

BLUMETRIC ENVIRONMENTAL INC.
3108 Carp Road, Ottawa, Ontario, K0A 1L0

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of the Shareholders (the “Meeting”) of BluMetric Environmental Inc. (the “Corporation”) will be held at the Fairfield Inn & Suites, 578 Terry Fox Drive, Ottawa, Ontario, K2L 4G8, on Wednesday, March 28, 2018 at 1:00 p.m. (EDT) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the financial year ended September 30, 2017 and the auditors’ report thereon;
2. to elect the directors of the Corporation;
3. to appoint PricewaterhouseCoopers LLP as auditors of the Corporation and to authorize the board of directors to fix their remuneration; and
4. to consider and, if deemed advisable, to approve the resolution annexed as Schedule “B” to the Management Proxy Circular, subject to the approval of the TSX Venture Exchange, approving the issuances of up to 1,136,364 common shares to Roger Woeller, former CEO of the Corporation, as part of his departure arrangements with the Corporation (the “Share Issuance Resolution”);
5. to consider and, if deemed advisable, to approve the resolution annexed as Schedule “C-1” to the Management Proxy Circular, confirming By-Law No. 1 - General Corporate By-Law (the “By-Law No. 1 General Corporate By-Law Resolution”);
6. to consider and, if deemed advisable, to approve the resolution annexed as Schedule “D-1” to the Management Proxy Circular, confirming By-Law No. 2 - Advance Notice By-Law (the “By-Law No. 2 - Advance Notice By-Law Resolution”) and
7. to transact such further or other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this notice are the management proxy circular containing details of the matters to be dealt with at the Meeting, the audited consolidated financial statements of the Corporation for the financial year ended September 30, 2017 together with management’s discussion and analysis thereon, and a form of proxy.

Dated at Ottawa, Ontario, this 26th day of February, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Vivian Karaiskos
Secretary

In order to be represented by proxy at the Meeting you must complete and submit the enclosed Form of Proxy or other appropriate form of proxy.

IMPORTANT NOTICE

YOUR VOTE IS VERY IMPORTANT. THE BOARD OF DIRECTORS URGES YOU TO COMPLETE, SIGN, DATE AND RETURN TODAY THE ENCLOSED PROXY TO THE CORPORATION AT ITS OFFICE SET OUT ABOVE OR TO COMPUTERSHARE INVESTOR SERVICES, 100 UNIVERSITY AVENUE, 8th FLOOR, TORONTO, ONTARIO, M5J 2Y1 OR BY FACSIMILE AT 1-866-249-7775 OR BY INTERNET. IF YOU ARE ABLE TO ATTEND THE MEETING, SENDING YOUR PROXY WILL NOT PREVENT YOU FROM VOTING IN PERSON. IF YOUR SHARES ARE HELD IN THE NAME OF A BROKER OR NOMINEE, YOU MUST PROVIDE VOTING INSTRUCTIONS TO THE BROKER OR NOMINEE FOR YOUR SHARES TO BE REPRESENTED AT THE MEETING.

PLEASE RETURN YOUR PROXY BY 1:00 PM (EDT) ON MONDAY, MARCH 26, 2018 OR IF THE MEETING IS ADJOURNED, BY NO LATER THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) PRIOR TO WHEN THE ADJOURNMENT THEREOF IS TO BE HELD, OR YOUR PROXY MAY BE DEPOSITED WITH THE CHAIR OF THE MEETING AT ANY TIME PRIOR TO THE COMMENCEMENT OF THE MEETING OR ANY ADJOURNMENT THEREOF.

BLUMETRIC ENVIRONMENTAL INC.
3108 Carp Road
Ottawa, Ontario
K0A 1L0

MANAGEMENT PROXY CIRCULAR

**For the Annual and Special Meeting of Shareholders to be held at 1:00 p.m. (EDT) on
Wednesday, March 28, 2018 at**

Fairfield Inn & Suites, 578 Terry Fox Drive, Ottawa, Ontario K2L 4G8

SOLICITATION OF PROXIES

This management proxy circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of BluMetric Environmental Inc. (the “Corporation”) for use at the Annual and Special Meeting of Shareholders of the Corporation (the “Meeting”) to be held at 1:00 p.m. (EDT) on March 28, 2018 at the Fairfield Inn & Suites, 578 Terry Fox Drive, Ottawa, Ontario K2L 4G8 for the purposes set forth in the attached Notice of Meeting (the “Notice”). It is anticipated that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers, employees or representatives of the Corporation. The cost of such solicitation will be borne by the Corporation. The information contained herein is given as at February 26, 2018, unless otherwise indicated.

VOTING AND DISCRETION OF PROXIES

On any ballot that may be called for, the common shares of the Corporation (the “Common Shares”) represented by proxies in favour of the persons named by management of the Corporation will be voted for or against, or voted for or withheld from voting on, the matters identified in the proxy, in each case in accordance with the instructions of the shareholder. **In the absence of any instructions on the proxy, it is the intention of the persons named by management in the accompanying form of proxy to vote (a) FOR the election of management’s nominees as directors, (b) FOR the appointment of management’s nominee as auditor and the authorization of the directors to fix the remuneration of the auditor, (c) FOR the Share Issuance Resolution, and (d) FOR the By-Law No. 1 - General Corporate By-Law Resolution and (e) FOR the By-Law No. 2 - Advanced Notice By-Law Resolution.**

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations of the matters identified in the Notice or any other matters that may properly come before the Meeting. As at the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters that may properly come before the Meeting other than the matters referred to in the Notice.

APPOINTMENT OF PROXIES

Each shareholder has the right to appoint a person other than the persons designated in the enclosed form of proxy, who need not be a shareholder of the Corporation, to represent such shareholder at the Meeting or any adjournment thereof. Such right may be exercised by striking out the names of the persons designated in the enclosed form of proxy and by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering

the completed and executed proxy to the Corporation before the time of the Meeting or any adjournment thereof. If a shareholder of the Corporation appoints a person other than the persons designated in the enclosed form of proxy to represent him, such person will vote the shares in respect of which he is appointed proxy-holder in accordance with the direction of the shareholder appointing him. In the absence of such direction, such person may vote such shares at his discretion. It is the responsibility of the shareholder appointing some other person to represent him to inform such person that he has been appointed.

VOTING INSTRUCTIONS

There are two methods by which registered shareholders (“Registered Shareholders”), whose names are shown on the books or records of the Corporation as owning Common Shares, can vote their Common Shares at the Meeting: in person at the Meeting or by proxy. Should a Registered Shareholder wish to vote in person at the Meeting, the form of proxy included with the Circular should not be completed or returned; rather, the Registered Shareholder should attend the Meeting where his or her vote will be taken and counted. Should the Registered Shareholder not wish to attend the meeting or not wish to vote in person, his or her shares may be voted by proxy through one of the methods described below and the shares represented by the proxy will be voted or withheld from voting, in accordance with the instructions as indicated in the form of proxy, on any ballot that may be called for, and if a choice was specified with respect to any matter to be acted upon, the shares will be voted accordingly.

A Registered Shareholder may vote by proxy by using one of the following methods: (i) the enclosed paper form of proxy to be returned by mail or delivery, (ii) by facsimile, or (iii) by internet. The methods of using each of these procedures are as follows:

Voting by Mail or Delivery. A Registered Shareholder may vote by mail or delivery by completing, dating and signing the enclosed form of proxy and depositing it with Computershare Investor Services Inc. (the “Transfer Agent”) using the envelope provided or by mailing or delivering it to Computershare Investor Services Inc., Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 or to the Corporate Secretary of the Corporation at 3108 Carp Road, PO Box 430, Ottawa, ON K0A 1L0 **for receipt no later than 1:00 p.m. (EDT) on Monday, March 26, 2018**, or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned Meeting.

Voting by Facsimile. A Registered Shareholder may vote by facsimile by completing, dating and signing the enclosed form of proxy and returning it by facsimile to the Transfer Agent at 1-866-249-7775. The form of proxy **must be received by no later than 1:00 p.m. (EDT) on Monday, March 26, 2018**, or if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned Meeting.

Voting by Internet. A Registered Shareholder may vote by internet by accessing the following website: www.voteproxyonline.com. When you logon to the site you will be required to input a control number as instructed on the logon page. Please see the additional information enclosed with the Circular. A Registered Shareholder **may vote by internet by no later than 1:00 p.m. (EDT) on Monday, March 26, 2018**, or if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned Meeting.

Non-Registered Shareholders (Beneficial Owners)

In the Circular and the enclosed form of proxy and Notice, all references to shareholders are to Registered Shareholders. Only Registered Shareholders, or the person they appoint as their proxy, are permitted to

vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a “Non-Registered Shareholder” or “Beneficial Owner”) are registered either:

- (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Shareholder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency such as CDS & Co. (the registration name for CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

Common Shares held by your broker or its nominee can only be voted upon your instructions. Without specific instructions, your broker, its agent or its nominee is prohibited from voting your Common Shares. **Therefore, beneficial shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

There are two kinds of Beneficial Owners: those who object to their name being made known to the Corporation, referred to as objecting beneficial owners (“OBOs”), and those who do not object to the Corporation knowing who they are, referred to as non-objecting beneficial owners (“NOBOs”). In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice, the Circular and the enclosed form of proxy (collectively, the “Meeting Materials”) to all NOBOs directly through the Transfer Agent. The Meeting Materials will be distributed to OBOs through clearing agencies and Intermediaries, who often use a service company such as Broadridge Financial Solutions, Inc. (“Broadridge”) to forward meeting materials to Non-Registered Shareholders.

The Meeting Materials are being sent to both Registered and Non-Registered Shareholders. If you are a Non-Registered Shareholder, and the Corporation or its agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to NOBOs directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Objecting Beneficial Owners

Intermediaries are required to forward Meeting Materials to OBOs unless an OBO has waived the right to receive them. Generally, OBOs who have not waived the right to receive Meeting Materials will usually receive a voting instruction form (“VIF”) from Broadridge in lieu of the form of proxy from the Corporation. The VIF will name the same person as the proxy to represent the shareholder at the Meeting. A shareholder has the right to appoint a person (who need not be a shareholder of the Corporation) other than persons designated in the VIF, to represent the shareholder at the Meeting. To exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the VIF. You are asked to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, you can call Broadridge’s toll free telephone number or access Broadridge’s Internet website to vote your Common Shares. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it cannot be used as a proxy to vote Common Shares directly at the Meeting as**

the VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted or to appoint an alternative representative to attend at the Meeting in person to vote such Common Shares.

Non-Objecting Beneficial Owners

NOBOs can expect to receive the Meeting Materials with a VIF from the Transfer Agent. These VIFs are to be completed and returned to the Transfer Agent in the envelope provided or by following the instructions contained on the VIF for facsimile, telephone or Internet voting. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs received. **If you receive a VIF from the Transfer Agent, it cannot be used as a proxy to vote Common Shares directly at the Meeting as the VIF must be returned to the Transfer Agent well in advance of the Meeting in order to have the Common Shares voted or to appoint an alternative representative to attend at the Meeting in person to vote such Common Shares.**

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the shares they beneficially own. Should a Non-Registered Shareholder who receives either a proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form.

In any event, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and Broadridge or other service company, or the Transfer Agent, as the case may be.

REVOCAION OF PROXIES

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy and may do so by delivering another properly executed proxy bearing a later date and depositing it as aforesaid, including within the prescribed time limits noted above; or by depositing an instrument in writing revoking the proxy executed by the shareholder or by the shareholder's attorney authorized in writing, by one of the following methods: (a) at the registered office of the Corporation (3108 Carp Road, Ottawa Ontario K0A 1L0) at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, (b) with the Chair of the Meeting, prior to its commencement, on the day of the Meeting or at any adjournment thereof; (c) by attending the Meeting in person and so requesting; or (d) in any other manner permitted by law.

A Non-Registered Shareholder may revoke a VIF or a waiver of the right to receive Meeting Materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a VIF or of a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of non-voting special shares, issuable in series with rights, privileges, restrictions and conditions to be determined by the board of directors of the Corporation (the "Board of Directors") without shareholder action, of which the 2,831,325 Series I Special Shares were authorized and were issued on November 21, 2012 then were subsequently converted to the same number of Common Shares. As of February 26, 2018,

28,391,778 Common Shares were issued and outstanding. Each Common Share entitles the holder thereof to one vote at all meetings of shareholders.

The Board of Directors has fixed the close of business on February 21, 2018 as the record date for the purposes of determining shareholders entitled to receive notice of the Meeting. In accordance with the *Canada Business Corporations Act* (“CBCA”), the Corporation will prepare a list of holders of Common Shares on the Record Date. Each holder of Common Shares named in the list at the close of business on the Record Date will be entitled to vote the Common Shares shown opposite his or her name on the list at the Meeting.

As at February 21, 2018 to the knowledge of the directors and senior officers of the Corporation, no persons, firms or corporations beneficially own, directly or indirectly, or exercise control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attaching to any class of voting securities of the Corporation.

DESCRIPTION OF SHARE CAPITAL

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares. The holders of the Corporation’s Common Shares are entitled to dividends as and when declared by the Board of Directors, to one vote per share at meetings of shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares.

Special Shares

The Corporation is also authorized to issue an unlimited number of Special Shares, issuable in series. Upon liquidation or dissolution of the Corporation, before any distribution is made to the holders of Common Shares, holders of Special Shares will be entitled to receive the amount of the paid up capital of each Special Share together with all accrued and unpaid cumulative dividends thereon (if any) and all declared and unpaid cumulative dividends thereon (if any). Unless otherwise stated, holders of Special Shares shall not be entitled to any further distribution of the assets of the Corporation. There are no voting rights attached to Special Shares, unless otherwise provided under the CBCA.

Series I Special Shares

The Corporation created the Series I Special Shares in November 2012 and authorized and issued 2,831,325 Series I Special Shares on November 21, 2012. By the terms and conditions of the Series I Special Shares, these shares were automatically converted on July 2, 2013 into an equivalent number of Common Shares of the Corporation. No Series I Special Shares are currently issued and outstanding.

INFORMATION DISCLOSED

The Corporation is providing disclosure in this Circular in accordance with the requirements of the *Securities Act* (Ontario) and the CBCA. The Corporation has available to it with respect to the most recently completed fiscal year certain disclosure exemptions by virtue of the fact that the Corporation is a corporation whose shares are listed on the TSX Venture Exchange (a “Venture Issuer”).

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the financial year ended September 30, 2017 (the “Financial Statements”) and the auditor’s report on the Financial Statements and the Corporation’s management’s discussion and analysis for the financial year ended September 30, 2017, accompany the Notice of Meeting and are also available on SEDAR at www.sedar.com.

ELECTION OF DIRECTORS

In accordance with the articles of the Corporation, the Board of Directors may fix the number of Directors to be elected to not less than three, and no more than ten Directors. The Board of Directors currently has fixed six as the number of Directors to be elected. **PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE NOMINEES WHOSE NAMES ARE INDICATED BELOW UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE WITHHELD.**

All the director nominees indicated below are currently members of the Board of Directors and have been since the dates indicated other than Roger Woeller who is stepping down from the Board of Directors and Scott MacFabe, who will be the new CEO of the Corporation as of March 1, 2018 as previously announced, and is a new director nominee. The term of office for each such person will be until the next Annual Meeting of Shareholders or until his successor is elected or appointed.

The following are the names of the nominees for election to the Board of Directors, their principal occupation or employment during the last five years, and the dates, where applicable, on which they became Directors. See additional biographical information regarding each of the directors under the heading “Statement of Corporate Governance Practices - Composition of the Board”.

Name and Province and Country of Residence	Date First Appointed Director	Principal Occupation	Number of Securities Beneficially Owned or Over Which Control or Direction is Exercised as of February 26, 2018	
			Common Shares	Options
Jane Pagel ⁽²⁾ Ontario, Canada	January 31, 2014	Retired. Interim President and CEO, Sustainable Development Technology Canada from June 2014 to June 2015. President and CEO of the Ontario Clean Water Agency from 2010 to 2014. Principal, Government and Industrial Relations for Stantec Inc from 2009 to 2010, SVP and Principal for Jacques Whitford Inc from 2000 to 2009 until the company was acquired by Stantec Inc.	42,306	120,000

Name and Province and Country of Residence	Date First Appointed Director	Principal Occupation	Number of Securities Beneficially Owned or Over Which Control or Direction is Exercised as of February 26, 2018	
			Common Shares	Options
Geoff Simonett ⁽¹⁾ Ontario, Canada	March 23, 2016	President of Pinelands Capital, providing financial and strategic consulting to small technology companies. Entrepreneur in Residence at the RIC Centre. Founder and President of Greensky Capital, September 2008 to December 2014.	-	60,000
Hubert Fleming ⁽¹⁾⁽²⁾ Pennsylvania, USA	March 29, 2017	Water and industry consultant. Vice President, AngloGold Ashanti Limited from January 2013 to December 2014. Global Director of Hatch from April 2008 to December 2012. President, Severn Trent Services Inc. from 1998 to 2013.	-	60,000
Ronald Donaldson Ontario, Canada	March 29, 2017	Professional geoscientist and employee of the Corporation and its predecessor, WESA Group, since 1992. Responsible for the management and implementation of project management plans for clients.	1,020,882	-
Vijay Jog ⁽¹⁾⁽²⁾ Ontario, Canada	March 29, 2017	Founder and president of Corporate Renaissance Group (CRGroup), a firm dedicated to driving better business management and performance since 1989. Currently Chancellor Professor Emeritus and Distinguished Research Professor at the Sprott School of Business, Carleton University, from November 1982.	1,000	60,000

Name and Province and Country of Residence	Date First Appointed Director	Principal Occupation	Number of Securities Beneficially Owned or Over Which Control or Direction is Exercised as of February 26, 2018	
			Common Shares	Options
Scott MacFabe Illinois, USA	-	CEO of the Corporation from March 1, 2018. CEO President/COO of Industrial and Environmental Division, Kennedy Jenks Consultants from November 2012 to February 16, 2018. Director and Executive VP of Strategic Initiatives Canada, ARCADIS from 2009 to 2012. Director, Industrial/Commercial Business Unit, Malcom Pirnie from 2002 to 2009. Senior Hydrogeologist Officer, Dames and Moore from 1985 to 2002.	-	-

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Human Resources and Governance Committee. In April 2017 the Human Resources and Compensation Committee and Corporate Governance and Nominating Committee were combined into one committee.

The statements as to the shares of the Corporation beneficially owned or over which control or direction is exercised by the nominees for election as Directors are, in each instance, based upon information furnished by the person concerned.

Corporate Cease Trade Orders or Bankruptcies

None of the directors or officers of the Corporation is, or has been within the ten years before the date of this Circular, a director or officer of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions under Canadian securities legislation for a period of more than 30 consecutive days or was declared bankrupt, 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 the assets of that company.

Penalties or Sanctions

None of the directors or officers of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

None of the directors or officers of the Corporation has, during the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has 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 the director or officer.

APPOINTMENT OF AUDITORS

At the Meeting, it is proposed to re-appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Corporation to hold office until the next annual meeting of shareholder with their remuneration to be fixed by the Board of Directors.

Upon the resignation of MNP LLP on October 31, 2017, PricewaterhouseCoopers LLP was appointed the Company's auditors, as more fully described below. On October 31, 2017, the Company filed a Change of Auditor Notice (the "Notice") in accordance with National Instrument 51-102 ("NI 51-102"), the Notice confirms that there have been no reservations or modified opinions contained in the audit reports for the two most recently completed fiscal years. There are no reportable events (as defined in NI 51-102) between the Company and MNP LLP, and there have been no qualified opinions or denial of opinions of MNP LLP.

MNP LLP and PricewaterhouseCoopers LLP each filed a letter with the securities regulatory authorities in each province of Canada where the Company is a reporting issuer confirming their agreement with the information set out in the Notice. A copy of the reporting package containing the Notice and the letters referred to above are included as Schedule "E" to this Circular.

MNP LLP were the auditors of the Corporation from October 31, 2014 until October 31, 2017.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPOINTMENT OF THE FIRM PRICEWATERHOUSECOOPERS LLP, AS AUDITORS OF THE CORPORATION, AT A REMUNERATION TO BE FIXED BY THE DIRECTORS, TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS FOLLOWING THE COMPLETION OF THE 2018 FISCAL YEAR UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE WITHHELD.

STATEMENT OF EXECUTIVE COMPENSATION

Introduction

This compensation discussion and analysis describes and explains the Corporation's policies and practices with respect to the compensation of the Corporation's Chief Executive Officer and Chief Financial Officer.

The compensation arrangements of the Chief Executive Officer and Chief Financial Officer as well as all the executive officers were reviewed by the Compensation Committee and the executive officers have entered into employment arrangements with the Corporation, as more fully described under the heading "Employment Agreements/Consulting Arrangements".

Compensation Discussion and Analysis

Chief Executive Officer and Chief Financial Officer

On November 30, 2017, Roger Woeller ceased as CEO of the Corporation. Mr. Woeller signed an agreement with the Corporation on October 30, 2017 with respect to his departure as CEO of the Corporation. The terms of the agreement are more fully set out under the heading "Employment

Agreements/Consulting Arrangements” below and also see the heading “Share Issuance Resolution” for additional information.

Dan Scroggins was appointed interim CEO from December 1, 2017 and will be stepping down on February 28, 2018 with the appointment of the new CEO as of March 1, 2018, Scott MacFabe, as previously announced by the Corporation.

Dan Scroggins’ consulting arrangements were not varied when he took on the position of Interim CEO; however, the Corporation is currently negotiating a new consulting arrangement with Mr. Scroggins. On February 29, 2016, Mr. Scroggins’ ceased being an employee of the Corporation and entered into a Consulting and Associate Agreement with the Corporation effective March 1, 2016, through his consulting company, Scroggins and Associates, LLC for \$10,800 USD per month. In July 2017, the monthly amount was adjusted to approximately \$15,000 USD per month based on an hourly rate. Under the terms of the current agreement, Mr. Scroggins may receive a performance based bonus at the discretion of the Board of the Corporation. Mr. Scroggins is entitled to a commission of 0.4% of the gross dollar value of all projects sold in the United States by the Corporation. In addition, Mr. Scroggins is entitled to 0.2% of the gross dollar value for all products sold by the Corporation that include various patented or proprietary technologies developed by Mr. Scroggins. The contract has a 12 month rolling period and can be terminated on 30 days written notice. If the contract is terminated by the Corporation, Mr. Scroggins is entitled to 12 months’ severance. In addition, the Corporation is required to pay royalties for a period of 20 years after the termination.

Scott MacFabe has been appointed the new CEO of the Corporation commencing March 1, 2018. His employment agreement provides for a base salary of \$230,000, options for 500,000 Common Shares, a vehicle allowance of \$1,000 per month and a relocation allowance of \$27,500. At the discretion of the Board of Directors a performance-based cash bonus may be awarded to Mr. MacFabe. Mr. MacFabe is entitled to 12 months’ severance if his services are terminated by the Corporation, other than for cause.

Vivian Karaiskos became Chief Financial Officer of the Corporation as of February 1, 2015 and became Secretary of the Corporation on July 1, 2015. Her employment agreement provides for a base salary of \$185,000, options for 200,000 Common Shares, and a vehicle allowance of \$1,500 per month. At the discretion of the Board of Directors a performance-based cash bonus may be awarded to Ms. Karaiskos. Ms. Karaiskos is entitled to 12 months’ severance if her services are terminated by the Corporation, other than for cause. Ms. Karaiskos received a signing bonus of \$15,000.

Executive Compensation Principles

The Human Resources and Governance Committee (the “HR & Governance Committee”) and the Board of Directors undertake the process for determining executive compensation. The Board of Directors took the lead in the search for the new CEO and for determining the CEO’s compensation package. The Corporation does not employ any formal objectives in determining executive compensation and the implementation of compensation programs that may exist from time to time. When determining executive compensation, the HR & Governance Committee and the Board of Directors rely on their- current and past experience and collective knowledge of the market including similarly situated public and private companies.

Based on that background and assessment, the HR & Governance Committee and the Board of Directors, through discussion, base their ultimate determination on (i) the overall objectives of the Corporation, (ii) individual negotiations with an executive, as applicable, and (iii) the best interests of the Corporation, its shareholders and its other stakeholders. The Corporation uses a salary survey (TechEdge) to benchmark each position to current market data. The Corporation also uses informal benchmarking

procedures in order to assist the HR & Governance Committee and the Board of Directors to assist with the assessment process.

Elements of Executive Compensation Program

The executive compensation packages consist of a base salary, a discretionary performance-based cash bonus, a benefit package, a vehicle allowance and, in some circumstances, stock options.

Base Salaries

The base salary component is intended to provide a fixed level of pay that is established at the time that the officer joins the Corporation, and is reviewed from time to time thereafter, not less frequently than annually. The performance of the Chief Executive Officer and Chief Financial Officer is reviewed in light of various performance parameters, such as profitability, share price, revenue growth and any other influences on performance as may from time to time be considered relevant.

Variable Compensation Awards

A performance-based cash bonus for each executive officer is set at the discretion of the HR & Governance Committee and Board of Directors of the Corporation. The performance-based criteria will be established yearly and will be based on the achievement of specific targets.

Benefits Package and Vehicle Allowance

The Corporation has a benefit plan which includes health and dental benefits, long term disability coverage and life insurance. All employees including the executive officers are entitled to participate in the benefit plan.

Each of the executive officers has available to them an automobile allowance or use of a company-owned vehicle.

Employee Incentive Plans

The HR & Governance Committee continues to review and assess its employee incentive plans which allocate cash bonuses and option grants to employees including executive officers, of the Corporation based on the achievement of certain personal and corporate performance goals.

Options

Options to purchase Common Shares may be awarded to executive officers, directors, employees and consultants, from time to time, at the discretion of the HR & Governance Committee and Board of Directors of the Corporation pursuant to the terms of the Corporation's Amended and Restated Share Option Plan.

Summary Compensation Table

The following table sets forth the summary information concerning compensation paid to, or earned for the financial years ended September 30, 2015, September 30, 2016 and September 30, 2017 by the Corporation's Chief Executive Officer and Chief Financial Officer and the three highest paid executive officers, who earned total compensation in excess of \$150,000 during the financial year ended September 30, 2017 and who were serving as executive officers at September 30, 2017 or would have been included had such individuals been serving as executive officers at September 30, 2017 (collectively, the "Named Executive Officers").

Name and principal position	Year	Salary ⁽⁶⁾ (\$)	Share-based awards (\$)	Option-based awards	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans(\$)	Long-term incentive plans			
Dan Scroggins ⁽¹⁾⁽²⁾ Interim CEO	2017	-	-	-	-	-	-	-	-
	2016	66,667	-	-	-	-	-	24,662	81,329
	2015	160,000	-	-	-	-	-	22,688	172,688
Vivian Karaiskos ⁽³⁾ CFO & Corporate Secretary	2017	185,000	-	-	-	-	-	28,254	213,254
	2016	185,000	-	200,000	-	-	-	49,762	234,762
	2015	122,950	-	-	-	-	-	13,240	136,190
Roger M. Woeller ⁽⁴⁾ CEO (former)	2017	160,000	-	-	-	-	-	38,589	198,589
	2016	160,000	-	-	-	-	-	39,044	199,044
	2015	160,000	-	-	-	-	-	26,387	176,387
Jim Hotchkies ⁽⁵⁾ SVP, Business Development & Growth (former)	2017	148,558	-	-	-	-	-	23,626	172,184
	2016	150,000	-	-	-	-	-	33,041	183,041
	2015	112,500	-	-	-	-	-	13,813	126,313

Notes:

- (1) Dan Scroggins was appointed Interim CEO on December 1, 2017 upon the departure of Roger Woeller and will cease to be Interim CEO on February 28, 2018. As previously announced by the Corporation, Scott MacFabe will become CEO of the Corporation as of March 1, 2018.
- (2) Prior to Mr. Scroggins' appointment as Interim CEO, he was appointed Senior Vice President, Research and Innovation on July 2, 2015, prior to which he was President, Water Division of the Corporation, prior to which he was Chief Technology Officer. Mr. Scroggins entered into an employment contract with the Corporation effective January 1, 2014. In respect of Mr. Scroggins' 2015 salary, \$8,000 was accrued and was paid on July 19, 2017. On February 29, 2016, Mr. Scroggins' ceased being an employee of the Corporation and entered into a Consulting and Associate Agreement with the Corporation effective March 1, 2016, through his consulting company, Scroggins and Associates, LLC for \$10,800 USD per month. In July 2017, the monthly amount was adjusted to approximately \$15,000 USD per month based on an hourly rate. From October 2016 to September 2017, Mr. Scroggins earned \$188,000 under his consulting arrangement.
- (3) Vivian Karaiskos was appointed CFO of the Corporation on February 1, 2015 and Corporate Secretary on July 1, 2015. Ms. Karaiskos entered into an employment contract with the Corporation on January 2, 2015. Prior to this, Ms. Karaiskos was a consultant with the Corporation. Previously, Ms. Karaiskos received 40,000 options pursuant to a six month contract ended June 30, 2014. These options were issued at \$0.50 and expire March 4, 2019.
- (4) Roger M. Woeller ceased to be CEO on November 30, 2017. Mr. Woeller was appointed CEO of the Corporation on March 20, 2014; co-CEO of the Corporation on November 18, 2013 and Chief Corporate Development Officer on November 16, 2012, prior to which he was CEO of WESA Group Inc. Mr. Woeller entered into a two year employment contract with the Corporation on February 14, 2014. In respect of Mr. Woeller's 2015 salary, \$6,000 was accrued and was paid in increments of \$2,000 on January 15, 2017, April 15, 2017 and July 15, 2017. The Corporation entered into an agreement with Mr. Woeller on October 30, 2017 with respect to his departure as CEO of the Corporation. See heading "Employment Agreements/Consulting Arrangements" below.
- (5) Jim Hotchkies departed from the Corporation on April 17, 2018. Jim Hotchkies was appointed Senior Vice President, Business Development and Growth on July 2, 2015, prior to which he was Chief Growth Officer, Water Division. Mr. Hotchkies entered into an employment contract with the Corporation on January 5, 2015. Prior to this, Mr. Hotchkies was on contract with the Corporation from February 28, 2014 and received 40,000 options pursuant to this contract on November 2, 2015. These options were issued at \$0.28 and expire on November 2, 2020. See heading "Employment Agreements/Consulting Arrangements" below.
- (6) Base salary amounts reflect twelve month periods for 2015, 2016 and 2017.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all option-based and share-based awards granted to each of the Named Executive Officers that were granted before, and remain outstanding as of the end of, the most recently completed financial year ended September 30, 2017.⁽¹⁾

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	Number of shares that have not vested	Market or payout value of share-based awards that have not vested
Dan Scroggins	100,000	\$0.50	Oct. 11, 2018	-	-	-
Vivian Karaiskos	40,000 200,000	\$0.50 \$0.28	March 4, 2019 Nov. 2, 2020	-	-	-
Roger M. Woeller	-	-	-	-	-	-
Jim Hotchkies	-	-	-	-	-	-

Notes:

(1) Based on the September 30, 2017 closing price of \$0.22 for the Corporation's Common Shares on the TSX Venture Exchange.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information concerning the value vested or earned in respect of incentive plan awards during the financial year ended September 30, 2017, by each of the Named Executive Officers.

Name	Share-based awards – Value vested during the financial year ended September 30, 2017 (\$)	Non-equity incentive plan compensation – Value earned during the financial year ended September 30, 2017 (\$)
Dan Scroggins	-	-
Vivian Karaiskos	-	-
Roger M. Woeller	-	-
Jim Hotchkies	-	-

Termination and Change of Control Benefits

Under current employment agreements and consulting arrangements there are no change of control benefits for any of the Named Executive Officers other than as provided for under the BluMetric Environmental Inc. Amended and Restated Share Option Plan. Termination benefits under the current employment agreements and consulting arrangements are set out below.

Employment Agreements/Consulting Arrangements

Dan Scroggins' consulting arrangements were not varied when he took on the position of Interim CEO on December 1, 2017; however, the Corporation is currently negotiating a new consulting arrangement with Mr. Scroggins. On February 29, 2016, Mr. Scroggins' ceased being an employee of the Corporation and entered into a Consulting and Associate Agreement with the Corporation effective March 1, 2016, through his consulting company, Scroggins and Associates, LLC for \$10,800 USD per month. In July

2017, the monthly amount was adjusted to approximately \$15,000 USD per month based on an hourly rate. Under the terms of the current agreement, Mr. Scroggins may receive a performance based bonus at the discretion of the Board of the Corporation. Mr. Scroggins is entitled to a commission of 0.4% of the gross dollar value of all projects sold in the United States by the Corporation. In addition, Mr. Scroggins is entitled to 0.2% of the gross dollar value for all products sold by the Corporation that include various patented or proprietary technologies developed by Mr. Scroggins. The contract has a 12 month rolling period can be terminated on 30 days written notice. If the contract is terminated by the Corporation, Mr. Scroggins is entitled to 12 months' severance. In addition, the Corporation is required to pay royalties for a period of 20 years after the termination.

Scott MacFabe has been appointed the new CEO of the Corporation commencing March 1, 2018. His employment agreement provides for a base salary of \$230,000, options for 500,000 Common Shares, a relocation allowance of \$27,500 and a vehicle allowance of \$1,000 per month. At the discretion of the Board of Directors a performance-based cash bonus may be awarded to Mr. MacFabe. Mr. MacFabe is entitled to 12 months' severance if his services are terminated by the Corporation, other than for cause.

Vivian Karaiskos became Chief Financial Officer of the Corporation as of February 1, 2015. Her employment agreement provides for a base salary of \$185,000, options for 200,000 Common Shares, and a vehicle allowance of \$1,500 per month. At the discretion of the Board of Directors a performance-based cash bonus may be awarded to Ms. Karaiskos based on achievement related to personal and corporate goals. Ms. Karaiskos is entitled to 12 months' severance if her services are terminated by the Corporation, other than for cause. Ms. Karaiskos was also entitled to a signing bonus of \$15,000. On July 1, 2015, Ms. Karaiskos became Secretary of the Corporation.

Roger Woeller entered into an agreement with the Corporation on October 30, 2017 with respect to his departure as CEO of the Corporation (the "Agreement"). In consideration of payment of all wages, vacation pay, bonus compensation and severance payment, the Corporation agreed to issue to Mr. Woeller, his RRSP or his affiliates, subject to TSX Venture Exchange approval and shareholder approval at this Meeting (see heading "Share Issuance Resolution"), up to 1,136,364 Common Shares. The issuance of up to 1,136,364 Common Shares represents the equivalent of a payment of \$250,000 less certain withholdings and related obligations, divided by \$0.22 per share. The \$0.22 share price was determined based on a 20 day rolling weighted average of the shares on the TSX Venture Exchange immediately prior to October 31, 2017, when the execution of the Agreement was announced.

However, the number of Common Shares to be issued to Mr. Woeller under this formula cannot be calculated exactly until the date of issuance of the Common Shares as the fair market value of the Common Shares as of the date of issuance must be known for the Corporation to correctly calculate the withholding obligations and any RRSP contributions. The number of Common Shares expected to be issued to Mr. Woeller, his RRSP or his affiliates, after the calculations have been determined, is expected to be approximately 900,000 Common Shares to 1,000,000 Common Shares.

In the event the shareholders of the Corporation do not approve the issuance of up to 1,136,364 Common Shares, the Agreement provides for an alternate payment arrangement, namely, subject to TSX Venture Exchange approval, the issuance of 283,917 Common Shares representing approximately 1% of the issued and outstanding shares of the Corporation, using a share price of \$0.22. In addition, after deducting the value of the 283,917 Common Shares from the \$250,000, the remaining amount less withholdings and other obligations, will be paid in cash in six equal instalments at the end of each month commencing the month following this Meeting.

All shares issued in connection with the Agreement will be subject to a 12 month period where Mr. Woeller, his RRSP or his affiliates agree not to dispose of such shares. In addition, the Agreement

provides for 12 month non-competition and non-solicitation provisions and certain adjustments in the event of a change of control of the Corporation prior to the issuance or payment to Mr. Woeller.

Jim Hotchkies departed from the Corporation on April 17, 2017. Pursuant to Mr. Hotchkies employment agreement and his arrangements with the Corporation, Mr. Hotchkies received five months' severance upon his departure. For a period of three months, April 17, 2017 to July 15 2017, he received compensation of \$13,500 per month as well as a monthly vehicle allowance of \$1,500 and continued RRSP matching and benefits. From July 16, 2017 to September 15, 2017, he received compensation of \$13,500 per month as well as a monthly vehicle allowance of \$1,500.

Compensation of Directors

The following table provides information regarding compensation paid to the Corporation's non-employee directors during the financial year ended September 30, 2017 ⁽⁵⁾⁽⁶⁾.

Name	Year	Fees Earned \$	Share Based Awards \$	Option Awards	Non-Equity Incentive Plan Compensation \$	Pension Value \$	All Other Compensation ⁽³⁾ \$	Total \$
Jane Pagel ⁽¹⁾	2017	23,000	-	60,000	-	-	-	23,000
	2016	24,250	-	10,000	-	-	-	24,250
	2015	18,000	-	-	-	-	-	18,000
Geoff Simonett ⁽²⁾	2017	14,000	-	-	-	-	-	14,000
	2016	10,000	-	60,000	-	-	-	10,000
	2015	-	-	-	-	-	-	-
Hubert Fleming ⁽³⁾	2017	9,000	-	60,000	-	-	-	9,000
	2016	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	-
Vijay Jog ⁽⁴⁾	2017	9,000	-	60,000	-	-	-	9,000
	2016	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	-
Murray Malley ⁽⁷⁾	2017	16,000	-	-	-	-	-	16,000
	2016	33,250	-	70,000	-	-	-	33,250
	2015	23,250	-	-	-	-	-	23,250
Jordan Grant ⁽⁸⁾	2017	7,000	-	-	-	-	-	7,000
	2016	10,000	-	20,000	-	-	-	10,000
	2015	21,500	-	-	-	-	-	21,500
Ron Clifton ⁽⁹⁾	2017	9,000	-	-	-	-	-	9,000
	2016	30,250	-	60,000	-	-	-	30,250
	2015	12,500	-	-	-	-	-	12,500
Matthew Heffernan ⁽¹⁰⁾	2017	4,667	-	-	-	-	-	4,667
	2016	-	-	60,000	-	-	-	-
	2015	-	-	-	-	-	-	-

Notes:

- (1) Jane Pagel was appointed to the Board of Directors on January 31, 2014.
- (2) Geoff Simonett was elected to the Board of Directors on March 23, 2016.
- (3) Hubert Fleming was elected to the Board of Directors on March 29, 2017.
- (4) Vijay Jog was elected to the Board of Directors on March 29, 2017.
- (5) Ronald Donaldson was elected to the Board of Directors on March 29, 2017 and is an employee of the Corporation and therefore is not paid director fees.
- (6) Roger Woeller ceased to be CEO as of November 30, 2017 and became a non-employee director at that time. Beginning December 1, 2017, Mr. Woeller has been receiving director fees of \$1,167 per month. His compensation while an executive of the Corporation is reflected under the heading "Summary Compensation Table" above.
- (7) Murray Malley ceased to be a director of the Corporation on March 29, 2017.
- (8) Jordan Grant ceased to be a director of the Corporation on March 29, 2017.

- (9) Ron Clifton was elected to the Board of Directors on March 28, 2015 and ceased to be a director of the Corporation on March 29, 2017.
- (10) Matthew Heffernan was appointed to the Board of Directors on August 24, 2016 and ceased to be a director of the Corporation on March 29, 2017.

Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth information concerning all option-based and share-based awards granted to each of the non-employee directors that were granted before, and remain outstanding as of the end of, the most recently completed financial year ended September 30, 2017.

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	Number of shares that have not vested	Market or payout value of share-based awards that have not vested
Jane Pagel ⁽¹⁾	50,000	\$0.50	March 4, 2019	-	-	-
	10,000	\$0.20	April 6, 2021	\$200	-	-
	60,000	\$0.21	September 1, 2022	\$600	-	-
Geoff Simonett ⁽²⁾	60,000	\$0.20	April 1, 2021	\$1,200	-	-
Hubert Fleming ⁽³⁾	60,000	\$0.32	March 31, 2022	-	-	-
Vijay Jog ⁽⁴⁾	60,000	\$0.32	March 31, 2022	-	-	-
Murray Malley ⁽⁵⁾	-	-	-	-	-	-
Jordan Grant ⁽⁶⁾	-	-	-	-	-	-
Ron Clifton ⁽⁷⁾	-	-	-	-	-	-
Matthew Heffernan ⁽⁸⁾	-	-	-	-	-	-

Notes:

- (1) Ms. Pagel was appointed to the Board of Directors on January 31, 2014.
- (2) Mr. Simonett was elected to the Board of Directors on March 23, 2016.
- (3) Dr. Fleming was elected to the Board of Directors on March 29, 2017.
- (4) Dr. Jog was elected to the Board of Directors on March 29, 2017.
- (5) Mr. Malley ceased to be a director of the Corporation on March 29, 2017.
- (6) Mr. Grant ceased to be a director of the Corporation on March 29, 2017.
- (7) Mr. Clifton was elected to the Board of Directors on March 28, 2015 and ceased to be a director of the Corporation on March 29, 2017.
- (8) Mr. Heffernan was appointed to the Board of Directors on August 24, 2016 and ceased to be a director of the Corporation on March 29, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information concerning the value vested or earned in respect of incentive plan awards during the financial year ended September 30, 2017 by each of the non-employee directors.

Name	Option-based awards – Value vested during the financial year ended September 30, 2017 (\$)	Share-based awards – Value vested during the financial year ended September 30, 2017 (\$)	Non-equity incentive plan compensation – Value earned during the financial year ended September 30, 2017 (\$)
Jane Pagel	\$333	-	-
Geoff Simonett	\$1,700	-	-
Hubert Fleming	-	-	-
Vijay Jog	-	-	-
Murray Malley	-	-	-
Jordan Grant	-	-	-
Ron Clifton	-	-	-
Matthew Heffernan	-	-	-

Summary of Compensation

Commencing April 1, 2016, the Board of Directors' compensation policy provides each director with a flat annual fee of \$14,000 per year with no additional per meeting fee. Additionally, the chair of each committee will receive an additional \$4,000 per year and the chair of the Board of Directors will receive an additional \$14,000 per year. If a director is absent from two regularly scheduled sequential meetings this will result in such director forfeiting the quarterly payment, subject to review by the chair of the Board of Directors. Subject to regulatory approvals, each director will be entitled to receive an initial option grant for 60,000 Common Shares which will vest as to one third on each anniversary of the date of grant. Should a director continue to serve on the Board of Directors more than three years, additional grants of 20,000 Common Shares shall be made on each of the fourth and subsequent anniversaries of the annual meeting of shareholders of the Corporation ratifying their accession to the Board of Directors, vesting one year following the date of each such additional grant. The chair of the Board of Directors will receive double the number of options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table summarizes the number of Common Shares authorized for issuance from treasury under the Corporation's equity compensation plans as at September 30, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by shareholders	1,177,375	\$0.41	2,022,625
Equity compensation plans not approved by shareholders	-	-	-

SHARE OPTION PLAN

On February 28, 2003 the Corporation's shareholders approved the establishment of a share option plan which was known as the Seprotech Systems Incorporated Share Option Plan and which was amended on February 2, 2006, February 7, 2008, August 4, 2011, March 15, 2012, October 24, 2012 and February 21, 2013 and is now the BluMetric Environmental Inc. Amended and Restated Share Option Plan (the "Plan").

The purpose of the Plan is to develop the interest of and provide an incentive to eligible directors, officers, employees and consultants of the Corporation in the Corporation's growth and development by granting to such eligible persons from time to time, options to purchase Common Shares of the Corporation, thereby advancing the interests of the Corporation and its shareholders. The extent to which any director, officer, employee or consultant shall be entitled to be granted options pursuant to the Plan shall be determined at the discretion of the Board of Directors.

Options granted under the Plan are not assignable or transferable. Unless otherwise determined by the Board of Directors, the Plan provides that options granted under the Plan will expire not more than 10 years from the date of grant. The options will terminate one year after the death of a participant and 60 days after the termination of a participant ceases to be a director, officer, employee or consultant of the Corporation subject to adjustment by the Board of Directors. The Plan further provides that in all circumstances one year after the participant ceases to be a director, officer, employee or consultant of the Corporation the options will terminate. Options granted to a participant who is engaged in investor relations activities shall expire 30 days after the participant ceases to provide investor relations services.

No individual may hold options to purchase Common Shares exceeding 5% of the then outstanding Common Shares. The maximum number of options granted to any one consultant in a 12 month period shall not exceed 2% of the then outstanding Common Shares. The maximum number of options granted to participants providing investor relations services shall not exceed 2% of the then outstanding Common Shares in any 12 month period. The Plan provides that unless otherwise determined by the Board of Directors, options granted under the Plan shall vest in three equal tranches one year apart. The first vesting date will be set by the Board of Directors but is not to exceed one year after the date of grant.

During the financial year ended September 30, 2017, 180,000 options were issued, no options were exercised and 820,850 previously issued options were cancelled or expired. As of September 30, 2017, there were 3,200,000 Common Shares reserved for issuance and of which options for 1,177,375 common shares had been granted as at September 30, 2017 each at a weighted average exercise price of \$0.41 per share. Additionally, options for 500,000 Common Shares will be granted to Scott MacFabe by the Board as of March 1, 2018, leaving 1,522,625 Common Shares reserved for issuance as of March 1, 2018.

Share Issuance Resolution

Roger Woeller entered into an agreement with the Corporation on October 30, 2017 with respect to his departure as CEO of the Corporation (the "Agreement"). In consideration of payment of all wages, vacation pay, bonus compensation and severance payment, the Corporation agreed to issue to Mr. Woeller, his RRSP or his affiliates, subject to TSX Venture Exchange approval and shareholder approval at this Meeting, up to 1,136,364 Common Shares (the "Share Issuance"). The Share Issuance of up to 1,136,364 Common Shares represents the equivalent of a payment of \$250,000 less certain withholdings and related obligations, divided by \$0.22 per share. The \$0.22 share price was determined based on a 20 day rolling weighted average of the shares on the TSX Venture Exchange immediately prior to October 31, 2017, when the execution of the Agreement was announced.

However, the number of Common Shares to be issued to Mr. Woeller under this formula cannot be calculated exactly until the date of issuance of the Common Shares as the fair market value of the Common Shares as of the date of issuance must be known for the Corporation to correctly calculate the withholding obligations and any RRSP contributions. The number of Common Shares expected to be issued to Mr. Woeller, his RRSP or his affiliates, after the calculations have been determined, is expected to be approximately 900,000 Common Shares to 1,000,000 Common Shares. All shares issued in connection with the Agreement will be subject to a 12 month period where Mr. Woeller, his RRSP or his affiliates agree not to dispose of such shares.

Mr. Woeller, his RRSP or his affiliates currently hold 1,909,012 Common Shares prior to the proposed Share Issuance. By way of example, in the event that (i) 1,136,364 Common Shares were issued to Mr. Woeller, his RRSP, or his affiliates, Mr. Woeller would directly or indirectly, own 3,045,376 Common Shares, or 10.3% of the issued and outstanding shares of the Corporation, (ii) 1,000,000 Common Shares were issued to Mr. Woeller, his RRSP, or his affiliates, Mr. Woeller would directly or indirectly own 2,909,012 Common Shares or 9.9% of the issued and outstanding shares of the Corporation, or (iii) 900,000 Common Shares were issued to Mr. Woeller, his RRSP, or his affiliates, Mr. Woeller would directly or indirectly own 2,809,012 Common Shares or 9.6% of the issued and outstanding shares of the Corporation.. None of these calculations include any Common Shares held by Mr. Woeller's spouse or other non-dependent family members.

Mr. Woeller as a former executive of the Corporation, and as a director of the Corporation until this Meeting, was an insider of the Corporation at the time the Agreement was executed. The TSX Venture Exchange requires approval of the Share Issuance by a majority of the shareholders of the Corporation, excluding the shares held by Mr. Woeller, his RRSP and his affiliates.

Subject to the approval of the TSX Venture Exchange, at this Meeting the Corporation is requesting that the shareholders of the Corporation approve the issuance of up to 1,136,364 Common Shares of the Corporation to Mr. Woeller, his RRSP or his affiliates. The text of the Share Issuance Resolution is more fully set forth in Schedule "B" to this Circular. As noted above when the calculation is completed, it is expected that approximately 900,000 to 1,000,000 Common Shares will be issued to Mr. Woeller, his RRSP or his affiliates. All shares issued to Mr. Woeller, his RRSP or his affiliates will be subject to a 12 month hold period prohibiting the sale of the shares, as agreed by Mr. Woeller as part of his Agreement

with the Corporation. The 12 months includes the statutory requirement of a four month and one day hold period.

In the event the shareholders of the Corporation do not approve the issuance of up to 1,136,364 Common Shares, the Agreement provides for an alternate payment arrangement, namely, subject to TSX Venture Exchange approval, the issuance of 283,917 Common Shares representing approximately 1% of the issued and outstanding shares of the Corporation, using a share price of \$0.22. In addition, after deducting the value of the 283,917 Common Shares from the \$250,000, the remaining amount less withholdings and other obligations, will be paid in cash in six equal instalments at the end of each month commencing the month following this Meeting.

The issuance of 283,917 Common Shares of the Corporation as part of this alternate proposal does not require approval of the shareholders of the Corporation. All shares issued to Mr. Woeller, his RRSP or his affiliates will be subject to a 12 month hold period prohibiting the sale of the shares, as agreed by Mr. Woeller as part of his Agreement with the Corporation. The 12 months includes the statutory requirement of a four month and one day hold period.

In order to become effective, the Share Issuance Resolution must be approved by a vote of a majority of the votes cast at the Meeting, in person or by proxy, excluding 1,909,012 Common Shares held by Roger Woeller, his RRSP and his affiliates. The Board of Directors recommends approval of the Share Issuance Resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE SHARE ISSUANCE RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

By-Law No. 1 - General Corporate By-Law Resolution

At the Meeting, shareholders will be asked to consider, and, if thought advisable, to pass, with or without variation, a resolution substantially in the form set out in Schedule “C-1” attached to this Circular, to confirm the approval of the Corporation’s By-Law No. 1 (“By-Law No. 1- General Corporate By-Law Resolution”). The purpose of By-Law No. 1 is designed to ensure that the Corporation’s general corporate by-law remains consistent with evolving corporate laws and governance practices. The material changes are increasing the quorum requirement for the Corporation’s shareholder meetings to two or more persons holding or representing at least 10% of the eligible votes and removing the casting vote for the Chair at a meeting of Board of Directors. There are several other changes of a housekeeping nature to provide flexibility and provide for the more detailed implementation to be set out in the CBCA and reducing the number of Canadian resident directors to 25% in keeping with the provisions of the CBCA.

The foregoing summary of By-Law No. 1 - General Corporate By-Law is intended to be brief and is qualified in its entirety by the full text of By-Law No. 1 - General Corporate By-Law which is attached as Appendix “C-2” to this Circular.

By-Law No. 1 - General Corporate By-Law was adopted by the Board of Directors on February 20, 2018, subject to confirmation by the shareholders at this annual and special meeting of shareholders of the Corporation.

In order to become effective, the By-Law No. 1 - General Corporate By-Law Resolution must be approved by a vote of a majority of the votes cast at the Meeting, in person or by proxy. The Board of Directors recommends approval of the By-Law No. 1 - General Corporate By-Law Resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BY-LAW NO. 1 - GENERAL CORPORATE BY-LAW RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

By-Law No. 2 -Advance Notice By-Law Resolution

At the Meeting, shareholders will be asked to consider, and, if thought advisable, to pass, with or without variation, a resolution substantially in the form set out in Schedule “D-1” attached to this Circular, to confirm the approval of the Corporation’s By-Law No. 2 (“By-Law No. 2- Advance Notice By-Law Resolution”).

By-Law No. 2- Advance Notice By-Law Resolution provides for advance notice requirements for director elections in connection with any annual or special meeting of the shareholders. In particular, in the case of an annual meeting of shareholders, notice to the Corporation must be given not less than 30 days prior to the date of the annual meeting. In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice must be given not later than the close of business on the 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 Company must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of the meeting was made. By-Law No. 2 - Advance Notice By-Law also prescribes the proper written form for a shareholder's notice. The Board of Directors may, in its sole discretion, waive any requirement under these provisions.

The purpose of By-Law No. 2 - Advance Notice By-Law is to ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees so shareholders can exercise their voting rights in an informed manner. Additionally, this should assist in facilitating an orderly and efficient meeting process.

The foregoing summary of By-Law No. 2 - Advance Notice By-Law is intended to be brief and is qualified in its entirety by the full text of By-Law No. 2 - Advance Notice By-Law which is attached as Appendix “D-2” to this Circular.

By-Law No. 2 - Advance Notice By-Law was adopted by the Board of Directors on February 20, 2018, subject to confirmation by the shareholders at this annual and special meeting of shareholders of the Corporation. Because By-Law No. 2 - Advance Notice By-Law was adopted shortly before the Meeting, the Board of Directors has indicated pursuant to a press release dated February 21, 2018, that the 30 day prior notice has been waived for purposes of this Meeting to not less than 15 days prior to the Meeting, or March 13, 2018 to ensure that shareholders who may want to provide notice of possible nominations for director elections are provided with adequate time to do so in advance of this Meeting.

In order to become effective, the By-Law No. 2 -Advance Notice By-Law Resolution must be approved by a vote of a majority of the votes cast at the Meeting, in person or by proxy. The Board of Directors recommends approval of the By-Law No. 2 - Advance Notice By-Law Resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BY-LAW NO. 2 - ADVANCE NOTICE BY-LAW RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

NON-ARM'S LENGTH PARTY TRANSACTIONS

As at September 30, 2017, the related party advances from one director, Ron Donaldson, of \$17,143 representing principal and interest, were outstanding. On October 24, 2017, this amount was converted into Common Shares at \$0.24 per share.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Under Canadian securities laws, “informed person” means a director or executive officer of a reporting issuer, a director or executive officer of a person or Corporation that is itself an informed person or subsidiary of a reporting issuer, any person or Corporation who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the reporting issuer (other than certain exemptions).

During the financial year ended September 30, 2017, the Corporation recorded expenses of \$94,000 which were included in general operations and administrative expense for services to the Board of Directors. During the financial year ended September 30, 2017, the Corporation made payments of \$85,000 in outstanding Board fees.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Introduction

The Board of Directors believes that effective corporate governance contributes to improved corporate performance and enhanced shareholder value. The Board of Directors has reviewed the corporate governance best practices identified in National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (collectively, the “CSA Guidelines”). The Board of Directors is committed to ensuring the Corporation follows best practices.

Mandate of the Board

The mandate of the Corporation’s Board of Directors is to provide guidance to the Corporation’s management in the following areas:

- long-term strategic planning
- risk analysis and monitoring of risk management systems
- overseeing the appointment, training and compensation of senior management and monitoring their performance, including succession planning
- establishing and monitoring the Corporation’s communications policy and ensuring that it addresses the feedback and concerns of shareholders in particular
- ensuring the integrity of the Corporation’s systems for internal controls and management information
- developing and implementing the Corporation’s corporate governance guidelines

Composition of the Board

The Corporation's Board currently consists of six directors of which Jane Pagel, Geoff Simonett, Hubert Fleming and Vijay Jog are independent directors as contemplated by the CSA Guidelines (i.e., each is independent of management and free from any interest in and any business or other relationship with the Corporation which could reasonably be expected to interfere with the exercise of the director's judgement). Prior to the annual meeting in March 2017, Ron Clifton, Matthew Heffernan, Jordan Grant and Murray Malley were considered independent directors.

Ms. Pagel replaced Murray Malley as interim Chair and then Chair of the Board of Directors. Mr. Jog replaced Mr. Malley as the Chair of the Audit Committee. The Human Resources and Compensation Committee and the Corporate Governance and Nominating Committee were combined into the Human Resources and Governance Committee. Mr. Fleming took over as Chair of this Committee.

Messrs. Woeller and Donaldson are not independent directors. Mr. Woeller was appointed as a director of the Corporation on November 16, 2012 upon the completion of the Reverse Takeover. Mr. Woeller was appointed CEO on March 20, 2014 and ceased to be CEO on November 30, 2017. Mr. Donaldson is an employee of the Corporation. In determining whether a director is independent, the Board of Directors considers the specific circumstances of a director and the nature, as well as the materiality, of any relationship between the director and the Corporation. All directors are elected annually.

Currently, Jane Pagel is a director of Avalon Advanced Materials ("AML") which is traded on the Toronto Stock Exchange. No other director is a director of any other reporting issuer.

Ms. Jane Pagel has held numerous executive positions in both government and the private sector. Ms. Pagel has served on a number of boards and previously sat on the board of Sustainable Development Technology Canada. She was selected to be part of Canada's Diversity 50 2013 list of board candidates and was Interim President and CEO at Sustainable Development Technology Canada from June 2014 to June 2015. Prior to that, Jane was President and CEO of the Ontario Clean Water Agency (OCWA) from 2010 until her retirement in early 2014. Prior industry positions held by Ms. Pagel include Principal Government and Industrial Relations at Stantec; Senior Vice President and Principal at Jacques Whitford, with more than 45 offices worldwide and over 1,700 employees (acquired by Stantec in 2009); Vice President Government Relations at Philip Services; and President of Zenon Environmental Laboratories. Ms. Pagel also held senior positions at the Ministry of the Environment and was Director of Research and Technology when she left the Ministry in 1990. Ms. Pagel has many years leading medium and large organizations, and has previously served on Human Resource and Compensation Committees.

Mr. Geoff Simonett is an accomplished entrepreneur with over two decades of experience operating and financing early stage companies. As an operator Mr. Simonett has founded, built and successfully exited five companies in industries including Software, Marketing and Financial Services. As an investor, advisor or board member Mr. Simonett has participated in dozens of companies primarily in IT, and CleanTech. Mr. Simonett is currently an Entrepreneur in Residence at the RIC Centre in Mississauga, a board member at Method Integration and a consultant/mentor to multiple early stage technology companies.

Dr. Hubert Fleming is a water industry consultant with a history of leading strategic planning and investment management for global water/infrastructure-based firms. He was Global Director for Hatch Ltd., and formerly Vice President of Zenon Environmental and President of Severn Trent Services. He has served on various US and global organizations, including US EPA, WHO and NATO. He is also the author or co-author of several books, including the Membrane Handbook. Dr. Fleming holds a Ph.D. and

M.S. in Chemical Engineering from Cornell University and is a graduate of the Executive Management Program from the Harvard Business School.

Mr. Ronald Donaldson is a professional geoscientist who has been working in the earth science field for more than 30 years, 25 of which he has spent as an employee of the Corporation and its predecessors. He was VP of Operations for the WESA Group Inc. between 2008 and 2012, and is now responsible for the management of individual projects and client portfolios for multiple sites in multiple jurisdictions, for which he develops and implements comprehensive project management plans. Mr. Donaldson has been a member of and chaired municipal and institutional advisory committees, and has a deep understanding of the professional service sector in which the Corporation operates.

Dr. Vijay Jog is the founder and president of Corporate Renaissance Group (CRGroup), a firm dedicated to driving better business management and performance. He also serves as the Chancellor's Professor at the Sprott School of Business, Carleton University. Dr. Jog's consulting career is global and spans more than 25 years. His clients include private and public companies, major federal government departments, and many other public sector and not-for-profit organizations worldwide. As an academic, Dr. Jog has written five books/monographs, and was recognized as a "Leader in Management Education" in Canada by the National Post in a Canada-wide competition. Dr. Jog is a chemical engineer with a Masters in chemical engineering followed by an MBA and a Ph.D. in Finance.

Mr. Scott MacFabe will commence as CEO of the Corporation on March 1, 2018. Prior to becoming CEO of the Corporation, Mr. MacFabe was CEO President/COO of Industrial and Environmental Division at Kennedy Jenks Consultants from November 2012 to February 16, 2018. From 2009 to 2012, Mr. MacFabe was the Director and Executive VP of Strategic Initiatives Canada, ARCADIS and Director, Industrial/Commercial Business Unit, Malcom Pirnie from 2002 to 2009. From 1985 to 2002, Mr. MacFabe was Senior Hydrogeologist Officer at Dames and Moore. Mr. MacFabe is a hydrogeologist and holds both professional hydrogeology and geology accreditations.

Board Committees

There are two permanent Board of Directors committees: (i) the audit committee (the "Audit Committee"), and (ii) the human resources and governance committee (the "HR & Governance Committee").

The Board of Directors may also appoint other temporary or permanent committees from time to time for particular purposes.

Audit Committee Report

The Audit Committee consists of Vijay Jog (Chair), Geoff Simonett and Hubert Fleming. During the financial year ended September 30, 2017, the Audit Committee met five times.

Each of the members of the Audit Committee is financially literate as defined in National Instrument 52-110 ("NI 52-110"). The education and experience of each member of the Audit Committee is set forth above under the heading "Composition of the Board". Dr. Jog, the Chair of the Audit Committee, Mr. Simonett and Dr. Fleming.

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 exempting the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

The Audit Committee charter was adopted in 2004, and is periodically reviewed by the Audit Committee, and a copy is attached hereto as Schedule “A”. It is also available electronically on the Corporation’s web site at www.blumetric.ca and on www.sedar.com.

The Audit Committee assists the Board of Directors in carrying out its responsibilities relating to corporate accounting and financial reporting practices. The Audit Committee is responsible for reviewing the Corporation’s quarterly and annual financial statements, reviewing internal controls, reviewing the engagement and advice of the Corporation’s auditors, and reporting thereon to the Board of Directors.

The Audit Committee maintains direct communication during the year with the Corporation’s external auditors and the Corporation’s senior officers responsible for accounting and financial matters.

The Audit Committee has recommended to the Board of Directors that the shareholders of the Corporation be requested to re-appoint PricewaterhouseCoopers LLP, Chartered Accountants, as the independent auditor for the year ending September 30, 2018.

External Auditor Service Fees

For the financial years ended September 30, 2016 and September 30, 2017 the fees paid by the Corporation for audit work were as follows:

	Financial Year ended September 30, 2017⁽²⁾	Financial Year ended September 30, 2016⁽¹⁾
Audit fees	\$72,000	\$85,000
Audit related fees	-	17,000
Tax fees - Preparation of Tax Returns	7,000	7,000
All other fees	-	12,351
Total	\$79,000	\$121,351

Notes:

(1) MNP LLP were the auditors for the Corporation for the financial year ended September 30, 2016.

(2) PwC LLP were the auditors for the Corporation for the financial year ended September 30, 2017.

Pursuant to the Audit Committee charter, the Audit Committee approved in advance all auditing services of the external auditors and related fees and terms and all non-audit service mandates including related fees and terms, to the extent permitted by applicable laws.

Human Resources and Governance Committee

The Human Resources and Governance Committee consists of Hubert Fleming (Chair), Jane Pagel and Vijay Jog. The Human Resources and Compensation Committee met three during the period of October 1, 2016 to April 1, 2017 before the Human Resources and Compensation Committee and Corporate Governance and Nominating Committee were combined. The Corporate Governance and Nominating Committee met once during the period October 1, 2016 to April 1, 2017.

See the board biographies above under the heading “Composition of the Board” for the relevant experience of the members in compensation matters.

The HR & Governance Committee is responsible for personnel matters, including performance, compensation and succession. The terms of reference, previously prepared by the Compensation Committee, include reviewing and making recommendations to the Board of Directors with respect of compensation arrangements for executive officers and management succession planning. As part of the Compensation Committee’s mandate is an ongoing review of compensation of executive officers and

directors of the Company, a review of the Company's current compensation model and to recommend changes including the implementation of short-term and long-term incentives for executive officers, other employees and directors of the Company. The HR & Governance Committee is also responsible for executive and board succession planning, monitoring board member effectiveness and performance, governance issues and disclosure policies. The Board of Directors took the lead in the search for the new CEO and for determining the CEO's compensation package.

Code of Ethics

The Corporation adopted a code of ethics (the "Code"). All directors, officers, employees and consultants of the Corporation are expected to be familiar with the Code and adhere to the principles and procedures set forth in the Code that applies to them. The Board of Directors is responsible for the application of the Code to the affairs of the Corporation and the periodic review of the Code. The Code is available electronically on the Corporation's web site at www.blumetric.ca and on www.sedar.com.

ADDITIONAL INFORMATION

The financial statements of the Corporation for the financial year ended September 30, 2017, together with the report of the auditors' thereon, are being mailed to the Shareholders of the Corporation with this Circular. Additional information relating to the Corporation may be obtained on the SEDAR website at www.sedar.com. Shareholders can request copies of the Corporation's financial statements and management's discussion and analysis by emailing their request to ir@blumetric.ca, calling the Corporation at (613) 839-3053, or visiting the website at www.blumetric.ca.

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters should properly come before the Meeting, the Proxy will be voted upon such matters in accordance with the best judgement of the person voting the Proxy.

SHAREHOLDER PROPOSALS FOR NEXT MEETING

Proposals of Shareholders to be presented at the 2018 annual meeting of shareholders of the Corporation in 2019 must be received by the Corporation before the date that is 90 days before the anniversary date of this Meeting to be considered for inclusion in the management proxy circular and form of proxy relating thereto.

APPROVAL BY THE BOARD OF DIRECTORS

The contents of this Management Proxy Circular and the sending thereof to the Shareholders have been approved by the Board of Directors of the Corporation.

DATED at Ottawa, Ontario this 26th day of February, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Jane Pagel

Jane Pagel

Chair of the Board of Directors

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

The Audit Committee is responsible for:

- reviewing our interim and annual financial statements and management’s discussion and analysis related thereto, and all annual and interim earnings press releases before they are publicly disclosed;
- overseeing the work of our external auditors engaged for the purpose of preparing or issuing an audit report or related work;
- ensuring our external auditors report directly to the audit committee throughout the term of their appointment;
- pre-approving all non-audit services to be provided to us or our subsidiaries by our external auditor; and
- recommending to our board of directors the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report (or any related work), as well as the compensation to be paid to the external auditor.

The Audit Committee does the following main things to fulfill these responsibilities:

- meets with management and the external auditors at least once per year;
- meets separately with each of management several times per year and the external auditors at least once per year;
- reviews the annual audit scope and plan as recommended by the auditors;
- analyzes carefully all internal control points raised by the auditors in correspondence with management;
- discusses our compliance with tax and financial reporting rules as issues arise;
- reviews the appropriateness of insurance levels carried by the Corporation;
- reviews the accounting and financial policies and internal controls of the Corporation.

The Audit Committee has the authority to hire, at the Corporation’s expense, independent counsel or advisors to assist the Audit Committee in fulfilling its responsibilities.

SCHEDULE "B"

SHARE ISSUANCE RESOLUTION

WHEREAS, the Corporation and Roger Woeller entered into an agreement dated October 30, 2017 providing for the issuance of common shares of the Corporation at a price of \$0.22 per share, subject to the approval of the shareholders of the Corporation and the approval of the TSX Venture Exchange;

RESOLVED THAT:

1. Subject to the approval of the TSX Venture Exchange, the issuance of up to 1,136,364 common shares of the Corporation, at a price of \$0.22 per share, to Roger Woeller, his RRSP or his affiliates, as part of his departure arrangements with the Corporation be approved; and
2. Any officer or director of the Corporation be and each of them is hereby authorized to execute and deliver all documents and to do all acts and things necessary or desirable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE “C-1”

BY-LAW NO. 1 - GENERAL CORPORATE BY-LAW RESOLUTION

RESOLVED THAT:

1. Pursuant to the *Canada Business Corporations Act*, By-law No. 1 - General Corporate By-Law of the Company in the form attached as Schedule “C-2” to the management proxy circular of the Corporation dated February 26, 2018, is hereby approved, ratified and confirmed; and
2. Any officer or director of the Corporation be and each of them is hereby authorized to execute and deliver all documents and to do all acts and things necessary or desirable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE “C-2”

BY-LAW NO. 1

A BY-LAW RELATING TO THE BUSINESS AND AFFAIRS OF BLUMETRIC ENVIRONMENTAL INC. BLUMETRIC ENVIRONNEMENT INC.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this by-law:

“Act” means the *Canada Business Corporations Act* RSC 1985, c. C-44 and the regulations enacted pursuant to it and any statute and regulations that may be substituted for them, in each case, as amended from time to time;

“articles” means the articles, as that term is defined in the Act, of the Corporation;

“auditor” means the auditor of the Corporation;

“board” means the board of directors of the Corporation;

“by-law” means a by-law of the Corporation;

“Corporation” means the corporation incorporated under the name “BluMetric Environmental Inc. Blumetric environnement inc.”;

“director” means a director of the Corporation;

“electronic document” means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means and that can be read or perceived by a person or by any means;

“officer” has the meaning set forth in the Act but reference to any specific officer is to the individual holding that office of the Corporation;

“person” means an individual, body corporate, partnership, joint venture, trust, unincorporated organization, association, the Crown or any agency or instrumentality thereof, or any entity recognized by law;

“proxyholder” means a person holding a valid proxy for a shareholder;

“shareholder” means a shareholder of the Corporation; and

“voting person” means, in respect of a meeting of shareholders, a shareholder entitled to vote at that meeting, a duly authorized representative of a shareholder entitled to vote at the meeting or a proxyholder entitled to vote at that meeting.

Terms defined in the Act and used herein, unless otherwise defined herein or the context otherwise requires, shall have the same meaning herein as in the Act.

1.2 Number, Gender and Headings

In this by-law, unless the context otherwise requires, words in the singular include the plural and vice-versa and words in one gender include all genders. The insertion of headings in this by-law and its division into Articles, Sections and other subdivisions are for convenience of reference only, and shall not affect the interpretation of this by-law.

1.3 By-Law Subordinate to Other Documents

This by-law is subordinate to, and should be read in conjunction with, the Act, the articles and any unanimous shareholder agreement of the Corporation.

1.4 Computation of Time

The computation of time and any period of days shall be determined in accordance with the Act and the provisions of the Interpretation Act (Canada) and any statute that may be substituted for it, as amended from time to time.

ARTICLE 2 DIRECTORS AND OFFICERS

2.1 Notice of Meeting

- (a) Any director may call a meeting of the board by giving notice stating the time and place of the meeting to each of the directors. Except as otherwise required by the Act, such notice need not specify the purpose of or the business to be transacted at the meeting. Notices of board meetings shall be given in accordance with Section 7.1 no less than 48 hours before the time of the meeting, except that notices sent by mail shall be sent no less than five days before the day of the meeting.
- (b) The board may appoint, by resolution or minutes of a meeting of the board, dates, time and places for regular meetings of the board. A copy of any such resolution shall be given to each director forthwith after being passed, but no other notice is required for any such meeting except where the Act requires the purpose of or the business to be transacted at a meeting to be specified.

2.2 Meetings Without Notice

A meeting of the board may be held without notice immediately following the first or any annual meeting of shareholders.

2.3 Place of Meeting

A meeting of the board may be held at any place within or outside Canada.

2.4 Quorum for Board Meetings

- (a) If there are 1 or 2 directors, all of the directors constitute a quorum at a meeting of the board. If there are 3, 4 or 5 directors, a majority of the directors constitute a quorum at a meeting of the board. Otherwise, such a quorum consists of the next whole number not less than $2/5^{\text{th}}$ of the number of board members. In this section, the “number of board members” is either:

- (i) if a fixed number of directors is provided for in the articles, that number; or
 - (ii) if a minimum and maximum number of directors is provided for in the articles, the total number of directors most recently elected by shareholders, whether at the last annual meeting or otherwise, plus, if applicable, the number of additional directors appointed by the board following such election in accordance with any right provided in the articles which allows such an appointment or appointments and until such an election has been held, the number of board members is the number of directors named in the notice of directors filed with the articles.
- (b) The board shall not transact business at a meeting of directors unless the minimum number of resident Canadian directors required by the Act are present.

2.5 Participation by Communications Facility

A director may, in accordance with the Act and if all directors consent, participate in a meeting of the board or of a committee of the board by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in such a meeting shall be deemed to be present at that meeting.

2.6 Chair of Board Meetings

The Chair of the board shall preside as chair of all meetings of directors. If there is no Chair of the board or if the Chair is not present or is unwilling to act as chair of a board meeting, then the Chief Executive Officer of the Corporation, if present, a director and willing to act, shall preside as chair of the meeting. In any other case, the directors present at the meeting shall choose a director to preside as chair of the meeting.

2.7 Votes at Board Meetings

Each director present at a meeting of the board shall have one vote on each motion arising. Motions arising at meetings of the board shall be decided by a majority vote. The chair of the meeting shall not have a second or casting vote.

2.8 Committees

Subject to the provisions of the Act and unless otherwise determined by the board, each committee of the board shall have power to fix its quorum at not less than the majority of its members, to elect its chair and to regulate its procedures.

2.9 Officers

Each officer shall hold office during the pleasure of the board. Any officer may, however, resign at any time by giving notice to the Corporation.

ARTICLE 3 MEETINGS OF SHAREHOLDERS

3.1 Notice of Shareholders' Meetings

The board may call a meeting of shareholders by causing notice of the time, place and, when required by the Act, purposes of the meeting to be given to each shareholder entitled to vote at the meeting, each director and the auditor. Such notice shall be given no less than 21 days and no more than

60 days before the meeting if the Corporation is a distributing corporation (as defined in the Act) or no less than 10 days and no more than 60 days before the meeting if the Corporation is not a distributing corporation.

3.2 Quorum at Meetings of Shareholders

A quorum at meetings of shareholders consists of two or more voting persons present and authorized to cast in the aggregate not less than 10% of the total number of votes attaching to all shares carrying the right to vote at that meeting.

3.3 Chair of Shareholder Meetings

- (a) The Chair of the board shall preside as chair of all meetings of shareholders. If there is no Chair of the board or the Chair of the board is not present or is unwilling to act as chair of a shareholder meeting, then the Chief Executive Officer of the Corporation shall preside as chair of the meeting if present and willing to act. In any other case, the voting persons present at the meeting shall choose an individual, who need not be a voting person, to preside as chair of the meeting.
- (b) The chair of any meeting of shareholders shall not have a second or casting vote.

3.4 Voting

Unless the chair of a meeting of shareholders directs a ballot or a voting person demands one, each motion shall be voted upon by a show of hands. Each voting person has one vote in a vote by show of hands. A ballot may be directed or demanded either before or after a vote by show of hands. If a ballot is taken, a prior vote by show of hands has no effect. A ballot so directed or demanded shall be taken in such manner as the chair of the meeting shall direct. If a ballot is taken, each voting person shall be entitled with respect to each share which he is entitled to vote at the meeting upon the motion, to one vote or such other number of votes as may be provided by the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said motion. Any vote at a meeting of shareholders may be taken in whole or in part by means of a telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

3.5 Scrutineers

The chair of a meeting of shareholders may appoint for that meeting one or more scrutineers, who need not be voting persons.

3.6 Who May Attend Shareholders' Meeting

The only persons entitled to attend a meeting of shareholders are voting persons, the directors, the auditor and the Chief Executive Officer, if any, as well as others permitted by the chair of the meeting.

3.7 Participation By Communication Facility

Any person entitled to attend a meeting of shareholders may participate in the meeting in accordance with the Act by means of a telephonic, electronic or other communication facility made available by the Corporation that permits all participants to communicate adequately with each other during the meeting and a person participating in a meeting by such means is deemed to be present at the meeting. A meeting of the shareholders called by either the directors or the shareholders may be held

entirely by means of such a telephonic, electronic or other communications facility if the directors or shareholders calling the meeting so determine.

ARTICLE 4 SECURITY CERTIFICATES, DIVIDEND PAYMENTS

4.1 Certificates

Security certificates shall be in such form as the board may approve or the Corporation adopt. The Chief Executive Officer or the board may order the cancellation of any security certificate that has become defaced and the issuance of a replacement certificate for it when the defaced certificate is delivered to the Corporation or to a transfer agent or branch transfer agent of the Corporation.

4.2 Currency of Dividends

Dividends or other distributions payable in cash may be paid to some shareholders in Canadian currency and to other shareholders in equivalent amounts of a currency or currencies other than Canadian currency. The board may declare dividends or other distributions in any currency or in alternative currencies and make such provisions as it deems advisable for the payment of such dividends or other distributions.

ARTICLE 5 SIGNATORIES, INFORMATION

5.1 Signatories

- (a) Except for documents executed in the usual and ordinary course of the Corporation's business, which may be signed by any officer or employee of the Corporation acting within the scope of his or her authority, the following are the only persons authorized to sign any document on behalf of the Corporation:
 - (i) any individual appointed by resolution of the board to sign the specific document, that type of document or documents generally on behalf of the Corporation; or
 - (ii) any director or any officer appointed to office by the board.
- (b) Any document so signed may, but need not, have the corporate seal of the Corporation applied, if there is one.

5.2 Facsimile Signatures

The signature of any individual authorized to sign on behalf of the Corporation may, if specifically authorized by resolution of the board, be written, printed, stamped, engraved, lithographed or otherwise mechanically reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that individual has ceased to hold office when anything so signed is issued or delivered, until revoked by resolution of the board.

5.3 Restriction on Information Disclosed

Except as required by the Act or authorized by the board, no shareholder is entitled by virtue of being a shareholder to disclosure of any information, document or records respecting the Corporation or its business.

ARTICLE 6
PROTECTION AND INDEMNITY

6.1 Limitation of Liability

- (a) Every director and officer in exercising his powers and discharging his duties shall 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. Subject thereto, no director or officer shall be liable for:
- (i) the acts, receipts, neglects or defaults of any other person;
 - (ii) joining in any receipt or other act for conformity;
 - (iii) any loss, damage or expense to the Corporation arising from the insufficiency or deficiency of title to any property acquired by or on behalf of the Corporation;
 - (iv) the insufficiency or deficiency of any security in or upon which any monies of the Corporation are invested;
 - (v) any loss, damage or expense arising from the bankruptcy, insolvency, act or omission of any person with whom any monies, securities or other property of the Corporation are lodged or deposited;
 - (vi) any loss, damage or expense occasioned by any error of judgment or oversight; or
 - (vii) any other loss, damage or expense related to the performance or non-performance of the duties of that individual's office.

6.2 Indemnity of Directors and Officers

- (a) Subject to the limitations contained in the Act, but without limiting the right of the Corporation to indemnify any individual under the Act or otherwise to the full extent permitted by law, the Corporation:
- (i) shall indemnify each director or officer or former director or officer and each other individual who acts or has acted at the Corporation's request as a director or officer, or in a similar capacity, of another person (and each such individual's respective heirs and personal representatives), against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other person, provided:
 - (A) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other person for which the individual acted as a director or officer or in a similar capacity at the Corporation's request; and
 - (B) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful; and

- (ii) may advance monies to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 6.2(a)(i) in accordance with the Act.

Notwithstanding the foregoing, any such indemnity or advance of monies in respect of an action referred to in Section 6.2(a)(i) by or on behalf of the Corporation or other person in respect of which an individual has acted as director or officer or in a similar capacity at the request of the Corporation to procure judgment in its favour shall be subject to approval of a court.

6.3 Indemnities Not Limiting

The provisions of this Article 6 shall be in addition to and not in substitution for or limitation of any rights, immunities and protections to which a person is otherwise entitled.

ARTICLE 7 NOTICES

7.1 Procedure for Giving Notices

Any notice (which term includes any communication or document) to be given pursuant to the Act, the articles, the by-laws or otherwise to a shareholder or other securityholder of the Corporation, director, officer or auditor shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to the person's address as shown in the records of the Corporation or mailed to the person at such address by ordinary mail, postage prepaid, or, if the person consents, provided by electronic document in accordance with the Act. Notice shall not be sent by mail if there is any general interruption of postal services in the municipality in which or to which it is mailed. Any notice so delivered shall be deemed to have been received when it is delivered personally or at the address as aforesaid. Any such notice mailed or provided by electronic document as aforesaid shall be deemed to have been received at the time specified in the Act.

7.2 Facsimile Signatures on Notices

The signature on any notice or other communication or document to be given by the Corporation may be written, printed, stamped, engraved, lithographed or otherwise mechanically reproduced.

7.3 Omission of Notice Does Not Invalidate Actions

All actions taken at a meeting in respect of which a notice has been given shall be valid even if:

- (a) by accident, notice was not given to any person;
- (b) notice was not received by any person; or
- (c) there was an error in a notice that did not affect the substance of the notice.

7.4 Waiver of Notice

Any person entitled to notice under the Act, the articles or the by-laws may waive that notice. Waiver, either before or after the event referred to in the notice, shall cure any defect in giving that notice to such person.

**ARTICLE 8
REPEAL OF FORMER BY-LAWS**

8.1 Former By-Laws May be Repealed

The board may repeal one or more by-laws by passing a by-law that contains provisions to that effect.

8.2 Repeal of By-Laws

By-law No. 2 A by-law relating generally to the transaction of the business and affairs of BLUMETRIC ENVIRONMENTAL INC. BLUMETRIC ENVIRONNEMENT INC. is repealed and replaced by this By-Law No. 1 of the Corporation.

8.3 Effect of Repeal of By-Laws

The repeal of any by-law in whole or part shall not in any way affect the validity of any act done or right, privilege, obligation or liability acquired or incurred thereunder prior to such repeal. All directors, officers and other persons acting under any by-law repealed in whole or part shall continue to act as if elected or appointed under the provisions of this by-law.

SCHEDULE “D-1”

BY-LAW NO. 2 - ADVANCE NOTICE BY-LAW RESOLUTION

RESOLVED THAT:

1. Pursuant to the *Canada Business Corporations Act*, By-law No. 2 - Advance Notice By-Law of the Company in the form attached as Schedule “D-2” to the management proxy circular of the Corporation dated February 25, 2018, is hereby approved, ratified and confirmed; and
2. Any officer or director of the Corporation be and each of them is hereby authorized to execute and deliver all documents and to do all acts and things necessary or desirable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE “D-2”

BY-LAW NO. 2 ADVANCE NOTICE BY-LAW RELATING TO BLUMETRIC ENVIRONMENTAL INC. BLUMETRIC ENVIRONNEMENT INC.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this By-law:

“Act” means the *Canada Business Corporations Act* or any statute which may be substituted therefor, including the regulations thereunder, as amended from time to time;

“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 legislation and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province of Canada;

“Articles” means the articles of the Corporation, as defined in the Act, and includes any amendments thereto;

“Board” means the Board of Directors of the Corporation;

“Corporation” means the corporation incorporated under the name “BluMetric Environmental Inc. Blumetric environnement inc.”;

“Director” means a director of the Corporation as defined in the Act;

“Person” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;

“Public Announcement” means 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 for Electronic Document Analysis and Retrieval at www.sedar.com; and

“Shareholders’ Meeting” means any annual meeting of shareholders of the Corporation or special meeting of shareholders of the Corporation.

1.2 Interpretation

In this By-law:

- (a) words importing the singular include the plural and vice-versa; and words importing gender include all genders;
- (b) and all words used in these By-laws and defined in the Act shall have the meanings given to such words in the Act or in the related Parts thereof.

The headings used throughout these By-laws are inserted for convenience only and are not to be used as an aid in the interpretation of these By-laws.

ARTICLE 2 ADVANCE NOTICE

2.1 Nomination of Directors

- (a) Subject only to the Act and the Articles, only Persons who are nominated in accordance with the provisions of this Section 2.1 shall be eligible for election as Directors. Nominations of Persons for election to the Board may be made at either any annual Shareholders' Meeting or any special Shareholders' Meeting but only if one of the purposes for which such Shareholders' Meeting was called was the election of Directors. Such nominations may be made in the following manner:
 - (i) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (ii) 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 Act, or a requisition for a Shareholders' Meeting made in accordance with the provisions of the Act; or
 - (iii) by any Person (a "Nominating Shareholder") who: (1) at the close of business on the date of the giving of the notice provided below in this Section 2.1 and on the record date for notice of such Shareholders' Meeting, is entered in the securities register of the Corporation as a holder of one or more shares in the capital of the Corporation carrying the right to vote at such Shareholders' Meeting or who beneficially owns shares in the capital of the Corporation that are entitled to be voted at such Shareholders' Meeting; and (2) complies with the notice procedures set forth below in this Section 2.1.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the principal executive offices of the Corporation.
- (c) To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must be made:
 - (i) in the case of an annual Shareholders' Meeting, not less than 30 nor more than 65 days prior to the date of such annual Shareholders' Meeting; provided, however, that if such annual Shareholders' Meeting 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 such annual Shareholders' meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) date following the Notice Date; and
 - (ii) in the case of a special Shareholders' Meeting (which is not also an annual Shareholders' Meeting) 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 such special Shareholders' Meeting was made.

- (d) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth:
- (i) as to each Person whom the Nominating Shareholder proposes to nominate for election as a Director: (1) the name, age, business address and residential address of such Person; (2) the principal occupation or employment of such Person; (3) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by such Person as of the record date for the applicable Shareholders' Meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (4) any other information relating to such Person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for the election of Directors pursuant to the Act and Applicable Securities Laws; and
 - (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares in the capital of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an "independent" Director or that could be material to a reasonable shareholder's understanding of such "independence", or the lack thereof, of such proposed nominee.

- (e) No Person shall be eligible for election as a Director unless nominated in accordance with the provisions of this Section 2.1 provided, however, that nothing in this Section 2.1 shall be deemed to preclude discussion by a shareholder of the Corporation (as distinct from the nomination of Directors) at a Shareholders' Meeting of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act.
- (f) The chairman of a Shareholders' Meeting shall have the power and duty to determine whether a nomination has been made in accordance with the procedures set forth in the foregoing provisions of this Section 2.1 at such Shareholders' Meeting and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded. A duly appointed proxy holder of the Nominating Shareholder is entitled to nominate at a meeting of shareholders the directors nominated by the Nominating Shareholder, provided all of the requirements of this Section 2.1 have been satisfied.
- (g) Notwithstanding any other provision of this Section 2.1, notice given to the Corporate Secretary of the Corporation may only be given by personal delivery, fax transmission or by e-mail (at such e-mail address as stipulated from time to time by the Corporate Secretary of the Corporation for the purpose of any such notice), and shall be deemed to have been given and made only at the time it is so served by personal delivery, fax (provided that receipt of confirmation of such fax has been received) or e-mail to the Corporate Secretary of the Corporation at the address of the principal executive offices of the Corporation; provided, however, that if any such delivery or electronic

communication is made on a day which is not a business day in the City of Ottawa, Canada or later than 5:00 p.m. (Ottawa time) on a day which is a business day in the City of Ottawa, Canada, then such delivery or electronic communication shall be deemed to have been made on the next subsequent day that is a business day in the City of Ottawa, Canada.

- (h) Notwithstanding the foregoing provisions of this Section 2.1, the Board may, in its sole discretion, waive any requirement in this Section 2.1.

ARTICLE 3 MISCELLANEOUS

3.1 Effective Date

Subject to confirmation by the shareholders of the Corporation in accordance with the Act, these By-laws shall come into force on the date approved by the Board.

SCHEDULE “E”
CHANGE OF AUDITOR PACKAGE



To: British Columbia Securities Commission
Alberta Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
TSX Venture Exchange
MNP LLP
PricewaterhouseCoopers LLP

Re: **Notice of Change of Auditor pursuant to National Instrument 51-102**

BluMetric Environmental Inc. (the “Corporation”) wishes to advise that the Corporation’s auditor MNP LLP (“MNP”), has resigned effective October 23, 2017 at the request of the Corporation. The Board of Directors of the Corporation resolved on October 25, 2017, that PricewaterhouseCoopers LLP (“PwC”) be appointed as successor auditor to fill the vacancy in the position of auditor of the Corporation.

The resignation of MNP and the appointment of PwC have been considered and approved by the Corporation’s Audit Committee and Board of Directors. The Corporation’s Audit Committee has reviewed the documents relating to the change of auditor.

There have been no reservations or modified opinions contained in the audit reports of MNP for the two most recently completed fiscal years ended September 30, 2016 and 2015 and any prior period. There are no reportable events (as defined in National Instrument 51-102) between the Corporation and MNP, and there have been no qualified opinions or denial of opinion of MNP.

Dated in Ottawa, Ontario, effective this 31st day of October 2017

BluMetric Environmental Inc.

A handwritten signature in dark ink, appearing to read "V. Karalskos".

Vivian Karalskos
CFO



Tel. 613-839-3053
Fax. 613-839-5376

BluMetric Environmental Inc.
3108 Carp Road, PO Box 430, Ottawa, Ontario, Canada K0A 1L0

www.blumetric.ca



October 31, 2017

TO: British Columbia Securities Commission
Alberta Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

Re: BluMetric Environmental Inc. (“BLM”)

Notice of Change of Auditor

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change in auditor notice of BLM dated October 31, 2017 (the “**Notice**”) and, based on our knowledge of such information at this time, we agree with the statements contained in the final paragraph in the Notice. We have no basis to agree or disagree with statements contained in the remainder of the Notice.

Yours very truly,

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants



ACCOUNTING › CONSULTING › TAX
110 – 495 RICHMOND ROAD, OTTAWA ON, K2A 4B2
MNP.ca



October 31, 2017

To: British Columbia Securities Commission
Alberta Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

We have read the statements made by BluMetric Environmental Inc. in the attached copy of change of auditor notice dated October 31, 2017, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated October 31, 2017.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

PricewaterhouseCoopers LLP
99 Bank Street, Suite 710, Ottawa, Ontario, Canada K1P 1E4
T: +1 613 237 3702, F: +1 613 237 3963, www.pwc.com/ca

*PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

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