

ESPIAL GROUP INC.
MAJORITY VOTING IN DIRECTOR ELECTIONS

The Board of Directors (the “**Board**”) of Espial Group Inc. (the “**Corporation**”) has unanimously adopted this policy and future nominees for election to the Board will be required to confirm that they will abide by this policy.

Pursuant to this policy, the forms of proxy for the election of directors will permit the shareholders of the Corporation (each a “**Shareholder**” and collectively, the “**Shareholders**”) to vote in favour of, or to withhold from voting, separately for each director nominee. The Chair of the Board will ensure that the number of votes in favour of or withheld from voting on each director nominee is recorded and promptly made public after the meeting. If the number of proxy votes withheld for a particular director nominee is greater than the votes in favour of such nominee, such director nominee shall be required to promptly submit his/her resignation to the Chair of the Board following the applicable Shareholders’ meeting, effective upon acceptance by the Board. The Board will refer the resignation to the Corporate Governance and Compensation Committee (the “**Committee**”).

Following receipt of a resignation submitted pursuant to this policy, the Committee shall consider whether or not to accept the resignation and shall recommend to the Board whether or not to accept it. In considering whether or not to accept the resignation, the Committee will consider all factors deemed relevant by members of the Committee.

Within ninety (90) days following the applicable Shareholders’ meeting, the Board shall make its decision whether or not to accept the resignation, on the Committee’s recommendation. In considering the Committee’s recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant. The Board shall accept the resignation absent exceptional circumstances.

Following the Board’s decision on the resignation, the Board shall publicly disclose their decision whether to accept the applicable director’s resignation, including the reasons for rejecting the resignation (if applicable), in a news release, a copy of which shall be provided to the TSX. If a resignation is accepted, subject to any corporate law restrictions, the Board may leave the vacancy unfilled or appoint a new director to fill the vacancy.

A director who tenders his/her resignation pursuant to this majority voting policy shall not be permitted to participate in any meetings of the Board or the Committee at which his/her resignation is to be considered.

In the event that a sufficient number of the Committee members receive a greater number of proxy votes withheld than the votes for such members in the same election such that the Committee no longer had quorum, then the remaining members of the Committee, if any, shall not consider the resignation(s) and the Board shall consider whether or not to accept the resignation(s) without a recommendation from the Committee.

In the event that a sufficient number of the Board members receive a greater number of proxy votes withheld than the votes for such members in the same election, such that the Board no longer has a quorum, then such directors receiving a majority withheld vote shall not be permitted to vote in any meeting of the Board at which his/her resignation is considered, however he/she shall be counted for the purpose of determining whether the Board has quorum.

In the event that any director who receives a greater number of proxy votes withheld than votes in favour of such director's election does not tender his/her resignation in accordance with this policy, he/she will not be re-nominated by the Board. The Committee and Board may adopt such procedures as they see fit to assist it in their determinations with respect to this policy.

This policy only applies in respect of non-contested elections. It does not apply where an election involves a proxy battle, i.e., where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board.