

## **TERAGO INC.**

### **MAJORITY VOTING POLICY**

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#### **1. Introduction**

The board of directors (the “**Board**”) of TeraGo Inc. (the “**Corporation**”) believes that each of its members should carry the confidence and support of the Corporation’s shareholders. To this end, the Board has unanimously adopted this majority voting policy.

#### **2. Majority of Votes Withheld**

In an uncontested election of directors of the Corporation to which this policy applies, each director should be elected by the vote of a majority of the shares of the class in respect of which such director is to be elected, such shares represented in person or by proxy at the shareholders meeting convened for such election of directors. Accordingly, if any nominee for director receives a greater number of votes “withheld” from his or her election than votes “for” such election, that director shall immediately following the receipt of the final scrutineer’s report related to such meeting, tender his or her offer of resignation to the chair of the Board such resignation to be effective upon acceptance by the Board, absent exceptional circumstances.

#### **3. Consideration of Resignation**

The Board shall consider any such offer of resignation and determine whether or not to accept it. In general, the Board shall accept such resignation, absent exceptional circumstances. In its deliberations, the Board may consider any stated reasons as to why shareholders “withheld” votes from the election of the relevant director, the length of service and the qualifications of the director, the director’s contributions to the Corporation, the effect such resignation may have on the Corporation’s ability to comply with any applicable governance rules and policies, the dynamics of the Board, and any other factors that the Board considers relevant and that may constitute exceptional circumstances.

The Board shall make its determination within 90 days following the applicable shareholders meeting and such decision shall be disclosed promptly in a news release by the Corporation, a copy of which will also be provided to the Toronto Stock Exchange upon dissemination. If the Board determines not to accept a resignation, the news release shall state the reasons for that decision.

Any director who has tendered his or her offer of resignation shall not participate in the deliberations of the Board or any subcommittee of the Board where the resignation is being considered.

If a sufficient number of directors have submitted offers of resignation in accordance with the majority voting policy such that the Board no longer has quorum, then the Board may form an independent committee to consider the offers of resignation and to make recommendations to the Board in respect of same.

If a sufficient number of the Board members have submitted offers of resignation in accordance with this majority voting policy such that the Board would no longer have a quorum if the resignations were accepted, then such directors who have submitted offers of resignation in accordance with this majority voting policy shall not vote in any meeting of the Board at which his or her resignation is considered, however each such director present at a meeting shall be counted for the purpose of determining whether the Board has quorum at a particular meeting.

#### **4. Individual Voting**

Forms of proxy provided for use in respect of any shareholders meeting where directors are to be elected should enable the shareholders to vote in favour of, or to withhold from voting in respect of, each nominee separately. The results of the vote should be filed on SEDAR.

#### **5. Effect of Resulting Vacancy**

Subject to any applicable corporate law restrictions or requirements, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general meeting. Alternatively, it may fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or it may call a special meeting of shareholders at which there will be presented a management nominee or nominees to fill the vacant position or positions.

#### **6. Application of the Policy**

In this majority voting policy, an “uncontested election” means an election of directors of the Corporation where the number of nominees for election as a director by a class of shares equals the number of directors authorized to be elected by such class of shares, as determined by the Board.

This majority voting policy does not apply where an election involves a proxy battle i.e., where proxy material is circulated and/or a solicitation of proxies is carried out in support of one or more nominees who are not part of the director nominees supported by the Board or public communications are disseminated against one or more nominees who are supported by the Board.

#### **7. Review and Amendment of Policy**

This majority voting policy is subject to change from time to time by the Board. In addition, the Board may, from time to time, permit departures from the terms hereof. No provision contained herein is intended to give rise to civil liability to shareholders of the Corporation or other liability whatsoever.