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DATE: JANUARY 11, 2010

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HUGH BOLTON (Chair, Board of Directors, Matrikon Inc.): Good afternoon ladies and gentlemen, and welcome to Matrikon's Annual Shareholders' Meeting. I'd like to thank all—to also welcome those who are joining us—our meeting today via the webcast, and thank you for joining us today. My name is Hugh Bolton, or a lot of people think I used to look like Hugh Bolton, and I'm the Chair of Matrikon's Board of Directors.

Our meeting will begin by attending to the formal business matters described in the information circular and that was mailed to all shareholders in November. Once these matters have been dealt with, our CEO, Nizar Somji, will give a fairly brief presentation; and following that we'll open the floor to questions. I'd like to remind the webcast audience that they do not need to wait for the question and answer session to submit their questions. They may do so at any time by sending an email to, all lower case, ir@matrikon.com.

In order to efficiently get through the formal business of this meeting, we have prearranged with designated shareholders to make and second the required formal motions. This is not intended to discourage your comments or questions, but—so therefore, feel free to speak on any matter at the appropriate time.

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A number of people are present today who are not shareholders. Are there any objections to the presence of these guests? As there are—at least I see no objections, we welcome our guests but ask that they refrain from voting. Seems obvious to me but you never know.

Before we continue, I have the pleasure of introducing you to our Board of Directors. And to the Board members, please, when I call your name, please stand up and look like you're really happy and face the audience and stay standing until I've gone through the whole list; and then I ask the audience, if they feel like it, they can give them a round of applause after the end of such introductions.

From Calgary, Kent Jespersen, Chair and CEO of La Jolla Resources, an advisory and investment firm. From Orange County, California, Dr. Robert Moore, President of CalVentureTech. From Edmonton, Dr. Michael Percy, Dean at the Faculty of Business at the University of Alberta. From Edmonton, Janice Rennie, an independent Director and Business Advisor, and Chair of our Audit Committee. I should have introduced Eric as Chair of the Human Resources—Kent is the Chair of the Human Resources and the Compensation Committee, and who is the other Chair? That's it. We only have two committees. I'll get through this, just hang on there. And from New York, Eric Rosenfeld, President

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and CEO of Crescendo Partners, an investment firm. Doesn't say a hedge fund here. It says an investment firm. And from Edmonton, our founder and esteemed President and CEO, Nizar J. Somji. Now if you feel like it, you can indicate whether you think they're worth an applause or not.

Well, I screwed that up but we'll see how we go from here. Each of these Directors is up for reelection today, and we'd like to thank them for their years of service and continuing commitment to Matrikon.

Several members of Matrikon's executive leadership team are also in the attendance today, and I'd like to point them out to you and I'd like them to stand and, if you feel like it, you can give them a round of applause: Gordon Freund, our General Counsel; John Chia, our Chief Financial Officer; Floyd Bjorgan, our Vice President of Operations. Is Mike Brown here? No. Sean Leonard? No. But I saw Jeff Gould sneak in. He's just a plain old Vice President of everything.

Okay, the meeting will now come to order and Gordon Freund will act as Secretary for the meeting and Kevin Danard of Valiant Trust will act as Scrutineer.

UNIDENTIFIED SPEAKER: Mr. Chairman, I have proof that notice of this meeting has been properly served. This proof is certified by Matrikon's transfer (phon) agent and I wish to table it with you.

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HUGH BOLTON: Thank you. As the notice of this meeting has been properly given, I would request a motion dispensing with the reading of notice.

UNIDENTIFIED SPEAKER: I move that the reading of the notice be dispensed with.

UNIDENTIFIED SPEAKER: And I second the motion.

HUGH BOLTON: All those in favour, please signify by a show of hand. (Unintelligible). Contrary? That motion is carried. I ask the Secretary to keep a copy of the notice and the proof of service with the records of the meeting.

So the Scrutineer has reported on the shareholders in attendance at this meeting. I have a duly signed certified copy of the Interim Scrutineer's Report which says I, the undersigned Scrutineer, hereby report the following: number of registered shareholders and duly appointed proxy holders present: seven. Common shares represented by registered shareholders in person, and am I listing Nizar? 115,256. Number of proxies received: 49. Common shares represented by proxy: 11,599,228. Accordingly, a total of 55 shareholders are represented in person or by proxy holding a total of 11,714,484 voting shares or a total of

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37.43 percent of the total outstanding voting shares. This is signed by Kevin Danard, Scrutineer, dated today.

Accordingly, Matrikon's bylaws specify that the quorum required for the transaction of business at a shareholders' meeting is two shareholders present and in person or by proxy, and Kevin has advised me these criteria have been satisfied; therefore, we have a quorum. Long ways of saying we have a quorum. All those in favour, please signify—what's that? Oh. Why are you laughing? Just because the Chairman doesn't know what the hell he's doing doesn't mean that this Company isn't well run! Well, it's true. I now declare the meeting is regularly called and properly constituted for the transaction of business. In the interest of time, I would like to request a motion to dispense with the reading of the minutes of Matrikon's last annual GM of shareholders, which was held on December 11, 2008.

UNIDENTIFIED SPEAKER: I move that the reading of the minutes of the last annual general meeting of shareholders be dispensed with.

UNIDENTIFIED SPEAKER: I second the motion.

HUGH BOLTON: All those in favour, please signify in the usual manner. Contrary-minded? That motion is carried.

The next item of business is the presentation of the financial statements for the period ended August 31, 2009 and the related Auditor's

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Report. When you received the notice of meeting, you also received Matrikon's Annual Report containing the financial statements and the Auditor's Report, and as you have had an opportunity to review this material, I would request a motion dispensing with the reading of the Report and statements.

UNIDENTIFIED SPEAKER: I move that the reading of the financial statements for the period ending August 31, 2009 together with the Auditor's Report be dispensed with.

UNIDENTIFIED SPEAKER: I second the motion.

HUGH BOLTON: All those in favour, please signify in the usual manner. Contrary? That motion is carried.

The next item of business is the appointment of auditors and I ask for a resolution in that regard.

UNIDENTIFIED SPEAKER: I move that KPMG LLP, Chartered Accountants be appointed as Matrikon's auditors until the next annual meeting or until a successor is appointed at remuneration to be determined by Matrikon's Board of Directors.

UNIDENTIFIED SPEAKER: I second the motion.

HUGH BOLTON: Now, this is the part the auditors enjoy most because this motion is now open for discussion. Is there any discussion?

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Because there is no discussion, I ask that those in favour of the motion simply signify in the usual manner. Contrary? That motion is carried.

The next item of business is the election of Directors. Each Director elected today will hold office until the next annual general meeting unless his or her office is earlier vacated. The seven management nominees are listed in the information circular and are proposed—and that are proposed for election are myself, Hugh Bolton; C. Kent Jespersen, Robert L. Moore, Michael V. Percy, Janice G. Rennie, Eric Rosenfeld, and Nizar J. Somji. Before I ask for further nominations, I should advise that the proxies received are sufficient to elect management's nominees. If any shareholder present has other nominees that they wish to propose for consideration, we would be pleased to take their names for consideration for future elections. In light of this, are there any further nominations from the floor? Any nominations from the floor? The nominations for Directors is now closed.

UNIDENTIFIED SPEAKER: I move that Hugh J. Bolton, C. Kent Jespersen, Robert L. Moore, Michael V. Percy, Janice G. Rennie, Eric Rosenfeld, and Nizar J. Somji be elected to serve as Directors of Matrikon.

UNIDENTIFIED SPEAKER: I second the motion.

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HUGH BOLTON: And this motion is now open for discussion. If there is no further discussion, I ask for all those in favour to signify in the usual manner. Contrary? Carried. Those Directors mentioned are hereby elected as Directors of Matrikon. They will serve as Directors until the next annual general meeting or until their office is earlier vacated.

This, you'll be glad to know, ladies and gentlemen, concludes the formal business of the annual general meeting as described in the notice of meeting unless there is any further business to be brought before the meeting. Seeing none, I'd like to turn the meeting over, then, to Nizar Somji, Matrikon's President and CEO, for a brief presentation followed by a question and answer session.

NIZAR J. SOMJI (President, Chief Executive Officer, Matrikon Inc.): Thank you Hugh. Can you—can you all hear me? Okay. As is normal with all presentations that I give, they all have forward-looking statements. Any messages I give you may be forward-looking and of course there's a section in our Annual Report that tells you all about forward-looking statements. But hopefully I'll give you a good feel for where we are and where we are going as we go today.

I just wanted to inform those who are on the webcast that we announced our results at 2:00 today and so it was impossible to upload the

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Q1 results onto the slide that I'm about to show you, but those results are now available on the web for you to access. So the results were announced at 2:00 today and there's a link on the package itself that you received to actually go look at the results.

So as we move forward to the results, as you might imagine, if you've been reading a lot about Matrikon over the last four or five months, the expectation would be that this would be an amazing quarter and it was. We had record revenues of just over 25 million and about \$0.09 a share, and you have to kind of put that in the context of a very strong Canadian dollar to actually get to these numbers, so the currencies did not work in our favour this quarter as usually they would, and so this is actually quite a remarkable achievement for the Company having gone to the numbers we have. I think there's some really good things that have happened since July and so I'm going to go through those.

If you look at the quarter itself, we had just over \$13 million in consulting revenue which is a new record for the Company. As well, we had announced earlier a large network security job with a client out in the United States, and that job was at about 14 million and change. As a result of a number of change orders, that project is now closing in on \$17 million. So we've been able to take that business and grow, and with

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Sam (phon) who just happens to be sitting here, he's one of the project managers on that job, so done a tremendous job through Christmas. And the remarkable part about the job was our client was facing \$1 million a day in fines had we not achieved—accomplished what we did by December 31, and a lot of young men and women from Matrikon worked hard through Christmas to get them to that stage, so we have a very satisfied client with whom we hope to continue to grow our business.

If you go to the product revenue, we had strong product revenue in the quarter. We actually had a major corporate win in Germany that is included in here which I think, given what's happening to the German petrochemical market space, you know, with the downturn in the economy, this again was a major accomplishment by our German office to win this job. We also announced earlier \$15.7 million U.S. of well (phon) performance monitoring with a large Middle East organization, and earlier this morning we announced that Statoil had selected Matrikon for their virtual visualization project. All these projects that we've won over the last little bit are a testament, if you like, to the fact that although—although 2009, the results of which you approved today, was not a stellar year by any means, but it was a year in which we survived. As many companies around the globe did, they needed to survive, and we survived. And we

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survived by not really taking any hits in terms of losing a lot of people or cutting down on R&D expenditures or reducing staffing levels, or making any major changes with the knowledge that after the turnaround the business would be there; and as a result of that, you've seen record revenues in this quarter and we hope that we can continue to drive the business moving forward.

The net income was solid, you know, subject to all the currency—the strength of the Canadian dollar. It was a little bit lower than I thought we would go, but clearly it matches as close to the first quarter of a year ago so that's a pretty good sign for us, right? The key there is that the recent project wins, particularly in the Middle East and with Statoil and so on, are yet a confirmation that our industry products such as solutions, especially well performance monitoring, are finally beginning to take off, right, in a much larger way as we had anticipated the value that we deliver. And Floyd here happened to spend many nights in Norway actually working to get the Statoil contract done, and so good to see Floyd. You're back in the cold here, but Floyd and I headed to visit Statoil in Norway this—on Friday, so hopefully we can continue to build a strong relationship there as well.

So the question, I guess, that everyone is wondering and is—what's going to happen next? Because every time a quarter is up or a year is up,

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nobody—they give me five, 10 minutes to worry about that and say okay, but what next? And we believe that I think a year later, if you had drawn a line from 2008, '09, '10 and you'd drawn a line, and you'd miss 2009 probably in a way that we didn't want to, but the global economic crisis had its hold, you'll see that we have caught up and are continuing to now drive forward. The solutions that I think we have sold as well as anticipated recovery in the mining business, I think, will allow us to continue to grow our business moving into the future. But the key to almost anything we do is to really go—is to have a strategy and a plan that allows us not only to win business today but to remain ahead of the competition moving forward. And so my hope, I guess, is to spend the next 10 minutes sharing with you what are our game-changing technology is and how we have moved forward.

So if you look at the 70's and 80's, and for those who have been in this business for a while, you'll see that we spent a lot of time with automation and collecting the data and getting this data, and our question always was, well, what do we do with all this data, right? And then came the decade of the late 80's and into the 90's is really to be able to take this data and make it accessible around to everybody who wanted to see it and look at the performance—view the performance of what is happening,

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right? And now as we get into the 90's and into the early 2000's, we spent a lot of time helping our clients optimize their processes, understand real high-level analyses, understand where they're going, what is happening to their processes, right? And if you really look at this—if you look at this whole chart, what we've done is we've continued to grow the amount of data and information our clients continue to receive, right? And you yourselves, if you look at yourselves whether through the Internet or other models, you've also been receiving a lot of information in whatever business you are in or whatever you do, right? And so really we look at this decade, the next decade, if you like, is what I call the decade of action. It's how am I going to make money from this information and this data. And so our game-changing technology, if you like, is really the next generation of technology invades (phon) workflow, which is the ability to actually take all this information and drive a business process to get the results you're looking for, right?

And the challenges from an industrial perspective haven't changed. In fact, they have become much more stringent than they were before, especially from the environmental standpoint, regulatory standpoint, even if you think about security standpoint, and a couple of our Board members are heading back to the U.S. and the concept was, you know, you could

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wade through hours of search. Now, you know, as the security threat continues to grow, the business will also continue to grow in that area, if you like, right? Because if you look at it, the threat is not going away any time soon and major producing facilities will have to, you know—will have to worry about network security and infiltration of their network. So you will see a continued growth in that area of business as you will see in many of the other things, right?

So if you go forward, all right—if you look at our evolution as a Company from a software development standpoint and so on, we were the connectivity experts in the 80's and 90's. We were also the data storage experts, right? Essentially, we would collect anything you want, find ways of bringing this data, store it for long periods of time, give you all the reports and make all this data accessible. And then, to be—you know, in reality we figured out that this data was really being wasted in many ways, right? And so we found a way to be able to say, let's analyze this data, so we translated information so that you actually have a good understanding of what is happening in your process. And I recall one of the clients I'd been to visit and a question I posed to him, he says, you know with the analysis of data we're giving you, we should be able to predict when you will have a failure and it will be 20 minutes or an hour or a day before it

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happens. And he sat me down and he says, so what? So what? So that started in our minds a concept to say that not only do we need to analyze and predict these things, we also need to provide an understanding of why, (a); and (b) more critically, what can be done so that this can be alleviated and that it actually creates a level of benefit for them, right?

And so the next generation of Matrikon technology which I will talk about briefly, enables—we brought this whole concept of bringing information in context. Once you contextualize the information, you can allow a sense of collaboration both locally and globally, and beyond that, then be able to take action not on a micro level but also at a macro level, also at a global level, in terms of driving your performance.

So if we move forward, right, one of the real challenges of (inaudible) of data is you need to find ways to contextualize that data so that you can understand it. Now if you have five or 10 pieces of data, it's okay. If you're looking at tens of thousands of pieces of data, you need to be able to contextualize it in a manner that allows you to not only view but make sense of what you're looking at, right? And so we have in this next generation of technology put together what we believe, right, are the most recent technology to essentially map and be able to refer to this data on a

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more global basis. And we believe we are much further ahead from our peers in this industry in bringing this level of contextualization to the space.

So if you go forward, all right, and you look at a plant—and this is a nice picture of a plant, but what’s going on there is a lot of discussions, right? And if you click on—if you go to the next slide, you will see that everybody in this plant has a different job, and every job requires the same information sometimes but different information packaged in a way that makes sense to that individual business, right? And so the Executive Vice President, for example, is really more concerned about production targets, right, whereas the maintenance guy is concerned about making sure that the equipment is going to be able to handle and manage to allow them to hit the production targets that they need.

So there’s a series of people here who all have their own, if you like, their own jobs, their own desires. And the information that’s collected needs to be contextualized so that it makes sense for all of them. If we go to the next slide, right, and within this—within this organization, if you like, is the ability to bring together different pieces, types of information in a way that makes sense. And so what I’m going to show you now is Matrikon’s first marketing video to talk about this, and for those who are on the

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webcast, you're not going to see it as we show it here but you can click on that link and you can see it on your computers where you are.

[Video presentation]

So context is like a 3,000-piece orchestra and the technology is the conductor who is trying to bring all these different notes so that all come together to play amazing music. I'm sure as you listen to this music, you may think, well was it nice to the ear or not? It's pretty good music but it's about trying to create music so that it works for every individual as well, which we were unable to show here but if you imagine a 300—3,000-piece orchestra and each person sitting in that room has a different set of earphones listening to different music as it's mixed for you, that's really the power of contextualizing data, if you like.

If we go to the next level, right, and so you know how about Einstein's comment here – information is not knowledge. The only source of knowledge, of course, is experience. And that's what we bring. If we go to the next stage here, right? The next stage, of course, is in a global organization is to be able to collaborate and to allow a global collaboration of the same information. And I think I believe that our technology that enables collaboration was key to our winning the project we announced this morning, Statoil. It was that I think that they went through an

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exhaustive search of companies globally and we came up because I think the strength we brought in collaboration is quite dramatic. And I think the whole issue of collaboration is in a global world you all live in different countries, look at things in a different way. And are you able to now enable our clients so that, as an example, if you are a large cement company with operations in Mexico, Egypt, Germany, elsewhere, so that if you are an Egyptian traveling to Mexico, you're able to look at the Mexican plant in your own language, in your own units, in your own level of understanding, and conversely you can do the same elsewhere, and that you can do without any additional technology. So if you look at the screen, you know, as an example here, you've got various—you have people on our conference call talking about different documents, connecting live data and looking at live information. And then if you look at the reports, for example, click on a couple of reports there—someone is looking at this report in English while the other person is looking at this same report in—is it German? Yes, in German, all right? And it's all simultaneously happening all at the same time, right, and with no additional work required. That's really the strength of collaboration. Bringing people together and bringing things together.

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So if you go—if we go forward there, right, and the question really in life has always been, there are people who come around who have many ideas, right? What's lacking are those who can execute, right, and this is an example, right? If you look at that (inaudible) who transformed the sun to a yellow spot where the others who with the help of the arc and their intelligence transform a yellow spot into the sun.

So that's really where innovation comes, if you like, if you move forward on that. So the next step in our lifeline is really action, right? If you've contextualized and collaborated, if you don't take the action—and there are many examples that one can look at, right? Do we have an example of going forward here? Yes, we do. And if you look at in our industry, and I can give you one that's not related to industry, but you have a tremendous amount of variability in your process, right? And you buy technology from Matrikon that allows you to remove variability, right? And at this point you have a process that is not wearing as much, but really you haven't done anything. You haven't made any more money because your average hasn't changed, right? So the next step is to enable you to take action which is change the set point so that you reach a higher level set point for an optimize so that you get the benefit of doing that. And the challenge we have had many times over is many times we stop at this

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improved control and, you know, from a technology standpoint, technology guys are saying excited, you know? I've been able to reduce variability to nothing, which is really great. But unless you move that set point, there is no money to be made.

Now I've given this—you know, this example—you know, someone goes to the doctor and says, you know, I have a heart condition, right? And the doctor prescribes—does the analyses and prescribes a series of changes this individual has to do to their lifestyle to be able to manage it. And I think that's the part that's good. Now if that lifestyle change is not done, right, then clearly there is no benefit to that analysis, right? All it does actually is drive fear in the individual if you are not making the lifestyle change. And that's really where we were at in the early part of this—of 2000. This is the decade, we believe, a decade of action where there is going to be a huge demand on action and be able to take action as a result of this analysis to drive performance.

And at Matrikon, we believe many times, right, that if you think about any situation, the best thing, of course, is to do the right thing. The next best thing is to do the wrong thing. The worst thing to do is to do nothing, right? And there's a general comment around the Company, if you've heard this, and Floyd will attest to it. Nobody's ever been fired for doing

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the wrong thing, but there's a real problem for doing nothing, right? And that, I think, is true not only for our organization but for our clients as well.

So you know, we have technology, for example, that predicts that a pump will fail within a certain amount of time and the idea is to create the level of automation so that if we go through the series of cycles where the workflows are initiated, where the spare parts are purchased, where the maintenance department is informed, where the change actually occurs and monitored back to drive performance. That's really where the decade of action is going and that's where we, as a Company, are also going.

Okay, so one of the things that I think we have been able to accomplish, and I know you'll say 2009 you didn't anticipate as well and I'm sure nobody did as well, but the key for us as an organization is to be able to anticipate. Anticipate changes in technology, anticipate changes in the requirements for our clients, anticipate what is going to happen. One of the things we do for our clients is enable them to anticipate by using the data, using their knowledge and our understanding of their business is being able to—enables them to anticipate so that they can push performance to different limits, right? And I think that one of the things that we have shown as a global company is that not only do we have a level of commitment to both having leading-edge technologies, driving

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performance, and ensuring that our clients deliver value, but also making that commitment personal. So I want to show you the second in the series of videos that—which is the newest, and for those again on the webcast, you can click on that link and you'll find it on our website.

[Video presentation]

Okay, on that note, I want to again thank you for your patience in 2009 with a difficult year, but as you've seen through the first quarter results that we believe that we've turned the corner to a bigger and brighter future, not just for our shareholders but also for our employees and our clients. So thank you.

HUGH BOLTON: Thank you Nizar. Ladies and gentlemen, we invite you now to ask questions. If you have a question, please raise your hand and wait for a microphone to be brought to you so that our webcast audience can also hear your question. Our webcast audience can ask a question by emailing the question to ir@matrikon.com. Questions? Yes sir.

UNIDENTIFIED SPEAKER: According to—is it on? According to most people, the U.S. dollar will probably be fairly weak for some time to come. Is Matrikon hedging or anything of the sort to try to protect against the downside in the U.S. dollar?

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UNIDENTIFIED SPEAKER: We are, but most of our hedging activities just revolve around controlling or managing our cash flow and our cash exposure risk. We don't—we don't hedge, necessarily, for the balance sheet—or for the financial statements or the presentation of our financial statements. But we are actively managing that side of the business. But foreign exchange isn't obviously the main driver of business so it's not a primary focus to generate income, but we do manage it and manage from a risk perspective. Does that answer your question?

HUGH BOLTON: Questions?

UNIDENTIFIED SPEAKER: You have a question from (unintelligible).

HUGH BOLTON: Okay.

UNIDENTIFIED SPEAKER: This is a question that came from someone on our webcast and it is, comparing 2009's information circular with 2004's information circular, I see that total Board compensation has more than doubled. During the same five-year period, the Company's share price is essentially unchanged. Can you please comment?

HUGH BOLTON: Yes, I'd be glad to comment on that. I think the question—whoever asked the question is looking at the 2009 compensation the Board received as set out in the information circular on

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Page 11. And most of you who have read that document will see that the Board established a special committee during the year to support certain ongoing initiatives. For legal reasons and for competitive reasons, we cannot discuss those initiatives other than to say the special committee actually did real work – it was chaired by Kent Jespersen. And for that the Directors received compensation as set out in the information circular. But I suspect if you take that set of special circumstances out of that equation as articulated by the person asking the question, you'll find that indeed the Board compensation has not gone up. In fact, it has gone down if you go back to 2001 when we were paying Directors by meetings and by attendance at certain functions sort of thing, plus a retainer plus options sort of thing. So that all went to a situation whereby the Directors get a fixed retainer and a fixed amount for—you know, doing what they're good at, frankly, and that's the oversight of the management of your Company. Long-winded way of saying I disagree with the conclusion of that question answerer—or poser, and the reason for that is 2009 was a special set of circumstances. I hope that answers that person's question.

Are there no more questions? Oh my goodness. Nothing on the web? Nothing on the web?

UNIDENTIFIED SPEAKER: Not (unintelligible).

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HUGH BOLTON: Okay.

UNIDENTIFIED SPEAKER: One more. One more. One more.

HUGH BOLTON: Sorry. Good.

UNIDENTIFIED SPEAKER: There—you have various software to help control the electrical grid, correct?

NIZAR SOMJI: Not the electrical grid but the electrical generation.

UNIDENTIFIED SPEAKER: Oh, okay then I guess the question is irrelevant.

HUGH BOLTON: One more chance. Okay, if there are no more questions and if there are—there is no further business to be brought forward, I ask for a motion to terminate the meeting.

UNIDENTIFIED SPEAKER: I move the meeting be terminated.

UNIDENTIFIED SPEAKER: And I second the motion.

HUGH BOLTON: All those in favour, signify in the usual manner. That motion is carried and I declare the meeting terminated. Thank you again for attending.

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