i) fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements, (ii) fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements, and (iii) audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services, which includes systems and organizational controls audit services and privacy regulation compliance services.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices which are both in the interest of its Shareholders and contribute to effective and efficient decision making. To achieve this goal, the Corporation has implemented an Audit Committee Charter, a Whistle Blower Policy, an Insider Trading and Reporting Policy, a Disclosure and Confidentiality Policy, a Corporate Governance and Compensation Committee Terms of Reference and a Board of Directors Corporate Governance Guidelines and Board Mandate.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose its corporate governance practices as summarized below. The prescribed corporate governance disclosure for the Corporation is that contained in Form 58-101F2 which is attached to NI 58-101 ("**Form 58-101F2 Disclosure**").

Set out below is a description of the Corporation's current corporate governance practices, relative to Form 58-101F2 Disclosure (which is set out below in italics).

1. **Board of Directors**

Disclose the identity of directors who are independent.

The Board of the Corporation has determined that the following four (4) directors of the Corporation are independent:

Michael Hayduk
Dr. John Finbow
Robert Herdman
Brad Gilewich

Disclose the identity of directors who are not independent, and describe the basis for that determination

The Board of the Corporation has determined that the following director of the Corporation is not independent:

Cody Slater

Cody Slater, the Chief Executive Officer of the Corporation, is a member of management and, as a result, is not an independent director.

National Policy 58-201 – *Corporate Governance Guidelines* suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment. The Board is comprised of a majority of independent directors.

2. **Directorships**

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors of the Corporation are presently directors of other issuers that are reporting issuers (or the equivalent):

Name	Name of Reporting Issuer	Name of Exchange
Robert Herdman	Chinook Energy Inc.	Toronto Stock Exchange
	Black Diamond Group Limited	Toronto Stock Exchange
	Rocky Mountain Dealerships Inc.	Toronto Stock Exchange

3. **Orientation and Continuing Education**

Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.

Each new director is given an outline of the nature of the Corporation's business and its corporate strategy. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and are advised, by counsel to the Corporation, of their legal obligations as directors of the Corporation. New directors are also given copies of the Corporation's corporate governance policies.

The introduction and education process will be reviewed on an annual basis by the Board and will be revised as necessary.

4. **Ethical Business Conduct**

Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.

The Board has considered adopting a written code of business conduct and ethics and has decided that it is not necessary to adopt such a code at the present time.

The Board has established a Whistle Blower Policy, which establishes the complaint procedure for reporting potential concerns with respect to the Corporation's activities and operations. The Corporation has also adopted an Insider Trading and Reporting Policy which confirms insiders are expected to comply with their reporting requirements and sets out certain restrictions from trading shares of the Corporation and a Disclosure and Confidentiality Policy which establishes procedures for ensuring adequate disclosure and compliance with disclosure requirements as well as procedures for maintaining confidentiality.

The Board has found that the fiduciary duties placed on individual directors by Canadian corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the board in which the director has a material interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as, from time to time, the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on resolutions of directors which involve such a conflict.

The independent judgment of the Board in carrying out its responsibilities is the responsibility of all directors. The Board of the Corporation facilitates independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. The independent directors regularly meet without management and without the directors who are not independent. The independent directors are also the sole members of the Audit Committee and regularly meet privately with the auditors of the Corporation. The Board has unfettered access to the

Corporation's external auditors, legal counsel and to any of the officers of the Corporation.

5. Nomination of Directors

Disclose what steps, if any, are taken to identify new candidates for board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.

The Board has not appointed a nominating committee. No formal process has been adopted by the Board to determine new nominees. The nominees are generally the result of recruitment efforts by the Board including both formal and informal discussions among the Board and officers of the Corporation.

6. Compensation

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation, and (ii) the process for determining compensation.

For information relating to the compensation of directors and executive officers of the Corporation see "Statement of Executive Compensation" herein.

7. Other Board Committees

If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Board does not have any committees other than the Audit Committee and Corporate Governance and Compensation Committee.

8. Assessments

Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board has not implemented a formal process for assessing its effectiveness or the effectiveness of its individual members or its committees. The Corporate Governance and Compensation Committee, may periodically assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board).

Due to the Corporation's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be unnecessary at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis.

OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information of the Corporation's most recently completed financial year is provided, or will be provided, in the Corporation's comparative financial statements and management discussion and analysis available on SEDAR at www.sedar.com, or from the Corporation at:

Blackline Safety Corp.
Unit 100, 803 24 Avenue S.E.
Calgary, Alberta
T2G 1P5

SCHEDULE "A"

STATEMENT OF EXECUTIVE COMPENSATION

BLACKLINE SAFETY CORP.

Information Concerning Blackline Safety Corp.

Blackline Safety Corp. (the "**Corporation**") is a global connected safety technology company that develops, manufactures and markets products and services that empower businesses with real-time safety insights to manage emergency responses, evacuations and gas detection compliance programs. Set forth below is the statement of executive compensation in the form of Form 51-102F6 - *Statement of Executive Compensation* ("**Form 51-102F6**") for the Corporation for the year ended October 31, 2019.

Compensation Governance

Corporate Governance and Compensation Committee Mandate

The board of directors of the Corporation (the "**Board**") has adopted terms of reference for the corporate governance and compensation committee of the Board (the "**Committee**"), which outlines the responsibilities of the Committee with respect to compensation and corporate governance matters of the Corporation. The Committee has the authority and responsibility for reviewing and recommending to the Board remuneration strategies for the Corporation, with particular emphasis on the senior officers and members of the Board. Without limiting the generality of the foregoing, the duties of the Committee may include any of the following as determined appropriate by the Committee or as requested by the Board from time to time:

- (a) to review the compensation policies and guidelines for supervisory and management personnel of the Corporation and to recommend to the Board improvements to the compensation policies and guidelines;
- (b) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer of the Corporation (the "**CEO**"), evaluate the CEO's performance in light of those corporate goals and objectives, and determine or make recommendations to the Board with respect to the CEO's compensation level based on such evaluation;
- (c) to review and recommend to the Board compensation policies and guidelines with respect to non-CEO officer and director compensation, including to review recommendations for proposed grants under incentive compensation plans and equity based plans;
- (d) to review and recommend to the Board, bonuses to be paid to officers and employees of the Corporation; and
- (e) to review the disclosure as to compensation matters included in any information circular and proxy statement of the Corporation as mandated by applicable securities laws including, without limitation, the compensation discussion and analysis included therein, prior to the Corporation publicly disclosing the same.

The Committee does not use any specific performance measurements to determine compensation levels of the directors and senior officers. The recommendations of the Committee are submitted to the Board for ratification.

Composition of the Committee

The Committee may be comprised of up to three Board members, provided that a majority of the members are "independent", under National Policy 58-201 – *Corporate Governance Guidelines*. During the year ended October 31, 2019, the Committee was comprised of Dr. John Finbow and Robert Herdman, both of whom are independent directors. Set forth below is a brief summary of the education and experience of the members of the Committee, which

enables the members to make decisions on the suitability of the Corporation's compensation policies and practices of the Corporation.

Robert Herdman, FCA: Mr. Herdman is a Fellow Chartered Accountant and was formerly a senior Partner at PricewaterhouseCoopers LLP ("**PwC**") in Calgary serving the firm's largest Calgary based public clients with extensive experience in a number of industries including manufacturing, utilities, transportation, mining, oil and gas and financial services. After enjoying a 34-year career with PwC, Mr. Herdman retired from practice in 2010. He currently serves on the board of directors of a number of companies, he previously served on a number of committees overseeing the practice of accounting in Alberta and has also served as a director for a number of not for profit organizations. Mr. Herdman graduated with a Bachelor of Education degree from the University of Calgary.

Dr. John Finbow: Dr. Finbow has been involved in several start-up companies as an investor, director, and consultant both in the USA and the UK. Dr. Finbow was the Chairman of BW Technologies Ltd. until the sale of the company to First Technology in 2004. Prior thereto, Dr. Finbow was a founding member of City Technology Ltd., a company designed to manufacture a range of electrochemical gas sensors. He assumed the role of Chief Executive Officer in 1989 and oversaw the management buyout of the company in 1993 for \$50 million followed by its successful IPO on the London Stock Exchange in 1996 with a valuation of approximately \$170 million. Dr. Finbow retired from City Technology Ltd. in 1999. He is a graduate from the University of London with a degree in Chemistry.

Compensation Consultant or Advisor

At no time since the most recently completed financial year of the Corporation, has a compensation consultant or advisor been formally retained by the Corporation to assist the Board in determining the compensation of the directors or executive officers of the Corporation.

Compensation Discussion and Analysis

As at October 31, 2019, the named executive officers (as defined in Form 51-102F6 and as prescribed by National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")) of the Corporation were Cody Slater – CEO, Kevin Meyers – Chief Operating Officer, Shane Grennan – Chief Financial Officer, Barry Moore – Vice President of Product Development and Sean Stinson – Vice President of Sales and Product Management (each a "**Named Executive Officer**").

Objectives of Executive Compensation

The compensation program of the Corporation is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's objectives and increase shareholder value. The main objective of the compensation program is to reward the contribution of executives based on the overall success and strategic growth of the Corporation. The compensation program is designed to reward individual performance by aligning a component of the compensation with the Corporation's business performance, through the Corporation's stock option plan (the "**Stock Option Plan**") and employee stock ownership plan ("**ESOP**") thereby enhancing the value of the Corporation's common shares ("**Common Shares**"). The philosophy of the Corporation is to pay the Named Executive Officers a total compensation amount that is competitive with other executives in the junior technology industry and geographical area and that is consistent with the experience and responsibility level of the individual. The Corporation does not use any specific benchmarking to determine these amounts. The purpose of executive compensation is to reward the executives and directors for their contributions to the achievements of the Corporation, on both an annual and long-term basis.

The compensation program of the Corporation provides incentives to both achieve short and long-term objectives. The short-term incentives include salary and bonus payments to the Named Executive Officers based on the financial performance of the Corporation. Increasing the value of the Corporation may increase the amounts paid to the Named Executive Officers. The Corporation also provides long-term incentives to its executives and directors through grants of options ("**Options**") under the Stock Option Plan and through participation in the ESOP. These long-term incentives closely link the interests of the Named Executive Officers and directors to shareholders of the Corporation.

Components of Executive Compensation

The Corporation's executive compensation in the financial year ended October 31, 2019 consisted of:

- base salaries;
- annual incentive bonuses;
- option and share based awards (including participation in the ESOP); and
- personal benefits and perquisites.

A description of the criteria used in each element of compensation is described below.

Base Salaries

The purpose of the base salary is to attract and retain executives by providing a competitive base compensation. The level of base salary for each Named Executive Officer is determined by the level of responsibility given to that Named Executive Officer and the level of skills and capabilities demonstrated by the Named Executive Officer. In addition, the Committee targets base salaries at levels that are generally competitive with industry ranges.

Short-Term Incentive Compensation - Annual Incentive Bonuses

Annual incentive bonuses are a short-term variable compensation element, designed to reward Named Executive Officers on an annual basis for achieving the Corporation's business objectives. The Corporation's business objectives are generally established by the Board at the start of each year. Determination of the amount of bonus awarded to each Named Executive Officer is based on an assessment by the Committee of several factors, including but not limited, to the contribution of the individual to the overall progress of the Corporation in achieving its stated business objectives. The purpose of the annual incentive bonus is to pay for performance, align the Named Executive Officer's economic interest with the Corporation's business objectives and to motivate and retain the executives.

The Board has the discretion to alter the conditions of the bonus plan, if warranted. Discretionary bonuses may be paid to other employees at the discretion of the Board upon recommendation by the Committee. No incentive bonuses, other than commissions on certain products and services the Corporation sells, were paid in respect of the year ended October 31, 2019.

Long-Term Incentive Compensation – Option and Share-Based Awards

Options and the ESOP are designed to align executive and shareholder interests, focus executives on long-term value creation and also to retain key executives. Named Executive Officers may be issued Options to purchase Common Shares or other option-based awards as recommended by the Committee. Named Executive Officers are excluded from the decision-making process regarding option-based compensation to be awarded to them. Previous grants of option-based awards are taken into account when considering new grants to the Named Executive Officers. All employees and Board members, including Named Executive Officers, may participate in the ESOP, which was approved by shareholders on April 18, 2012 and began in November 2012.

Stock Option Plan

The Stock Option Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board.

The Board may designate eligible service providers of the Corporation and its subsidiaries and affiliates to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

- (a) the total number of Common Shares reserved for issuance on exercise of Options issued under the Stock Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;

- (b) the aggregate number of Common Shares reserved for issuance to any one optionee in a 12-month period shall not exceed 5% of the number of outstanding Common Shares (determined at the time an Option is granted);
- (c) the aggregate number of Common Shares reserved for issuance to any one consultant in a 12-month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted); and
- (d) the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12-month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted).

Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan.

The Board (or appointed committee of the Board) may, in its sole discretion, determine: (i) the time during which Options will vest; and (ii) the method of vesting. The exercise price of Options shall be determined by the Board, provided however that the exercise price of Options shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed. The period during which an Option is exercisable shall be such period, not in excess of five (5) years, as may be determined by the Board at the time of grant (the "**Option Period**"). Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

- (a) upon the death, permanent disability or normal retirement of an optionee, the Option shall terminate on the earlier of: (i) the end of the Option Period; and (ii) the ninetieth (90th) day from the date of normal retirement or one (1) year from the date of death or permanent disability;
- (b) if an optionee shall no longer be a service provider (other than by reason of death, permanent disability or normal retirement), the Option shall terminate at 5:00 p.m. on the earlier of: (i) the end of the Option Period; and (ii) the ninetieth (90th) day from the date the optionee ceases to be a service provider;
- (c) if an optionee engaged in investor relations activities of the Corporation ceases to be retained by the Corporation (other than by reason of death, permanent disability or normal retirement), the Option shall terminate at 5:00 p.m. on the earlier of: (i) the end of the Option Period; and (ii) the thirtieth (30th) day from the date the optionee ceases to be engaged in investor relations activities for the Corporation;
- (d) if an optionee shall no longer be a service provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing), provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination shall be, in all cases, the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a service provider.

In the event of a subdivision or consolidation of the outstanding Common Shares, a corresponding adjustment will be made changing the number of Common Shares deliverable upon the exercise of any Option granted prior to such event. In the event the Corporation is reorganized, merged, consolidated or amalgamated with another corporation, appropriate provisions will be made for the continuance of the Options outstanding under the Stock Option Plan.

The Stock Option Plan allows the Board to amend or discontinue the Stock Option Plan at any time, subject to regulatory approval, and if deemed necessary or desirable by the Board, shareholder approval.

Employee Share Ownership Plan

Similar to the Stock Option Plan, the purpose of the ESOP is to advance the interests of the Corporation by encouraging the directors, officers and employees of the Corporation and of its subsidiaries and affiliates, if any, to acquire Common Shares thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentives in their efforts on behalf of the Corporation.

The ESOP is administered by the Chief Financial Officer of the Corporation or such other person as the Corporation may from time to time delegate.

Pursuant to the ESOP active employees of the Corporation who have been employed for at least three (3) months may contribute a percentage of their gross annual salary to purchase Common Shares. For each \$1.00 contributed by the employee, the Corporation will contribute \$0.50 or will issue an equivalent amount of Common Shares from treasury, rounding down to the nearest share, subject to the following current limitations set out below:

- (a) only 500,000 Common Shares may be issued from treasury under the ESOP; and
- (b) the Corporation's contribution to a participant is limited to 1% of the issued and outstanding Common Shares and a maximum of 2% in aggregate of the issued and outstanding Common Shares within a 12-month period.

Any employee electing to participate in the ESOP may contribute up to a maximum of 10% (based upon 1% increments) of their total annual salary each year, excluding bonuses, commissions, deferred compensation, overtime pay, statutory holiday pay, severance and any special incentive programs. An employee can change his or her designated percentage of payroll deduction contributed, including electing no further payroll deductions be made, to the ESOP by giving the Corporation a completed form indicating the change. The employee's contribution will be changed on the first payroll that is a minimum of five (5) business days after receipt of the change form. Since Board members are not paid by the Corporation, they may contribute up to \$1,000 per month into the ESOP.

The employee's portion of contributions, and the Corporation's contributions if Common Shares are not to be issued from treasury, will be used to acquire Common Shares. The Common Shares will be acquired through open market purchases by an appointed administrator (the "**Administrator**") through the facilities of the TSX Venture Exchange (the "**Exchange**"), or other such stock exchange, in the Administrator's sole discretion, within ten (10) business days (subject to available trading volume of Common Shares) of receiving the contribution. The Common Shares issued from treasury and acquired via the open market, if any, will be placed in an account (the "**Participant Account**") with the Administrator in the name of the employee. The Corporation's contributions vest immediately for directors and vest as follows for employees:

- (a) In the first year of enrollment, one (1) year from the date of the contribution;
- (b) In the second year of enrollment, six (6) months from the date of contribution; and
- (c) In the third year of enrollment, immediately.

All unvested Common Shares which are forfeited due to an employee leaving the Corporation (for any reason, including death or retirement) will be sold on the Exchange and the funds returned to the Corporation.

In the event of a subdivision or consolidation of the outstanding Common Shares, a corresponding adjustment will be made in the number of Common Shares held by the Administrator under the ESOP.

The ESOP allows the Corporation to amend or discontinue the ESOP at any time in its discretion.

Benefits and Perquisites

The level of other perquisites depends on the employee's position. The purpose of the benefits and perquisites is to attract, retain and motivate employees.

Risk Implications Associated with Compensation Policies and Practices

The Committee has not made an assessment of the risk implications associated with the Corporation's compensation policies and practices.

Short Sales, Puts, Calls and Options

Pursuant to the Corporation's Insider Trading and Reporting Policy, directors, officers, employees and consultants of the Corporation may not: (i) engage in "short sales" of securities of the Corporation; or (ii) buy or sell puts, calls or other derivatives in respect of securities of the Corporation that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held by such persons.

Summary Compensation Table

The following table sets forth for the years ended October 31, 2019, October 31, 2018 and October 31, 2017, information concerning the compensation paid to the Named Executive Officers.

Name and Principal Position	Year Ended October 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation ⁽²⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
Cody Slater Chief Executive Officer	2019	154,173	Nil	89,622	Nil	Nil	Nil	7,347	251,142
	2018	120,000	Nil	88,857	Nil	Nil	Nil	5,967	214,824
	2017	120,000	Nil	120,701	Nil	Nil	Nil	5,999	246,700
Kevin Meyers Chief Operating Officer	2019	175,533	Nil	89,622	Nil	Nil	Nil	8,691	273,846
	2018	170,500	Nil	88,857	Nil	Nil	Nil	8,468	267,842
	2017	169,969	Nil	75,563	Nil	Nil	Nil	9,066	254,011
Shane Grennan Chief Financial Officer	2019	179,423	Nil	89,622	Nil	Nil	Nil	8,798	277,843
	2018	160,000	Nil	88,857	Nil	Nil	Nil	3,992	252,849
	2017	159,115	Nil	75,563	Nil	Nil	Nil	7,925	242,603
Barry Moore Vice President of Product Development	2019	172,550	Nil	89,622	Nil	Nil	Nil	8,469	270,641
	2018	154,000	Nil	88,857	Nil	Nil	Nil	7,666	250,522
	2017	153,292	Nil	75,563	Nil	Nil	Nil	7,643	236,498
Sean Stinson Vice President of Sales and Product Management	2019	176,865	Nil	89,622	Nil	Nil	Nil	8,672	275,160
	2018	155,000	Nil	88,857	Nil	Nil	Nil	7,706	251,563
	2017	154,115	Nil	75,563	Nil	Nil	Nil	9,489	239,167

Notes:

- (1) **"Option-Based Award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The fair values of Option grants have been determined using the same methodology and values used in determining the share option value for the Corporation's financial statements as the Corporation believes it represents the best estimate of fair value of the Options at the time of grant. The fair value of these Options was calculated by using the Black-Scholes option pricing model as follows: (i) for Options granted during the financial year ended October 31, 2019 by assuming a risk-free interest rate of 1.41% - 1.65%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 33% - 41% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 11% applied to that fair value; (ii) for Options granted during the financial year ended October 31, 2018 by assuming a risk-free interest rate of 2.01% - 2.32%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 42% - 49% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 18% applied to that fair value; and (iii) for Options granted during the financial year ended October 31, 2017 by assuming a risk-free interest rate of 0.80% - 1.55%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 47% - 55% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 33% applied to that fair value. For the value of Options that vested in the current year see *"Incentive Plan Awards – Value Vested or Earned During the Year"*.
- (2) **"All Other Compensation"** represents the Corporation's share of the contribution to the ESOP. See *"Components of Executive Compensation – Employee Share Ownership"*. The named executives participate in the ESOP on the same terms and using the same formulas as for other participants.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾⁽²⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of share-based awards that have not vested (\$)	Market or Payout Value of vested share-based awards not paid out or distributed (\$)
Cody Slater Chief Executive Officer	25,000	2.85	21-Nov-21	73,750	Nil	Nil	Nil
	50,000	4.40	24-Oct-22	70,000			
	40,000	5.50	17-Apr-23	12,000			
	50,000	5.26	08-Mar-24	27,000			
Kevin Meyers Chief Operating Officer	20,000	1.80	15-Jul-20	80,000	Nil	Nil	Nil
	25,000	2.85	21-Nov-21	73,750			
	25,000	4.40	24-Oct-22	35,000			
	40,000	5.50	17-Apr-23	12,000			
	50,000	5.26	08-Mar-24	27,000			
Shane Grennan Chief Financial Officer	25,000	4.40	24-Oct-22	35,000	Nil	Nil	Nil
	40,000	5.50	17-Apr-23	12,000			
	50,000	5.26	08-Mar-24	27,000			
Barry Moore Vice President of Product Development	20,000	1.80	15-Jul-20	80,000	Nil	Nil	Nil
	25,000	2.85	21-Nov-21	73,750			
	25,000	4.40	24-Oct-22	35,000			
	40,000	5.50	17-Apr-23	12,000			
	50,000	5.26	08-Mar-24	27,000			
Sean Stinson Vice President of Sales and Product Management	20,000	1.80	15-Jul-20	80,000	Nil	Nil	Nil
	25,000	2.85	21-Nov-21	73,750			
	25,000	4.40	24-Oct-22	35,000			
	40,000	5.50	17-Apr-23	12,000			
	50,000	5.26	08-Mar-24	27,000			

Notes:

- (1) Unexercised "in-the-money" Options refer to the Options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the Option.
- (2) The aggregate of the difference between the closing price of the Common Shares on the Exchange on October 31, 2019, being \$5.80 per Common Share, and the exercise price of the Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of the Named Executive Officers, the value of option-based awards and share-based awards which vested during the year ended October 31, 2019 and the value of non-equity incentive plan compensation earned during the year ended October 31, 2019.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽²⁾ (\$)
Cody Slater	Nil	Nil	Nil
Kevin Meyers	Nil	Nil	Nil
Shane Grennan	Nil	Nil	Nil
Barry Moore	Nil	Nil	Nil
Sean Stinson	Nil	Nil	Nil

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares on the vesting date and the exercise price of the Options.
- (2) The Corporation does not have any non-equity incentive plans. The Corporation may award discretionary bonuses largely based on the Corporation's overall corporate performance. See "*Compensation Discussion and Analysis – Components of Executive Compensation – Short-Term Incentive Compensation – Annual Incentive Bonuses*".

Employment Contracts, Termination and Change of Control Benefits

There are currently no contracts, agreements, plans or arrangements in place for any of the Named Executive Officers that provide for payments to a Named Executive Officer following, or in connection with, any termination, resignation, retirement, change in control of the Corporation or a change in a Named Executive Officer's responsibilities. Upon a change of control of the Corporation or termination of employment of any Named Executive Officer, there is no automatic acceleration of, or any other benefit relating to, any Options which may as at such date be held by any Named Executive Officer.

Pension Plans and Retiring Allowances

The Corporation does not currently provide its Named Executive Officers with pension plan benefits or retiring allowances.

Directors' Summary Compensation Table

For the year ended October 31, 2019, the Corporation had five (5) directors, one (1) of which was also a Named Executive Officer (Cody Slater, CEO). For a description of the compensation paid to the Named Executive Officer of the Corporation who also acts as a director of the Corporation, see "*Compensation Discussion and Analysis*". The following table sets forth for the year ended October 31, 2019 information concerning the compensation paid to the Corporation's directors other than directors who are also Named Executive Officers during the year ended October 31, 2019.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation ⁽²⁾ (\$)	Total (\$)
Michael Hayduk	Nil	Nil	89,622	Nil	Nil	Nil	89,622
Dr. John Finbow	Nil	Nil	89,622	Nil	Nil	6,000	95,622
Robert Herdman	Nil	Nil	89,622	Nil	Nil	Nil	89,622
Brad Gilewich	Nil	Nil	89,622	Nil	Nil	Nil	89,622

Notes:

- (1) "**Option-Based Award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. There were Option-based awards

granted during the financial year ended October 31, 2019. The fair value of these Options was calculated by using the Black-Scholes option pricing model as follows: (i) for Options granted during the financial year ended October 31, 2019 by assuming a risk-free interest rate of 1.41% - 1.65%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 33% - 41% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 11% applied to that fair value; (ii) for Options granted during the financial year ended October 31, 2019 by assuming a risk-free interest rate of 2.01% - 2.32%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 42% - 49% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 18% applied to that fair value; and (iii) for Options granted during the financial year ended October 31, 2017 by assuming a risk-free interest rate of 0.80% - 1.55%, a dividend yield of \$nil per share, the expected annual volatility of the Corporation's share price of 47% - 55% and an expected life of the Options of three years for employees and four years for directors, officers and consultants with an expected forfeiture rate of 33% applied to that fair value. For the value of Options that vested in the current year see *"Incentive Plan Awards – Value Vested or Earned During the Year"*.

- (2) **"All Other Compensation"** represents the Corporation's share of the contribution to the ESOP. See *"Components of Executive Compensation – Employee Share Ownership"*. The directors participate in the ESOP on the same terms and using the same formulas as for other participants.

Directors of the Corporation do not receive any cash compensation for their services. Director compensation is determined by the Board, after receiving input from the Committee. Directors are compensated for out-of-pocket expenses incurred in connection with attending meetings of the Board or committees thereof.

Directors' Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth for each of the Corporation's directors, other than directors who are also Named Executive Officers, all share-based awards and option-based awards outstanding at the end of the year ended October 31, 2019.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾⁽²⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)
Michael Hayduk	50,000	1.80	15-Jul-20	200,000	Nil	Nil
	50,000	2.85	21-Nov-21	147,500		
	50,000	4.40	24-Oct-22	70,000		
	50,000	5.50	17-Apr-23	15,000		
	50,000	5.26	08-Mar-24	27,000		
Dr. John Finbow	50,000	4.40	24-Oct-22	70,000	Nil	Nil
	50,000	5.50	17-Apr-23	15,000		
	50,000	5.26	08-Mar-24	27,000		
Robert Herdman	50,000	1.80	15-Jul-20	200,000	Nil	Nil
	50,000	2.85	21-Nov-21	147,500		
	50,000	4.40	24-Oct-22	70,000		
	50,000	5.50	17-Apr-23	15,000		
	50,000	5.26	08-Mar-24	27,000		
Brad Gilewich	50,000	2.85	21-Nov-21	147,500	Nil	Nil
	50,000	4.40	24-Oct-22	70,000		
	50,000	5.50	17-Apr-23	15,000		
	50,000	5.26	08-Mar-24	27,000		

Notes:

- (1) Unexercised "in-the-money" Options refer to the Options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the Option.
- (2) The aggregate of the difference between the closing price of the Common Shares on the Exchange on October 31, 2019, being \$5.80 per Common Share, and the exercise price of the Options.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of the Corporation's directors, other than directors who are also Named Executive Officers, the value of option-based awards and share-based awards which vested during the year ended October 31, 2019 and the value of non-equity incentive plan compensation earned during the year ended October 31, 2019.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year⁽²⁾ (\$)
Michael Hayduk	Nil	Nil	Nil
Dr. John Finbow	Nil	Nil	Nil
Robert Herdman	Nil	Nil	Nil
Brad Gilewich	Nil	Nil	Nil

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares on the vesting date and the exercise price of the Options.
- (2) The Corporation does not have any non-equity incentive plans for its directors.

Other Compensation to Directors

Other than as set forth herein, the Corporation did not pay any other compensation to Named Executive Officers or directors (including personal benefits and securities or properties paid or distributed, which compensation was not offered on the same terms to all full time employees) during the most recently completed financial year, other than benefits and perquisites which did not amount in the aggregate to \$50,000 or more per person, or were worth, as applicable, 10% or more of a Name Executive Officer's total salary for the most recently completed financial year.

SCHEDULE "B"

BLACKLINE SAFETY CORP. (the "Corporation") AUDIT COMMITTEE CHARTER

June 16, 2017

1. MANDATE

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements and management's discussion and analysis ("**MD&A**").
- Review and appraise the performance of the Corporation's external auditors.
- Provide an open avenue of communication among the Corporation's auditors, financial and senior management, and the Board of Directors.

2. COMPOSITION

The Committee shall be comprised of not less than three directors as determined by the Board of Directors, the majority of whom shall be independent, meaning they are not officers, employees or control persons of the Corporation or its associates or affiliates.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholder's meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. The Committee shall notify its auditors of each meeting.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity and shall be made available to the external auditor.

4. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

1. Review and update this Charter annually.
2. Review and make a recommendation to the Board of Directors respecting the Corporation's financial statements, MD&A and earnings press releases before the Corporation publicly discloses this information, and review any reports or other financial information (including quarterly financial statements), which are submitted or disclosed to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

3. Require the external auditors to report directly to the Committee and oversee the work of the external auditor.
4. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee.
5. Obtain annually, a formal written statement from the external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
6. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
7. Review with management and the external auditors the terms of the external auditors' engagement letter.
8. At each meeting at which the external auditors are in attendance, may consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
9. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (a) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five percent (5%) of the total amount of fees paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - (b) such services were not recognized by the Corporation at the time of engagement to be non-audit services; and

- (c) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Process

- 12. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
- 13. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
- 14. Consider and approve, if appropriate, changes to the Corporation's accounting principles and practices as suggested by the external auditors and management.
- 15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- 16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- 17. Review any disagreement among management and the external auditors regarding financial reporting.
- 18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- 19. Review the certification process.
- 20. Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

5. OTHER

Review disclosure of any related party transactions.

6. AUTHORITY

The Committee may:

- (a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee; and
- (c) communicate directly with the internal auditors, if any, and the external auditors.

The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

SCHEDULE "C"



Stock Option Plan

1. The Plan

A Stock Option Plan (the "**Plan**") pursuant to which options to purchase common shares ("**Shares**") in the capital of Blackline Safety Corp. (the "**Corporation**") may be granted to the directors, officers, employees and consultants of the Corporation, and to holding companies wholly-owned by such persons, is hereby established on the terms set forth below.

2. Purpose

The purpose of this Plan is to advance the interests of the Corporation by encouraging the directors, officers and key employees of the Corporation and consultants retained by the Corporation to acquire Shares, thereby (i) increasing the proprietary interests of such persons in the Corporation, (ii) aligning the interests of such persons with the interests of the Corporation's shareholders ("**Shareholders**") generally, (iii) encouraging such persons to remain associated with the Corporation, and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation.

3. Administration

- (a) This Plan shall be administered by the board of directors of the Corporation (the "**Board**").
- (b) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the granting, vesting exercise and method of exercise of Options (as hereinafter defined), all on such terms (which may vary between Options) as it shall determine. In addition, the Board shall have the authority to: (i) construe and interpret this Plan and all Option Agreements (as hereinafter defined) entered into hereunder, (ii) prescribe, amend and rescind rules and regulations relating to this Plan and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants (as hereinafter defined) and on their legal, personal representatives and beneficiaries.
- (c) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board or to the President or any other officer of the Corporation. Whenever used herein, the term "Board" shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated the administration and operation of this Plan pursuant to this Section 3.

- (d) Options to purchase the Shares granted hereunder ("**Options**") shall be evidenced by an agreement, signed on behalf of the Corporation and by the person to whom an Option is granted, which agreement shall be in such form as the Board shall approve, a grant letter from the Corporation to the Participant or other confirmation of the grant (an "**Option Agreement**") which agreement shall set out, among other things, the number of Shares subject to option, the exercise price, vesting dates and expiry dates and shall comply with, and be subject to, the requirements of the stock exchange on which the Shares are listed.

4. Shares Subject to Plan

- (a) Subject to Sections 15 and 18 below, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares. Whenever used herein, the term "Shares" shall be deemed to include any other securities that may be acquired by a Participant upon the exercise of an Option in accordance with Sections 15 and 18 below.
- (b) The aggregate number of Shares reserved for issuance under this Plan, or any other equity compensation plan of the Corporation, shall not exceed ten percent (10%) of the issued and outstanding shares of the Corporation, at the time of the Option grant.
- (c) If any Option granted under this Plan shall expire or terminate for any reason without having been exercised in full, any unpurchased Shares to which such Option relates shall be available for the purposes of the granting of Options under this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of this Plan ensure that the number of Shares it is authorized to issue shall be sufficient to satisfy the requirements of this Plan.

6. Eligibility and Participation

- (a) The Board may, in its discretion, select any of the following persons to participate in this Plan:
- (i) directors of the Corporation;
 - (ii) officers of the Corporation;
 - (iii) key employees of the Corporation;
 - (iv) consultants retained by the Corporation, provided such consultants have performed and continue to perform services for the Corporation on an ongoing basis or are expected to provide a service of considerable value to the Corporation;
 - (v) persons employed to provide investor relations activities; and
 - (vi) a corporation wholly owned by any of the foregoing;

(for certainty, the term "Corporation" shall be deemed to include, as applicable, any of the Corporation's subsidiaries, partnerships, trusts or other controlled entities and any such person having been selected for participation in this Plan by the Board is herein referred to as a "**Participant**").

- (b) The Board may from time to time, in its discretion, grant an Option to any Participant, upon such terms, conditions and limitations as the Board may determine, including the terms, conditions and limitations set forth herein, provided that Options granted to any Participant shall be approved by the Shareholders if the rules of any stock exchange on which the Shares are listed require such approval.
- (c) For Options granted to employees, consultants or management company employees (as such term is defined in the TSX Venture Exchange Corporate Finance Policies), the Corporation represents that the Participant is a *bona fide* employee, consultant or management company employee as the case may be.

7. Exercise Price and Vesting

The Board shall, at the time an Option is granted under this Plan, fix the exercise price at which Shares may be acquired upon the exercise of such Option, provided that in the event of Options granted prior to the listing of the Shares on a recognized stock exchange, the exercise price shall not be less than the issue price per share of the initial public offering of Shares of the Corporation and in the event of Options granted after such time, such exercise price shall not be less than that from time to time permitted by the stock exchange on which the Shares are listed. Notwithstanding any other provision of this Plan, at no time may the Board make any reduction in the exercise price of an Option or permit a reduction in the exercise price of an Option by the cancellation and immediate re-issue of Options or other entitlements;

The Board may, in its sole discretion before and/or after the grant of Options, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist. Subject to any vesting restrictions imposed by the Board, Options may be exercised in whole or in part at any time and from time to time during the Option Period (as hereinafter defined). Notwithstanding anything else contained herein, if the expiration date for an Option occurs during a period of time during which the Participant cannot exercise an option, or sell optioned Shares, due to applicable policies of the Corporation in respect of insider trading (a "**Blackout Period**") applicable to the relevant Participant, or within 2 trading days after the expiry of a Blackout Period applicable to the relevant Participant, then the expiration date for that option shall be the date that is the 10th trading day after the expiry date of the Blackout Period (the "**Blackout Expiry Term**").

8. Number of Optioned Shares

The number of Shares that may be acquired under an Option granted to a Participant shall be determined by the Board as at the time the Option is granted, provided that the aggregate number of Shares reserved for issuance to any one Participant under this Plan or any other plan of the Corporation, shall not exceed:

- (a) five percent (5%) of the total number of issued and outstanding Shares (determined at the date the Option was granted and calculated on a non-diluted basis) to any one individual in a 12 month period;
- (b) two percent (2%) of the total number of issued and outstanding Shares (determined at the date the Option was granted and calculated on a non-diluted basis) to any one consultant in a 12 month period; and

- (c) two percent (2%) of the total number of issued and outstanding Shares (determined at the date the Option was granted and calculated on a non-diluted basis) to persons employed to provide investor relations activities in any 12 month period.

9. Term

The period during which an Option may be exercised (the "**Option Period**") shall be determined by the Board at the time the Option is granted, subject to any vesting limitations which may be imposed by the Board at the time such Option is granted, provided that:

- (a) no Option shall be exercisable for a period exceeding five (5) years from the date the Option is granted;
- (b) the Option Period shall be automatically reduced in accordance with Sections 11 and 12 below upon the occurrence of any of the events referred to therein; and
- (c) no Option in respect of which Shareholder approval is required under the rules of any stock exchange or exchanges on which the Shares are listed shall be exercisable until such time as the Option has been approved by the Shareholders.

10. Method of Exercise of Option

- (a) Except as set forth in Sections 11 and 12 below, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, officer, employee or consultant of the Corporation;
- (b) Options may be exercised in whole or in part;
- (c) Any Participant (or his legal, personal representative) wishing to exercise an Option shall deliver to the Corporation, at its principal office in the City of Calgary, Alberta:
 - (i) a written notice expressing the intention of such Participant (or his legal, personal representative) to exercise his Option and specifying the number of Shares in respect of which the Option is exercised; and
 - (ii) a cash payment, cheque or bank draft, representing the full purchase price of the Shares in respect of which the Option is exercised.
- (d) Upon the exercise of an Option as aforesaid, the Corporation shall forthwith deliver, or cause the registrar and transfer agent of the Shares to deliver, to the relevant Participant (or his legal, personal representative) or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Shares as the Participant (or his legal, personal representative) shall have then paid for.
- (e) When a Participant or other person becomes entitled to receive Shares hereunder, the Corporation shall have the right to require such person to remit to the Corporation an amount sufficient to satisfy any withholding tax requirements relating thereto. Unless otherwise prohibited by the Board or by applicable law, satisfaction of the withholding tax obligation may be accomplished by any of the following methods or by a combination of such methods:

- (i) the tendering by a Participant or other person who becomes entitled to receive Shares hereunder of a cash payment to the Corporation in an amount less than or equal to the total withholding tax obligation;
- (ii) the withholding by the Corporation from the Shares otherwise due to the Participant or other person such number of Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the total withholding tax obligation (net of selling costs). The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Shares; or
- (iii) the withholding by the Corporation, from any cash payment otherwise due to the Participant, such amount of cash as is required for the amount of the total withholding tax obligation;

provided, however, that the sum of any cash so paid or withheld and proceeds from the sale of Shares withheld is sufficient to satisfy the total withholding tax obligation.

- (f) Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under this Plan. The Board and the Corporation make no guarantees to any person regarding the tax treatment of Options or payments made under this Plan and none of the Corporation, nor any of its representatives shall have any liability to any Service Provider (or its beneficiaries) with respect thereto.

11. Ceasing to be a Director, Officer, Employee or Consultant

If any Participant who is a director, officer, employee or consultant of the Corporation shall cease to be a director, officer, employee or consultant of the Corporation for any reason other than death, permanent disability or normal retirement, any Option previously granted to them shall be exercisable until 5:00 p.m. (Calgary time) on the earlier of: (i) the date of the expiration of the Option Period; and (ii) the ninetieth (90th) day after the date such Participant ceases to be a director, officer, employee or consultant of the Corporation.

If any Participant who is engaged in investor relations activities of the Corporation ceases to be retained by the Corporation for any reason other than death, permanent disability or normal retirement, his Option will terminate at 5:00 p.m. (Calgary time) on the earlier of the date of the expiration of the Option Period and the thirtieth (30th) day after the date such Participant ceases to be retained by the Corporation.

Neither the selection of any person as a Participant nor the granting of an Option to any Participant under this Plan shall (i) confer upon such Participant any right to continue as a director, officer, employee or consultant of the Corporation, as the case may be; or (ii) be construed as a guarantee that the Participant will continue as a director, officer, employee or consultant of the Corporation, as the case may be.

12. Death, Permanent Disability or Normal Retirement of a Participant

In the event of the death, permanent disability or normal retirement of a Participant, any Option previously granted to them shall be exercisable until the earlier of (i) the date of the expiration of the Option Period; and (ii) the expiration of ninety (90) days from the date of the normal retirement

of such Participant, or one (1) year from the date of the death or permanent disability of such Participant, and then, in the event of death or permanent disability, only:

- (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or applicable law; and
- (b) to the extent that he was entitled to exercise the Option as at the date of his death or permanent disability.

13. Rights of Participants

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a Shareholder in respect of any Shares issuable upon exercise of such Option until such Shares have been paid for in full and issued to such person.

14. Proceeds from Exercise of Options

The proceeds from any sale of Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine and direct.

15. Adjustments

- (a) The number of Shares subject to the Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation of the outstanding Shares of the Corporation, and in any such event a corresponding adjustment shall be made changing the number of Shares deliverable upon the exercise of any Option granted prior to such event without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Share covered by the Option. In case the Corporation is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Options outstanding under this Plan and to prevent their dilution or enlargement.
- (b) Adjustments under this Section 15 shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Shares shall be issued under this Plan on any such adjustment.

16. Transferability

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable or assignable unless specifically provided herein. During the lifetime of a Participant any Options granted hereunder may only be exercised by the Participant and in the event of the death or permanent disability of a Participant, by the person or persons to whom the Participant's rights under the Option pass by the Participant's will or applicable law.

17. Amendment and Termination of Plan

This Plan and any Options granted pursuant to this Plan may be amended, modified or terminated by the Board without approval of Shareholders subject to any required regulatory approval. Notwithstanding the foregoing, this Plan and any Options granted thereunder may not be amended

without Shareholder approval, including, if required by the TSX Venture Exchange Corporate Finance Policies, the requisite disinterested Shareholder approval, to:

- (a) make any amendment to this Plan to increase the number of Shares issuable on exercise of outstanding Options at any time pursuant to Section 4(b) hereof
- (b) extend the expiry date of any outstanding Options;
- (c) make any amendment to the Plan that would permit a holder to transfer or assign Options to a new beneficial holder other than in the case of death or disability of the holder;
- (d) increase the number of Shares that may be issued to a single holder above the restriction contained in Section 8; or
- (e) amend this Section 17.

In addition, no amendment to this Plan or Options granted pursuant to this Plan may be made without the consent of the Participant, if it adversely alters or impairs the rights of the Participant in respect of any Option previously granted to such Participant under the Plan.

18. Merger and Sale

In the event that the Corporation enters into any transaction or series of transactions whereby the Corporation or all or substantially all of the Corporation's undertaking, property or assets would become the property of any other trust, body corporate, partnership or other person (a "**Successor**") whether by way of take-over bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, unless prior to or contemporaneously with the consummation of such transaction, the Corporation and the Successor shall execute such instruments and do such things as are necessary, if any, to establish that upon the consummation of such transaction the Successor will have assumed all the covenants and obligations of the Corporation under this Plan and the Option Agreements outstanding on consummation of such transaction in a manner that substantially preserves and does not impair the rights of the Participants thereunder in any material respect (including the right to receive shares, securities, cash or other property of the Successor in lieu of Shares upon the subsequent vesting of Options). Subject to compliance with this Section 18, any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under this Plan and such Option Agreements with the same effect as though the Successor had been named as the Corporation herein and therein and thereafter, the Corporation shall be relieved of all obligations and covenants under this Plan and such Option Agreements and the obligation of the Corporation to the Participants in respect of the Options shall terminate and be at an end and the Participants shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Shares upon vesting of the Options.

19. Necessary Approvals

The obligation of the Corporation to issue and deliver Shares in accordance with this Plan is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Shares cannot be issued to a Participant upon the exercise of an Option for any reason whatsoever, the obligation of the Corporation to issue such Shares shall terminate and any

funds paid to the Corporation in connection with the exercise of such Option will be returned to the relevant Participant as soon as practicable.

20. Stock Exchange Rules

This Plan and any Option Agreements entered into hereunder shall comply with the requirements of the stock exchange or exchanges on which the Shares are listed.

21. Gender

Whenever used herein words importing the masculine gender shall include the feminine and neuter genders and vice versa.

22. Interpretation

This Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

SCHEDULE "D"

ADVANCE NOTICE BY-LAW

BY-LAW NO. 2

A by-law relating generally to the advance notice requirements for the nomination of directors of BLACKLINE SAFETY CORP.

(the "Corporation")

INTRODUCTION

The purpose of this advance notice by-law (the "**Advance Notice By-law**") is to establish the conditions and framework under which holders of record of shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders, and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper form. It is the position of the Corporation that this Advance Notice By-law is beneficial to shareholders and other stakeholders of the Corporation.

NOMINATIONS OF DIRECTORS

1. **Eligible Director Nominations.** Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors. Such nominations may be made in the following manner:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders of the Corporation pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (Alberta) (the "**Act**"), or a requisition of meeting of the shareholders of the Corporation made in accordance with the provisions of the Act; or
 - (c) by any person (a "**Nominating Shareholder**"): (i) who, at the close of business on the date of the giving of the notice provided below in this Advance Notice By-law and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (ii) who complies with the notice procedures set forth below in this Advance Notice By-law.

For the avoidance of doubt, the foregoing paragraph shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of shareholders of the Corporation.

2. **Notice.** In addition to any other requirements under the Act, Applicable Securities Laws (as defined below) or stock exchange rules, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof (in accordance with this Advance Notice By-law) in proper written form (in accordance with this Advance

Notice By-law) to the Chief Financial Officer of the Corporation at the principal executive offices of the Corporation.

3. **Timely Notice.** For a nomination made by a Nominating Shareholder to be a timely notice (a "Timely Notice"), a Nominating Shareholder's notice to the Chief Financial Officer of the Corporation must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement (the "**Notice Date**") of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date;
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made; and
 - (c) provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described in subparagraphs 3(a) or 3(b), and the Notice Date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the date of the applicable meeting.
4. **Adjournment or Postponement.** To the extent that the applicable annual meeting or special meeting of shareholders is adjourned or postponed, the time periods for the giving of Timely Notice set forth above shall be calculated based on the new adjourned or postponed date of the annual meeting or special meeting of shareholders and not based on the original date of such meeting.
5. **Proper Written Form.** To be in proper written form, a Nominating Shareholder's notice to the Chief Financial Officer of the Corporation must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):
 - (i) such Proposed Nominee's name, age, business and residential address, principal occupation or employment for the past five years, status as a "**resident Canadian**" (as such term is defined in the Act);
 - (ii) such Proposed Nominee's direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation;
 - (iii) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Proposed Nominee or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder;

- (iv) such Proposed Nominee's written consent to being named in the notice as a nominee and to serving as a director of the Corporation if elected;
 - (v) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or Applicable Securities Laws; and
- (b) disclose or include, as applicable, as to each Nominating Shareholder giving the notice:
- (i) such Nominating Shareholder's name, business and residential address and direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount;
 - (ii) such Nominating Shareholder's interests in, or rights or obligations associated with, an agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation;
 - (iii) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;
 - (iv) any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the board; and
 - (v) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by Applicable Securities Laws.

The information requested pursuant to this paragraph 5, to the extent provided by the Nominating Shareholder or Proposed Nominee, shall be publicly disclosed by the Corporation as necessary to comply with the provisions of the Act and Applicable Securities Laws.

6. **Updated Notice.** A Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct in all material respects as of the date that is ten business days prior to the date of the meeting, or any adjournment or postponement thereof.
7. **Discussion and Chair's Authority.** No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Advance Notice By-law; provided, however, that nothing in this Advance Notice By-law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of the Corporation of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures

set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

8. **Definitions.** For purposes of this Advance Notice By-law:
- (a) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at *www.sedar.com*; and
 - (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province of Canada.
9. **Delivery of Notices.** Notwithstanding any other provision of this Advance Notice By-law, notice given to the Chief Financial Officer of the Corporation may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Chief Financial Officer of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the aforesaid address) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Chief Financial Officer of the Corporation at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
10. **Waiver of Requirements.** Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Advance Notice By-law.
11. **Effective Date.** This By-Law was approved and adopted by the Board effective January 28, 2020 (the "**Effective Date**") and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this By-Law is not approved by ordinary resolution of shareholders of the Corporation present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this By-Law shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

Signed "Cody Slater"
Cody Slater, on behalf of the Board