



**AI/ML INNOVATIONS INC.**

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

to be held on February 21, 2025

NOTICE OF MEETING  
and  
MANAGEMENT INFORMATION CIRCULAR

**January 9, 2025**



## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that an Annual General and Special Meeting of the shareholders (the “**Shareholders**”) of AI/ ML Innovations Inc. (“**AIML**” or the “**Company**”) will be virtually on Friday, February 21, 2025, at 10:00 a.m. (Pacific time) (the “**Meeting**”) for the following matters, as more particularly described in the accompanying management information circular dated January 9, 2025 (the “**Circular**”):

- 1 to receive the Company’s audited financial statements for the financial year ended April 30, 2024;
- 2 to appoint Baker Tilly WM LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors to fix the auditor’s remuneration;
- 3 to set the number of directors at three (3);
- 4 to elect the directors of the Company for the ensuing year;
- 5 to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution relating to the approval of the Company’s stock option plan;
- 6 to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution relating to the approval of the restricted share unit and deferred share unit plan of the Company; and
- 7 to transact any other business that may properly come before the Meeting, or any adjournment(s) thereof.

Join the Meeting:

<https://us06web.zoom.us/j/85723367897?pwd=Dbaok5MVdGOKIRFY5kIPJZEqiQe4kF.1>

Webinar ID: 857 2336 7897 | Passcode: 445601

Accompanying this Notice of Meeting (the “**Notice**”) are: the Circular, which provides additional information pertaining to the matters to be dealt with at the Meeting; and a Form of Proxy or Voting Information Form (the “**VIF**”).

The Company’s Board has fixed December 30, 2024 as the record date (the “**Record Date**”) for the determination of Shareholders entitled to notice of, and to vote at, the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Circular.

If you are a *registered Shareholder* of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and deliver or mail it in the enclosed envelope to Endeavor Trust Corporation, Suite 702 – 777 Hornby Street, Vancouver, B.C., V6Z 1S4, Attention: Proxy Department, facsimile (604) 559-8908 or email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com). In order to be valid and acted upon at

the Meeting or any adjournment thereof, proxies must be received at the aforesaid address not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of the Meeting or any adjournment thereof.

If you are a *non-registered Shareholder* of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (in any case, an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

The Company is using the notice-and-access provisions under the Canadian Securities Administrators’ *National Instrument 54-101 (“Notice and Access Provisions”)* for the delivery of its Circular to its Shareholders for the Meeting. Under Notice and Access Provisions, instead of receiving paper copies of the Circular, Shareholders will be receiving a Notice and Access notification with information on how they may obtain a copy of the Circular electronically or request a paper copy. Registered Shareholders will still receive a Proxy form enabling them to vote at the Meeting. The use of the alternative Notice and Access Provisions in connection with the Meeting helps reduce paper use, as well as the Company’s printing and mailing costs. The Company will arrange to mail paper copies of the Circular to those registered Shareholders who have existing instructions on their account to receive paper copies of the Company’s Meeting materials.

The Circular and other Meeting materials will be available on the Company’s website at [www.aiml-innovations.com](http://www.aiml-innovations.com) and will remain on the website for one full year thereafter. Meeting materials are also available upon request, without charge, by email at [info@aiml-innovations.ca](mailto:info@aiml-innovations.ca) or by calling toll free at 1-833-751-0882, or can be accessed online under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) as of January 22, 2025.

DATED at Victoria, British Columbia this 9th day of January, 2025

By Order of the Board of Directors

**AI/ML Innovations Inc.**

(signed) “*Mark Orsmond*”

Mark Orsmond  
Executive Chairman



## AI/ML INNOVATIONS INC.

### INFORMATION CIRCULAR

This management information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management AI/ML Innovations Inc. (the "**Company**" or "**AIML**") for use at the Annual General and Special Meeting of the shareholders of the Company (the "**Shareholders**") to be held on Friday, February 21, 2025 at 10:00 a.m. (Pacific time) (the "**Meeting**"), and any adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting.

The Meeting will be held in virtual format only with access by phone or online, and there will be no physical meeting location. Therefore, the Shareholders of the Company, regardless of location, will have an equal opportunity to participate at the Meeting. Please note that only registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting by providing their full name. On the day of the Meeting, you should log into the Meeting by 9:45 a.m. (Pacific time) to confirm your attendance with the scrutineer of the Meeting.

A summary of the information Shareholders will need to attend the Meeting virtually is provided below. Shareholders can access the Meeting:

<https://us06web.zoom.us/j/85723367897?pwd=Dbaok5MVdGOKIRFY5kIPJZEqiQe4kF.1>

Webinar ID: 857 2336 7897 | Passcode: 445601

The record date for the determination of the Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting has been established as December 30, 2024 (the "**Record Date**"). Each holder of the common shares in the capital of the Company ("**Common Shares**") at the Record Date is entitled to one vote per Common Share.

All references to Shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered Shareholders of the Company as set forth on the List of Registered Shareholders of the Company maintained by the Registrar and Transfer agent for the Company, Endeavor Trust Corporation ("**Endeavor**" or "**Transfer Agent**") unless specifically stated otherwise.

"**Beneficial Shareholders**" means shareholders who do not hold Common Shares in their own name and "**Intermediaries**" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Except where otherwise stated, the information contained herein is given as of January 9, 2025.

### GENERAL

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally, by telephone or electronic means by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the Meeting materials to

beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting.** You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.

### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified in the Proxy and, if applicable, for the nominees of management for directors and auditor as identified in the Proxy.**

### **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting. Registered Shareholders who wish to submit a proxy may choose one of the following voting options:

- (a) complete and sign the accompanying instrument of proxy enclosed herewith and return the same to Endeavor Trust Corporation, Suite 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4, Attention: Proxy Department, facsimile (604) 559-8908 or email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com); or
- (b) via the internet at Endeavor’s voting website. Information pertaining to this option are listed on the Proxy. Registered Shareholders must follow the instructions provided and refer to the enclosed Proxy form for the holder’s control number.

To be effective, proxies must be received by Endeavor no later than Wednesday, February 19, 2025 at 10:00 a.m. (Pacific time), or in the case of any adjournment of the Meeting not later than 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays, or any adjournment thereof or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. Failure to complete or deposit a Proxy properly may result in its invalidation. The Chairman of the Meeting has the authority to accept late or incomplete proxies in his sole and unfettered discretion.

## Beneficial Holders of Common Shares

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

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of instrument of Proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and United States. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Common Shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered Shareholders and Beneficial Shareholders as described below. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). This year the Company will NOT be mailing the proxy-related materials directly to the NOBOs. Broadridge Financial Services will take care of mailing to the NOBOs. National Instrument 54-101 “Communication with Beneficial Owners of Securities of a Reporting Issuer” (“**NI 54-**

**101”)** permits an issuer to directly deliver proxy-related materials to its NOBOs. In that case, NOBOs would receive a VIF from Broadridge. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Circular and VIF to intermediaries for distribution to NOBOs. Unless you have waived your right to receive the Notice of Meeting, Circular and VIF, intermediaries are required to deliver them to you as a NOBO of the Company and to seek your instructions on how to vote your Common Shares.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and, accordingly, if an OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the applicable broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expense to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that Proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 1:00 p.m. (EDT) on the day that is at least three business days prior to the Meeting or any postponement or adjournment thereof. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the registered Shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

#### **Notice-And-Access**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for distribution of proxy-related materials to Registered and Beneficial Shareholders.

Under the Notice-and-Access Provisions, instead of receiving printed copies of the Circular, Registered and Beneficial Shareholders will receive the Notice of Meeting with information on the Meeting date, location and purpose, as well as information on how they may access the Circular electronically and how they may vote. The audited financial statements of the Company for the fiscal year-ended April 30, 2024, together with the report of the auditors thereon, and the related MD&A can be found on under the Company’s profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). Electronic copies of the Notice of Meeting and Circular may be found on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) as of January 22, 2025.

## **Notice to Shareholders in the United States**

This solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of Ontario, Canada and the securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is governed by the *Business Corporations Act* (British Columbia) (the “BCA”), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Revocation of Proxy**

In addition to revocation by any other manner permitted by law, a registered Shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder or the registered Shareholder’s authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and delivering the Proxy bearing a later date or the valid notice of revocation to Endeavor Trust at the time and place noted above or to the Chairman of the Meeting on the day of the Meeting or adjournment thereof; or
- (b) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

### **Record Date, Voting Shares and Principal Holders Thereof**

The Company has set the close of business on December 30, 2024 as the Record Date for the Meeting. The Company will prepare a list of Shareholders of record at such time. Holders of Common Shares of the Company named on that list will be entitled to vote the Common Shares then registered in their name at the Meeting.

As at the Record Date, the Company's issued and outstanding Common Shares consisted of 172,846,031 Common Shares. Holders of Common Shares are entitled to one vote for each Common Share held on all matters to be considered and acted upon at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person, firm or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, other than the following:



Name	Number of Shares Beneficially Owned Directly or Indirectly, Controlled or Directed <sup>(1)(2)</sup>	Percentage Of Outstanding Voting Securities on a diluted basis
Sheldon Inwentash <sup>(2)</sup>	22,464,200	13.00%

**Notes:**

1. Mr. Inwentash holds 4,565,000 Common Shares directly; 2,000,000 Common Shares are held through Park Place and 15,899,200 are held through ThreeD Capital.
2. In addition to the Common Shares, Mr. Inwentash has the right to acquire up to an additional 29,565,000 Common Shares by virtue of holding 29,565,000 warrants. Of that total 5,565,000 warrants are held directly, 22,000,000 warrants are held through ThreeD Capital, and 2,000,000 are held through Park Place. In addition, 500,000 stock options to purchase Common Shares are also held by Mr. Inwentash. These options were issued November 29, 2023 at an exercise price of \$0.20 and expire November 29, 2025.

## **EXECUTIVE COMPENSATION AND REMUNERATION OF DIRECTORS**

### **Compensation Discussion and Analysis**

#### ***Introduction***

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Company's philosophy, objectives and processes regarding compensation for the President and Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") (each a "**Named Executive Officer**" or a "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**"). It explains how decisions regarding executive compensation are made and the reasoning behind these decisions and discusses the key elements of the Company's compensation program.

For the period ending April 30, 2024, the Company had the following NEOs:

- Paul Duffy – CEO
- Randy Duguay – Former CEO and Director; and
- Tim Daniels – Executive Chairman and CFO

#### ***Compensation Governance***

##### ***The elements of the Company's compensation program***

The Company's compensation program consists of two principal elements, a base salary and options granted under the Company's stock option plan. In some circumstances, bonuses may be paid in cash, in shares or a combination of cash and Common Shares.

##### ***The objective of the Company's compensation program***

The objective of the Company's compensation program is to attract and retain highly qualified and committed senior management by providing appropriate compensation and incentives intended to align the interests of senior management with those of the Company's Shareholders in order to provide incentives for senior management to enhance shareholder value.

### ***What the Company's compensation program is designed to reward***

The Company's compensation program is designed to reward senior management for achieving the Company's business objectives as well as increases in shareholder value resulting from increases in the trading price of the Common Shares due to increased value or potential value in the Company's business.

### ***Why the Company chooses to pay each element of its compensation program***

The Company pays a base salary as part of its compensation program to: (i) provide each NEO with sufficient, regularly-paid income; (ii) recognize each NEO's unique value and historical contribution to the success of the Company; and (iii) reflect each NEO's position and level of responsibility.

The Company grants stock options as part of its compensation program in order to: (i) align each NEO's interests with the interests of the Company's Shareholders; (ii) reward long-term performance by allowing NEOs to participate in any long-term market appreciation of the Company's Common Shares; and (iii) ensure the Company is competitive with its comparable industry peers from a total remuneration standpoint and to encourage executive officer retention, commitment and focus on long-term growth.

As noted above, the Company may pay bonuses (in cash, Common Shares or a combination of cash and Common Shares) to NEOs in certain circumstances.

### ***How the Company determines the amount for each element and how each element affects decisions about other elements and fits into the Company's overall compensation objectives***

The Board determines the amount of each element of the Company's compensation program for NEOs based on formal or informal recommendations of, or input from, the Compensation Committee. The two principal elements of the compensation program are determined and affect decisions about other elements and fit into the Company's overall compensation strategy, as described below.

#### **Base Salaries**

With respect to base salaries, the Board considers some or all of the following factors: (i) the overall performance of the Company and the particular NEO; (ii) base salaries and overall compensation paid to senior management of comparable industry peers (without specific benchmarking); (iii) the relationship among base salaries paid within the Company and individual experience and contribution; (iv) general market conditions and the Company's financial condition; (v) other compensation received by the NEO; and (vi) competition for qualified personnel. The intent is to fix base salaries at levels that are consistent with the Company's compensation program objective.

#### **Stock Options**

In making recommendations or providing input regarding stock options to the Board, the Compensation Committee considers some or all of the following factors: (i) the overall performance of the Company and the particular NEO; (ii) the relationship among stock options granted within the Company and individual experience and contribution; (iii) general market conditions and the Company's financial condition and Common Share trading price; and (iv) the aggregate number of stock options outstanding and the number of stock options currently held by the particular NEO and the terms thereof. The intent is to fix stock option grants at levels that are consistent with the Company's compensation program objective. The Board also considers the number of stock options available for grant in determining whether to make any new grants of stock options and the size of such grants. The Company utilizes IFRS 2 - *Share Based Payment* in establishing the fair value of stock option grants.

For more information with respect to the Option Plan, see "Incentive Plans - Description of the Stock Option Plan" below.

The Company's executive compensation is not determined by reference to any formulas or any set performance goals or similar conditions. The Board believes that fixed formulas can lead to an unwanted result that does not reflect real performance. Accordingly, an overall review of the NEO's performance and contributions is preferred.

### **Hedging Activities**

Although the Company has no formal hedging policy in place with respect to purchases of securities by NEOs or directors designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such individuals, to the Company's knowledge, no NEO or director has hedged the economic value of his direct or indirect interests in the market value of the Common Shares so held or granted as compensation.

### **Risk Assessment and Oversight**

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review the Company's compensation policies to identify any practice that might encourage an employee to expose the Company to unacceptable risks. At the present time, the Board is satisfied that the current executive compensation program does not encourage the Company's executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of the Company once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards. In addition, the stock option plan limits the number of options a particular NEO is entitled to receive.

### **Summary Compensation Table**

The following table is a summary of all compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to our directors and NEOs for the two most recently completed financial years:

<b>Table of compensation excluding compensation securities</b>							
<b>Name and Principal Position<sup>(7)</sup></b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Paul Duffy Chief Executive Officer <sup>(1)</sup>	2024	84,375	Nil	Nil	Nil	Nil	84,375
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Randy Duguay Former Director & Chief Executive Officer <sup>(2)</sup>	2024	97,451	Nil	Nil	Nil	Nil	97,451
	2023	74,737	Nil	Nil	Nil	Nil	106,137
Bruce Matichuk, Former Director, Chief Technology Officer <sup>(3)</sup>	2024	76,879	Nil	Nil	Nil	Nil	76,879
	2023	75,763	Nil	Nil	Nil	Nil	107,163
Tim Daniels, Executive Chairman and Chief Financial Officer <sup>(4)</sup>	2024	150,446	Nil	Nil	Nil	Nil	150,446
	2023	120,000	Nil	Nil	Nil	Nil	120,000

Table of compensation excluding compensation securities							
Name and Principal Position <sup>(7)</sup>	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Nick Watters Director <sup>(5)</sup>	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Fabrice Pakin Director <sup>(6)</sup>	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

**Notes:**

- (1) Paul Duffy was appointed CEO of the Company on September 11, 2023.
- (2) Randy Duguay was appointed CEO on January 8, 2021. Mr. Duguay resigned as CEO and Director effective September 11, 2023 and October 11, 2024, respectively.
- (3) Bruce Matchuk held the position of Chief Technology Officer from January 8, 2021 to March 4, 2024. Mr. Matchuk was also a director of the Company. He ceased to be a director of the Company effective September 21, 2023.
- (4) Tim Daniels was appointed Executive Chairman on January 14, 2021. Mr. Daniels was appointed CFO on April 28, 2023 and resigned as CFO on December 3, 2024. Terence Lee was appointed CFO effective December 3, 2024.
- (5) Nick Watters was appointed a director of the Company effective July 16, 2021
- (6) Fabrice Pakin was appointed a director of the Company effective September 23, 2023
- (7) Mark Orsmond and Michael Nemirow were appointed directors of the Company effective January 8, 2025 and were therefore not directors during either of the last two fiscal years of the Company.

**Compensation Securities**

The following table sets forth all compensation securities granted or issued to each director and NEO by the Company in the fiscal year ended April 30, 2024.

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Fabrice Pakin Director	Stock Options	200,000	November 23, 2023	\$0.20	\$0.06	\$0.065	November 20, 2028

No director or NEO exercised any compensation securities in the fiscal year ended April 30, 2024.

**Incentive Plans**

**Description of the Stock Option Plan**

The Company has a stock option plan pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Company. The number of Common Shares granted under each option and the vesting terms thereof are in the discretion of the Board. Options granted under the stock option plan must have a term of no more than ten years from the date of grant. The exercise price of each option granted under the stock option plan is in the discretion of the Board, provided that the exercise price cannot be below the closing price of the Common Shares on the Canadian Securities Exchange (the "Exchange") on the last trading day before the date of grant. Any outstanding options granted under the stock option plan expire on a date not exceeding 90 days following the date that the holder ceases to be an officer, director, employee or consultant of the Company, as the case may

be, except in the case of death in which case the options expire one year from the date of death. Options granted under the stock option plan are non-assignable and non-transferable. Outstanding options granted under the stock option plan may be adjusted in certain events, as to exercise price (subject to disinterested shareholder approval prior to any reduction to the exercise price if the affected optionee is an insider (as defined in the *Securities Act* (British Columbia)) of the Company at the time of the proposed amendment) and number of Common Shares, to prevent dilution or enlargement. The number of Common Shares that may be optioned under the Plan is limited to 10% of the outstanding Common Shares from time to time; provided, that any one participant under the stock option plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (2% in the case of consultants) of the outstanding Common Shares in any 12-month period. Further information regarding the stock option plan can be found under the section below entitled *Approval of Stock Option Plan*.

As of April 30, 2024, 3,100,000 Common Shares (representing approximately 4.00%<sup>1</sup> of the issued and outstanding Common Shares as at such date) were reserved for issuance pursuant to Options granted under the Plan.

### **Description of the Restricted Share Unit and Deferred Share Unit Compensation Plan**

The Company's Restricted Share Unit and Deferred Share Unit Compensation Plan (the "**RSU/DSU Plan**") was first approved by Shareholders at the 2023 AGM held November 17, 2023 and allowed for a maximum of 10,000,000 Common Shares to be issued under a combination of the RSU/DSU Plan and the Stock Option Plan. Aligned with the Stock Option Plan (as outlined under *Description of Stock Option Plan* above), the Company's RSU/DSU Plan has been amended from a fixed plan, whereby the maximum number of Awards issuable was fixed at 10,000,000 Common Shares, to a rolling 10% plan, whereby the maximum number of Awards issuable under the RSU/DSU Plan, and in combination with the Stock Option Plan, is 10% of the issued and outstanding of the Company on a rolling basis.

The Board wishes to use restricted share units ("**RSUs**") or deferred share units ("**DSUs**") (together "**Awards**") issued under the RSU/DSU Plan, as well as options issued under the Stock Option Plan as part of the Company's overall executive compensation plan. Since the value of Awards increase or decrease with the price of the Common Shares, Awards achieve the compensation objective of aligning the interests of executives with those of Shareholders. In addition, Awards have both time-based and performance-based vesting features that can be used to better motivate executives and to encourage qualified and experienced executives to make long-term commitments to the Company. At the date of this Circular, no Awards have been issued under the RSU/DSU Plan.

### **Executive Employment Agreements**

No management functions of the Company or its subsidiaries are to any substantial degree performed by a person or company other than the directors or officers of the Company.

Paul Duffy was appointed CEO of the Company effective September 11, 2023. Mr. Duffy provides services as CEO under a consulting agreement between the Company and Moonshot Inc. ("**Moonshot**"), a company owned by Mr. Duffy. On May 15, 2024 (the "**Moonshot Effective Date**"), the Company entered into a new CEO consulting agreement with Moonshot. The salient terms of the agreement are:

- Monthly CEO (management fees of \$15,000);
- A signing bonus of \$125,000, payable in common shares of the Company on the Moonshot Effective Date;

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<sup>1</sup> Total issued and outstanding Common Shares at April 30, 2024 was 77,419,197

- A signing bonus of \$125,000, payable in Common Shares or cash at the discretion of the Company, on the second anniversary of the Moonshot Effective Date;
- A management retention fee of \$250,000, payable in cash or common shares of the Company at the discretion of the Company. Payable equally on December 11, 2023, March 11, June 11 and September 11, 2024; and
- A management retention fee of \$300,000, payable in cash or common shares of the Company at the discretion of the Company. Payable equally on December 11, 2024, March 11, June 11 and September 11, 2025.

Randy Duguay was the CEO of the Company until September 11, 2023. Mr. Duguay provided services as CEO to the Company under a management contract. The salient terms of Mr. Duguay's contract were: a) a 24-month duration; b) a (net) salary of \$7,500.00 monthly paid in arrears; c) 500,000 share purchase options for 24 months d) reimbursement for reasonable, documented out-of-pocket business expenses. The contract includes duties performed by Mr. Duguay both as CEO of the Company, as well as his duties as CEO of the Company's majority owned subsidiary, Health Gauge. The contract stated that Mr. Duguay will perform the duties and responsibilities customary to the position of CEO of a company. Mr. Duguay's contract contains no change of control provisions. Mr. Duguay's continued to consult to Health Gauge until September 30, 2024.

Tim Daniels was compensated as a consultant to the board of directors in the amount of \$10,000 gross per month, as CFO in the amount of \$2,000 gross per month, plus expenses. Mr. Daniels ceased to be CFO and Executive Chairman effective December 3, 2024 and January 8, 2025, respectively.

Terence Lee was appointed CFO of the Company effective December 3, 2024. Mr. Lee provides services as CFO under a consulting agreement between the Company and Imperium Consulting LLP, ("Imperium"), a company controlled by Mr. Lee. Per the terms of the consulting agreement, Mr. Lee will be paid a CFO management fee of \$10,000 per month.

### **Director Compensation**

Independent directors did not receive any cash compensation in the last fiscal year related to their directorships. Director compensation for the Company's financial year ended April 30, 2024 was comprised of stock options under the stock option plan. Executive officers of the Company who also act as directors of the Company do not receive any additional compensation for services rendered in such capacity, other than as paid by the Company to such executive officers in their capacity as executive officers.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth the number of Common Shares to be issued upon exercise of outstanding Options issued pursuant to equity compensation plans, the weighted average exercise price of such outstanding Options and the number of Common Shares remaining available for future issuance under equity compensation plans of the Company as of April 30, 2024.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding Common Shares reflected in the first column) <sup>(1)</sup>
Equity compensation plans approved by securityholders	3,100,000	0.20	4,641,919
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	3,100,000	0.20	4,641,919

**Note:**

(1) Based on the number of Common Shares outstanding on April 30, 2024.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATTERS TO BE ACTED UPON**

Management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director, director nominee or officer of the Company or any associate or affiliate of such person in any matter to be acted upon at the Meeting other than the election of directors.

### **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Management of the Company is not aware of any material interest, direct or indirect, of any director, director nominee or officer of the Company, any person beneficially owning, directly or indirectly, more than 10% of the Company's voting securities, or any associate or affiliate of such person in any transaction within the last financial year or in any proposed transaction which in either case has materially affected or will materially affect the Company.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

None of the directors or senior officers of the Company, nominees for election as directors or associates or affiliates of such persons have been indebted to the Company at any time during the 2024 fiscal year.

### **AUDIT COMMITTEE**

#### **Audit Committee Charter**

The charter adopted by the Company's Audit Committee is attached as Schedule "A" hereto.

#### **Composition of the Audit Committee**

The Company has an audit committee, which is comprised of Tim Daniels, Nick Watters and Fabrice Pakin. Mr. Daniels is not considered to be "independent", as such term is defined in Multilateral Instrument 52-110, as he is the Executive Chairman of the Company. Mr. Watters and Mr. Pakin are considered to be independent. All the members of the audit committee are considered to be "financially literate", as such term is defined in Multilateral Instrument 52-110. Mr. Daniels has a Bachelor of Commerce degree with a major in Finance, and has served as Chief Financial Officer for a decade in a public company. Mr. Watters has held the position of Director for public and private companies for the past several decades. Mr. Pakin is an IT entrepreneur and has held director and manager roles with various technology companies.

## Audit Fees

Set forth below is a summary of the total fees paid to the external auditor of the Company for fiscal 2022, 2023 and 2024:

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Audit fees	\$52,000	\$63,879	\$114,642
Audit related fees	-	-	-
Tax fees	-	-	-
All other fees	-	-	-
Total	\$52,000	\$63,879	\$114,642

## Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption set forth in Section 6.1 of NI 52-110, which exempts it from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Company's Board of Directors is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of its shareholders but also promotes effective decision making at the Board level. The Board is of the view that its approach to corporate governance is appropriate for the size of the Company and its present stage of development. Schedule "B" to this Circular sets forth the corporate governance disclosure required to be made by the Company herein pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, which disclosure is made as of January 9, 2025.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Receipt of Financial Statements

The financial statements of the Company for the year ended April 30, 2024 and the auditors' report thereon will be placed before the shareholders at the Meeting.

Under securities legislation, the Company is required to send annually a request form to the registered holders and beneficial owners of its securities, other than debt instruments, that the registered holders and beneficial owners may use to request a hard copy of the Company's annual financial statements and related management's discussion and analysis ("**MD&A**") and/or the Company's interim financial statements and related MD&A. Shareholders who wish to receive a hard copy of the Company's annual financial statements and related MD&A and/or the Company's interim financial statements and related MD&A are encouraged to send the enclosed return card Endeavor Trust Company, Suite 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4.

### Set The Number of Directors

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass an ordinary resolution setting the number of directors at three (3) (the "**Board Size Resolution**").

**The Board recommends that each Shareholder vote FOR the Board Size Resolution.** Unless otherwise indicated, the persons named in the enclosed Proxy form intend to vote FOR the Board Size Resolution.



## Election of Directors

At the date of this Circular, the Board consists of five (5) directors, namely, Tim Daniels, Nicholas Watters, Fabrice Pakin, Mark Orsmond and Michael Nemirow. Mr. Watters and Mr. Pakin are not standing for re-election to the Board at the Meeting. Therefore, the Board has fixed the number of persons to be elected as directors at the Meeting at three (3). The three (3) management nominees for election at the Meeting are outlined below.

Management does not contemplate that any of the nominees will be unable to serve as a director but, if, prior to the Meeting, any vacancies occur in the proposed nominees herein presented, the proxies shall not be voted with respect to such vacancies.

The following table sets forth, for each of the persons proposed to be nominated for election as directors, all positions and offices with the Company now held by them, their principal occupations during the preceding five years, the periods during which they have served as directors of the Company and its predecessor, and the number of voting shares of the Company beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction, as of August 21, 2025 (6 months post Meeting). Each director elected will hold office until the close of the next annual meeting of shareholders, or until his successor is duly elected or appointed.

<b>Name, Place of Residence and Position with the Company</b>	<b>Principal Occupation For the Past Five Years</b>	<b>Director Since</b>	<b>Number of Voting Common Shares</b>
Tim Daniels <sup>(1)</sup> Florence, Italy Director	CEO and Director of Boron One Holdings Inc.; Executive Director and CFO of the Company.	January 14, 2021	2,200,000
Mark Orsmond Vancouver, BC Executive Chair	CEO Mercantile Consulting Limited; CFO and Executive Vice President at the Corix Group of Companies and the ALL-SEA Group of Companies	January 8, 2025	7,905,138
Michael Nemirow Vancouver, BC Director	CEO Greenstar Plant Products Inc.; Strategic Advisor.	January 8, 2025	0

### Notes:

- (1) Member of the Audit Committee. At the date of this Circular, Mr. Pakin and Mr. Watters are also on the audit committee.

## Biographies of Director Nominees

### Tim Daniels

Over the past 25 years, Mr. Daniels has held the positions of Chairman, Director, CEO and CFO for several Canadian and US-based, private and publicly traded technology, biomedical and strategic hi-tech mineral companies. Mr. Daniels' extensive management experience includes a focus on corporate finance, strategic planning, project development and corporate governance matters. Mr. Daniels has led in the raising of many tens of millions of dollars for various projects and companies over the course of his career.

Prior to his involvement in public companies, Mr. Daniels spent 8 productive years in the investment industry as a licensed stockbroker, assistant manager, and an integral member of the new underwritings team. Mr. Daniels holds a Bachelor of Commerce degree, with a major in Corporate Finance from the University of Saskatchewan. Mr. Daniels has been a director of the Company since 2021.

### **Mark Orsmond**

Mr. Orsmond has earned a reputation as a transformative leader in Canada, with a career spanning over 30 years. Mark has successfully developed and scaled multiple ventures, including three healthcare businesses that were sold to Well Health Technologies Corp. (TSX: WELL). His extensive experience includes serving as CFO and Executive Vice President at the Corix Group of Companies and the ALL-SEA Group of Companies. A holder of a B.Compt degree from the University of South Africa and a CPA designation, Mr. Orsmond's leadership has consistently driven organizational success and premier exits. Mr. Orsmond has been a director of the Company since January 8, 2025.

### **Michael Nemirow**

Mr. Nemirow brings an entrepreneurial acumen honed over decades of scaling and transforming businesses across diverse industries. As CEO of Greenstar Plant Products, Inc., Mr. Nemirow led a strategic overhaul, streamlining operations, acquiring a complementary organic brand, and driving the company's global presence in markets such as North America, South America, Europe, and Australia. Under his leadership, Greenstar grew into a globally recognized manufacturer and was acquired by a public U.S. company in 2021. Mr. Nemirow has been a director of the Company since January 8, 2025.

Other than as set forth below, to the knowledge of the management of the Company, no director nominee is, at the date of this Circular, or has been, within ten years before the date of this Circular,

- (a) a director, chief executive officer or chief financial officer of any company (including the Company) that: (i) was subject to an order that was issued while the nominee was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued while the nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became 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 its assets; or
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 nominee.

For the purposes of section (a) above, the term "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

To the knowledge of management of the Company, no nominee has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a director nominee.

Shareholders have the option of voting their Common Shares in favour of electing the nominees individually and may therefore vote in favour of all of them, vote in favour of some of them while voting against others, or voting against all of the nominees. The persons named in the enclosed form of proxy intend to vote FOR the election of each of the nominees. **The Board of Directors recommends that you vote FOR the election of each of the nominees.**

### **Appointment of Auditors**

The Company's auditor is Baker Tilly WM LLP LLP, Chartered Professional Accountants ("**Baker**"). Baker was first appointed as auditor of the Company on July 27, 2022.

At the Meeting, shareholders will be asked to vote for the appointment of Baker Tilly WM LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as auditors of the Company until the close of the next annual general meeting, at such remuneration as may be approved by the Board.

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. The persons named in the enclosed form of proxy intend to vote FOR this resolution at the Meeting. **The Board of Directors recommends that you vote FOR the ordinary resolution approving Baker as the auditor.**

### **Approval of Stock Option Plan**

At the Meeting, Shareholders will be asked to approve the Company's 2025 Stock Option Plan (the "**Stock Option Plan**") to replace the existing stock option plan. The purpose of the Stock Option Plan is to provide an incentive to directors, employees and consultants of the Company or its subsidiary to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company. The Stock Option Plan was amended in order to facilitate compliance with recent amendments to Exchange Policy 6.5 – Securities Based Compensation Arrangements. Further, the Stock Option Plan has been amended from a fixed plan, whereby the maximum number of stock options issuable was fixed at 10,000,000, to a rolling 10% plan, whereby the maximum number of stock options issuable under the Stock Option Plan is 10% of the issued and outstanding of the Company on a rolling basis. At the date of this Circular, there were 172,846,031 Common Shares issued and outstanding, therefore the maximum number of stock options issuable under the Stock Option Plan at the date of the Circular would be 17,284,603. At the date of the Circular, there were 9,000,000 stock options issued and outstanding under the Stock Option Plan.

The following summary of the material terms of the Stock Option Plan does not purport to be complete and is qualified in its entirety by reference to the Stock Option Plan. Shareholders may obtain a copy of the Stock Option Plan from the Company prior to the Meeting on written request.

Eligible Participants. Options may be granted under the Stock Option Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the "Directors"), employees of the Company or its subsidiaries (collectively, the "Employees") or consultants of the Company or its subsidiaries (collectively, the "Consultants"). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Stock Option Plan.

Number of Shares Reserved. Subject to adjustment as provided in Section **Error! Reference source not found.** of the Stock Option Plan, the maximum aggregate number of Option Shares issuable pursuant to the Stock Option Plan is 10% of the issued outstanding Common Shares of the Company (as adjusted for any subdivision, re-division, consolidation, stock dividend, recapitalization, reorganization or any similar change affecting the Common Shares). Taken together all awards issued under the RSU/DSU plan and the Stock Option Plan cannot exceed 10% of the then current issued and outstanding Common Shares.

Limitations.

- (a) The number of Common Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option under this Stock Option Plan if the aggregate number of Common Shares reserved for issuance to such Participant under this Plan, together with any Common Shares reserved for issuance to such Participant under all other Security Based Compensation Arrangements, would exceed the maximum number permitted by the Exchange.
- (b) Upon the expiration, or other surrender, cancellation or termination, in whole or in part, of any granted Option, the Option Shares subject to such Option shall be available for other Options to be granted from time to time under the Stock Option Plan.
- (c) The aggregate number of Common Shares reserved for issuance under Options granted to Related Persons (as a group) at any point in time must not exceed 10% of the issued and outstanding Common Shares, together with the aggregate number of Common Shares reserved for issuance to Related Persons under any other Share Compensation Arrangement (unless the Company has obtained the requisite disinterested shareholder approval).
- (d) The grant to Related Persons (as a group), in any 12 month period, of an aggregate number of Options must not exceed 10% of the issued and outstanding Common Shares, calculated at the date an Option is granted to any Related Person, together with the aggregate number of Common Shares reserved for issuance to Related Persons under any other Share Compensation Arrangement (unless the Company has obtained the requisite disinterested shareholder approval).
- (e) The aggregate number of Options granted to any one Person (and where permitted, any Companies that are wholly owned by that Person) in any 12 month period must not exceed 5% of the issued Common Shares, calculated at the date an Option is granted to the Person, together with the aggregate number of Common Shares reserved for issuance to such person under any other Share Compensation Arrangement of the Company (unless the Company has obtained the requisite disinterested shareholder approval).
- (f) The aggregate number of Options granted to any one consultant of the Company in any 12 month period must not exceed 2% of the issued Common Shares, calculated at the date an Option is granted to the consultant, together with the aggregate number of Common Shares reserved for issuance to such consultant under any other Share Compensation Arrangement of the Company.
- (g) The aggregate number of Options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Common Shares in any 12 month period, calculated at the date an Option is granted to any such Person. Options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the Options vesting in any three month period.

- (h) For Options granted to employees, consultants or management company employees, the Company and the Optionees are responsible for ensuring and confirming that the Optionee is a bona fide employee, consultant or management company employee, as the case may be.
- (i) Options granted to any Participant who is a Director, Officer, Employee, consultant or management company employee shall expire within a reasonable period not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under the Plan.
- (j) Disinterested shareholder approval will be obtained for any reduction in the exercise price if the Optionee is a Related Person of the Company at the time of the proposed amendment.
- (k) No fractional Common Shares may be purchased or issued pursuant to the exercise of an Option.

Exercise Price. The exercise price of Options granted under the Stock Option Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in the Exchange's policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to Insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.

Term of Options. Subject to the termination and change of control provisions noted below, the term of any options granted under the Stock Option Plan is determined by the Board and may not exceed ten (10) years from the date of grant. Disinterested Shareholder approval will be required for any extension to stock options granted to individuals that are Insiders at the time of the proposed amendment.

Vesting. All Options granted pursuant to the Stock Option Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide investor relations activities must vest in stages over 12 months with no more than one-quarter of the options vesting in any three-month period.

Dividend entitlement. The Stock Option Plan does not include any dividend entitlement to participants. If participants were entitled to receive options in lieu of dividends declared by the Company, and if the Company did not have sufficient unallocated options available to satisfy the obligation, then the Company may settle those entitlements with cash.

Termination. Any Options granted pursuant to the Stock Option Plan will terminate upon the earliest of:

- (a) the end of the term of the option;
- (b) on the date the holder ceases to be eligible to hold the option (the "Cessation Date"), if the Cessation Date is as a result of dismissal for cause;
- (c) one year from the date of death or disability, if the Cessation Date is as a result of death or disability;
- (d) 90 days from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause;
- (e) on such other date as fixed by the Board, provided that the date is no more than one year from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause; or

- (f) 30 days from the Cessation Date, if the optionee was engaged in investor relations activities.

Exercise of Options. The exercise price of an option must be paid in cash, other than as described below as determined by the Board:

(a) Cashless Exercise. The Company may make an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to an optionee to purchase the Common Shares issuable upon exercise of their options. The brokerage firm would then sell a sufficient number of Common Shares to cover the exercise price of the options in order to repay the loan made to the optionee. The brokerage firm would then receive an equivalent number of Common Shares from the exercise of the options and the optionee would receive the balance of the Common Shares or the cash proceeds from the balance of such Common Shares.

(b) Net Exercise. The Company may accept the exercise of options by optionees other than those who provide investor relations services without the optionee making any cash payment so the Company does not receive any cash from the exercise of the subject options, and instead the optionee receives only the number of Common Shares that is the equal to the quotient obtained by dividing:

- (i) the product of the number of options being exercised multiplied by the difference between the volume weighted average price ("VWAP") of the Common Shares and the exercise price of the options; by
- (ii) the VWAP of the Common Shares.

Adjustments. Any adjustment to Options granted or issued (except in relation to a consolidation or share split) will be subject to the prior acceptance of the Exchange.

Disinterested Shareholder approval will be sought in respect of any material amendment to the Stock Option Plan.

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution (the "**Stock Option Plan Resolution**"):

**"BE IT RESOLVED THAT:**

1. the Company's Stock Option Plan is hereby confirmed and approved, and that 10% of the Company's issued and outstanding Common Shares, including any grants under the RSU Plan, be approved for granting as stock options;
2. the Board of Directors of the Company be authorized in its absolute discretion to administer the Plan, and amend or modify the Plan in accordance with its terms and conditions and with the policies of the Exchange; and
3. any one or more director(s) or officer(s) of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution."

A copy of the Stock Option Plan is available at the records office of the Company at #203, 645 Fort Street, Victoria, BC until the business day immediately preceding the date of the Meeting. A copy will also be made available at the Meeting.

Proxies received in favour of management will be voted in favour of the approval of the Plan, unless the Shareholder has specified in their Proxy that their Common Shares are to be voted against such resolution. **The Board of Directors recommends that you vote FOR the Stock Option Plan Resolution.**

### **Approval of Restricted Share Unit and Deferred Share Unit Compensation Plan**

The Company is seeking Shareholder approval for the issuance of Common Shares from treasury pursuant to the Company's Restricted Share Unit and Deferred Share Unit Compensation Plan (the "**RSU/DSU Plan**"). The RSU/DSU Plan was first approved by Shareholders at the 2023 AGM held November 17, 2023 and allowed for a maximum of 10,000,000 Common Shares to be issued under a combination of the RSU/DSU Plan and the Stock Option Plan. Aligned with the Stock Option Plan (as outlined under *Approval of Stock Option Plan* above), the Company's RSU/DSU Plan has been amended from a fixed plan, whereby the maximum number of Awards issuable was fixed at 10,000,000 Common Shares, to a rolling 10% plan, whereby the maximum number of Awards issuable under the RSU/DSU Plan, and in combination with the Stock Option Plan, is 10% of the issued and outstanding of the Company on a rolling basis.

The Board wishes to use restricted share units ("**RSUs**") or deferred share units ("**DSUs**") (together "**Awards**") issued under the RSU/DSU Plan, as well as options issued under the Stock Option Plan (as described under *Approval of Stock Option Plan* of this Circular), as part of the Company's overall executive compensation plan. Since the value of Awards increase or decrease with the price of the Common Shares, Awards achieve the compensation objective of aligning the interests of executives with those of Shareholders. In addition, Awards have both time-based and performance-based vesting features that can be used to better motivate executives and to encourage qualified and experienced executives to make long-term commitments to the Company. At the date of this Circular, no Awards have been issued under the RSU/DSU Plan.

Set out below is a summary of the RSU/DSU Plan. This summary is qualified in its entirety by the full text of the RSU/DSU Plan, a copy of which is available for review at the registered office of the Company and will be available at the Meeting.

**Eligible Participants.** Directors, officers, eligible employees and eligible consultants of the Company are eligible to participate in the RSU/DSU Plan (the "**Participants**"). In accordance with the terms of the RSU/DSU Plan, the Board will approve those Participants who are entitled to receive Awards and the number of Awards to be awarded to each Participant. Awards may not be granted to persons performing investor relations services for the Company. The RSU/DSU Plan shall be administered by the Board.

**Vesting.** Each Award issued under the RSU/DSU Plan to a Participant will entitle the Participant, subject to the Participant's satisfaction of any conditions (including performance conditions), restrictions, vesting period or limitations imposed under the RSU/DSU Plan or set out a Award grant letter, to receive one previously unissued Common Share for each Award on the date when the Award is fully vested. Except as otherwise provided in an Award grant letter or any other provision of the RSU/DSU Plan, the vesting period of the Award granted pursuant to the RSU/DSU Plan will be determined by the Board and may not be less than one year following the date of grant of an award ("**Grant Date**").

**Maximum Number to be Granted.** The RSU/DSU Plan includes the following restrictions on issuances:

- (i) the number of Common Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer to any one Person in any 12 month period shall not exceed in the aggregate 5% of the number of Shares issued and

outstanding on a non-diluted basis on the Grant Date unless the Issuer has received Disinterested Shareholder Approval;

- (ii) the number of Common Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer to all Related Persons (as a group) shall not exceed 10% of the number of Common Shares issued and outstanding on a non-diluted basis at any point in time unless the Issuer has received disinterested Shareholder approval;
- (iii) the number of Common Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer to all Related Persons (as a group) in any 12 month period shall not exceed in the aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis on the Grant Date unless the Issuer has received disinterested Shareholder approval; and
- (iv) the number of Common Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with those Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer to any one Consultant in any 12 month period shall not exceed 2% of the number of Common Shares issued and outstanding on a non-diluted basis on the Grant Date.

Cessation of Entitlement. Subject to the foregoing, in the event of:

- (a) the death of a Participant, all unvested Awards its credited to the Participant will vest on the date of the Participant's death. The Common Shares underlying the Restricted Share Units credited to the Participant's account shall be issued to the Participant's estate as soon as practicable thereafter;
- (b) the total disability of a Participant, all unvested Awards credited to the Participant will vest on the date on which the Participant is determined to be totally disabled, and the Common Shares underlying such Awards credited to the Participant's account shall be issued to the Participant as soon as practicable thereafter;
- (c) the termination (with or without cause) or retirement of an employee or officer, any cessation of services of a consultant, or the resignation, removal of or failure to re-elect a director, then, except as provided for in the vesting provisions or other terms of the Award grant, or as determined by the Board, all Awards will be forfeited by the Participant, and be of no further force and effect; and
- (d) a Change of Control, all Awards outstanding shall immediately vest on the date of such Change of Control notwithstanding any stated vesting period or performance condition. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Company with respect to the consideration that the Participants would be entitled to receive for the Common Shares underlying the Awards.

Transferability. Except pursuant to a will or by the laws of descent and distribution, no Award and no other right or interest of a Participant is assignable or transferable.

Amendments to the RSU/DSU Plan. The Board may discontinue the RSU/DSU Plan at any time without first obtaining shareholder approval, provided that, without the consent of a Participant, such



discontinuance may not in any manner adversely affect the Participant's rights under any Award granted under the RSU/DSU Plan.

- (a) The Board may, subject to receipt of requisite regulatory and disinterested shareholder approval, make the following amendments to the RSU/DSU Plan:
  - (i) increase the number of Awards which may be issued pursuant to the RSU Plan;
  - (ii) change the definition of "Participant" under the RSU/DSU Plan which would have the potential of narrowing, broadening or increasing insider participation;
  - (iii) reduce the range of amendments requiring shareholder approval as outlined in the RSU/DSU Plan;
  - (iv) make amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to Participants at the expense of the Company or its Shareholders; or
  - (v) change insider participation limits which would result in shareholder approval being required on a disinterested basis.
  
- (b) The Board may, subject to receipt of requisite regulatory approval (where required), but not subject to shareholder approval, in its sole discretion make the following amendments to the RSU/DSU Plan:
  - (i) amendments to fix typographical errors; and
  - (ii) amendments to clarify existing provisions of the RSU/DSU Plan that do not have the effect of altering the scope, nature and intent of such provisions.

At the Meeting, Shareholders will be asked to approve a resolution to approve the RSU/DSU Plan as a treasury-based plan for issuance of a maximum number of Awards, in combination with the Stock Option Plan, of 10% of the issued and outstanding Common Shares on a rolling basis. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of Common Shares present in person or represented by proxy at the Meeting. Unless instructions are given to decline to vote or to vote against concerning the following resolution, the persons whose names appear in the instrument of proxy intend to vote at the meeting in favour of the following resolution (the "**RSU/DSU Plan Resolution**"):

**"BE IT RESOLVED THAT:**

1. the Company's RSU/DSU Plan, with any changes as may be required by the Board, and the issuance thereunder of up a maximum of 10% of the issued and outstanding Common Shares, including any grants under the Stock Option Plan, be and the same is hereby approved and authorized;
2. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution; and
3. notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution,

without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors.”

**The Board recommends that Shareholders vote “FOR” the RSU/DSU Plan Resolution set out above.**

#### **Other Business**

Management is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of the Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters that properly may come before the Meeting.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Copies of financial statements and MD&A may be obtained on request without charge from the CFO of the Company #203, 645 Fort St., Victoria, British Columbia, V8W 1G2, Canada (778) 405-0882. Financial information is provided in the Company’s annual comparative financial statements and MD&A for the Company’s most recently completed financial year.

#### **Board of Directors Approval**

The Board of Directors of the Company has approved the contents and sending of this Circular.

(signed) "*Mark Orsmond*"

Mark Orsmond  
Executive Chairman

## **SCHEDULE "A"**

### **AI/ML INNOVATIONS INC.**

#### **AUDIT COMMITTEE CHARTER**

##### **GENERAL**

The purpose of this document is to establish the terms of reference of the Audit Committee for AI/ML INNOVATIONS INC. (the "Corporation").

It is critical that the external audit function, a mechanism key to investor protection, is working effectively and efficiently and that information is being relayed to the Board of Directors in an accurate and timely fashion. The activities of the Audit Committee are fundamental to the process.

##### **STATUTORY REFERENCE**

The Board of Directors of The Corporation shall elect annually from members of the Board of Directors, an Audit Committee which shall be composed of not less than three members, a majority of which are not officers or employees of the corporation or any of its affiliates.

Each member of the Audit Committee shall serve during the pleasure of the Board of Directors and in any event, only so long as he or she shall be a Director. The Directors may fill vacancies in the Audit Committee by election from among their number.

The Audit Committee shall have the power to fix its quorum at no less than a majority of its members and to determine its own rules of procedure subject to any regulation imposed by the Board of Directors from time to time.

The auditors of the Corporation will be entitled to receive notice of every meeting of the Audit Committee and, at the expense of the Corporation, to attend and be heard thereafter, and if so requested by a member of the Audit Committee, shall attend every meeting of the Committee held during the term of the office of the Auditor. The auditor of the Corporation or any member of the Audit Committee may call a meeting of the Committee.

The Audit Committee shall review the financial statements of the Corporation prior to the approval thereof by the Board of Directors and shall have such other powers and duties as may from time to time by resolution be assigned to it by the Board.

##### **PURPOSE**

Responsibility for the development and maintenance of the Corporation systems for financial reporting, accounting for transactions and internal controls lies with senior management with oversight responsibilities vesting in the Board of Directors. The Audit Committee is a permanent committee of the Board whose purpose is to assist the Board by dealing with specific issues that may affect financial reporting to the shareholders, accounting and internal controls.

##### **ANNUAL REPORTING**

The Audit Committee shall review the annual financial statements, prepared for distribution to the shareholders. The Audit Committee should discuss with management the appropriateness of accounting policies selected by the Corporation, the use and effect of judgment on accounting measurements and the adequacy of accruals and estimate used by management in completing the annual financial statements. Upon satisfactory completion of the review procedure, the Audit Committee will recommend to the Board of Directors that the Board approve the annual financial statements.

The Audit Committee should review other financial information included in the Corporation's Annual Report to ensure that it is consistent with the Board of Directors knowledge of the affairs of the Corporation and is unbiased and nonselective.

The Audit Committee should review the Annual Information Form and the Management Discussion and Analysis Component of the Annual Report.

The Audit Committee should review planning for, and the results of, the annual external audit, including, but not necessarily limited to, specifically the following:

- (a) The auditor's engagement letter as agreed between the auditor and financial management of the Corporation.
- (b) The reasonableness of audit fees as agreed between the auditor and corporate management.
- (c) Audit scope, including locations to be visited, area of audit risk, and materiality as it affects audit judgment timetable, deadlines, and coordination with internal audit.
- (d) The audit report to the Corporation shareholders and any other reports prepared by the auditors.
- (e) The informal reporting from the auditors on accounting systems and internal controls, including management's response.
- (f) Non-audit related services provided by the auditor.
- (g) Assessment of the auditor's performance.
- (h) Recommendation with respect to the auditor's appointment or re-appointment.
- (i) Hold in camera meeting with representatives of the auditors to discuss the audit related issues including the quality of accounting personnel.

#### INTERIM REPORTING

When unaudited interim financial statements are issued, for example, quarterly reports and financial statements required for inclusion in public offering documents, the Chief Financial Officer of the Corporation will provide a copy of the interim financial statement to the Audit Committee and will formally advise the Audit Committee that the interim financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied. The Chief Financial Officer is obliged to draw to the attention of the Audit Committee any other matters relating to such interim financial statement of the Committee should be aware of. Similarly the Auditor has an obligation to advise the Audit Committee of any issues which the Auditor believes merit the Committee's attention identified during the course of application of auditing procedures relating to any comfort level to be issued by the Auditor.

#### REPORTING ARRANGEMENTS

The Audit Committee, through the Chairman or Minutes of the Audit Committee's meetings, should report to the Board of Directors following each meeting of the Audit Committee. The report should review the nature of discussions and the major decisions reached by the Audit Committee. The Audit Committee shall refer to the Audit Committee's terms of reference as required and propose changes to the Board.

#### GENERAL

The Audit Committee clearly places the onus of reporting items that may be of concern to the Audit Committee with corporate management and representatives of the Audit firm as the case may be.

## SCHEDULE "B"

### CORPORATE GOVERNANCE DISCLOSURE

#### Board of Directors

At the date of the Circular, the Board is comprised of five individuals, namely, Tim Daniels, Nick Watters, Fabrice Pakin, Mark Orsmond and Michael Nemirow. Mr. Watters, Mr. Pakin and Mr. Nemirow are "independent" within the meaning of that term under National Policy 58-201 - *Corporate Governance Guidelines*. Mr. Daniels is formerly the Executive Chairman and CFO and Mark Orsmond is the Executive Chairman of the Company and, accordingly, are not independent. Mr. Watters and Mr. Pakin are not standing for re-election at the Meeting.

The Board exercises its independent supervision over management through meetings of the Board in addition to the Board reviewing and approving any significant transactions undertaken by the Company.

#### Directorships

The following table sets out the other reporting issuer directorships of the Company's directors and proposed directors:

<u>Name</u>	<u>Other Reporting Issuers</u>
Tim Daniels	Boron One Holdings Inc.
Nick Watters	AI Artificial Intelligence Ventures Inc., Lightspeed Discoveries Inc., Encanto Potash Corp.
Mark Orsmond	Monarch West Ventures Inc.

#### Orientation and Continuing Education

New directors to the Board are provided with an informal orientation regarding the business, operations and affairs of the Company by management. Members of the Board are provided with ongoing education respecting the Company's business, operations and affairs by way of management updates and presentations. In addition, directors are encouraged to attend industry workshops respecting the responsibilities of directors.

#### Ethical Business Conduct

Although the Company has not adopted a formal code of ethics, the directors and management of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. The directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

## **Nomination of Directors**

The members of the Board share responsibility for proposing new nominees to the Board. Due to the small number of Board members and the different strengths and viewpoints each brings to the Board, this duty is not delegated to a committee.

## **Compensation**

The compensation of directors and the CEO is determined by the Board as a whole. Such compensation is determined after consideration of the relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

## **Board Committees**

To facilitate its exercise of independent supervision over management, the Board established the Audit Committee.

### ***Audit Committee***

The composition of the Audit Committee and their "financial literacy" and "independence", as such terms are defined under National Instrument 52-110 - *Audit Committees*, is described in the Circular to which this schedule is attached under the heading "Audit Committee". The Audit Committee's mandate is attached as Schedule "A" to this Circular.

## **Assessments**

The Board does not have a formal process or steps established to satisfy itself that the Board, its committees and its individual directors are performing effectively. The Board discusses these issues from time to time amongst itself and management and implements such changes and makes such modifications as are determined to be necessary or desirable.

## **Diversity Disclosure**

In 2019, amendments to the *Canada Business Corporations Act* were adopted requiring new disclosure of the number of: (i) women; (ii) Aboriginal peoples; (iii) people with disabilities; and (iv) members of visible minorities (collectively, the "**designated groups**") on the board and in senior management positions with the Company. Presently, only one (1) of the Company's directors or members of senior management (10%) belong to any of the designated groups as Kendra Low, the Company's Corporate Secretary is a woman. The foregoing disclosure is derived from information provided by the directors and executive officers. In accordance with privacy legislation, such information was collected on a voluntary basis, and where a particular individual chose not to respond, the Company did not make assumptions or otherwise assign data to that individual.

### ***Policies Regarding the Representation of Designated Groups***

The Company recognizes the benefits of having a diverse board and management. Due to its size, industry sector and the number of Board members and management, the Company has not adopted a formal written policy on the search for and selection of members of designated groups as directors or members of senior management, and instead has sought to increase diversity through the recruitment efforts of its

officers and directors. The Company is receptive to increasing the diversity of its board and management taking into account the skills, background, experience and knowledge desired at any particular time by the Board and its committees.

### ***Consideration of the Representation of Designated Groups***

In assessing and selecting nominees for the Board and the appointment of executive officers, diversity, including representation of designated groups, is an important factor considered by the Company. The Board takes into account the diversity of its candidates in the context of its director selection and replacement process and executive officer appointments. The presence of candidates from designated groups and other factors, including the experience, judgment, qualifications, skills and personal qualities of the candidates, are taken into consideration.

### ***Targets Regarding the Representation of Designated Groups***

The Company recognizes the value of individuals with diverse attributes on the Board and in senior management positions. However, the Company has not fixed a specific representation target or adopted measurable goals with respect to the designated groups but takes diversity into account in the recruitment process and the promotion of employees. At this time, the Board does not believe that quotas, strict rules and targets necessarily result in the identification or selection of the best candidates for directors or executive officers. The Company believes that diversity is appropriately considered in its nomination and hiring process and that a numerical target would deprive it of the flexibility to select the best possible candidates based on a range of criteria.

### **Term Limits**

The Board has not adopted a formal term limit for directors. The Board strives to be constituted to achieve a balance between experience and the need for renewal and fresh perspective. The Board believes the imposition of director term limits on a board implicitly discounts the value of experience and continuity amongst Board members and runs the risk of excluding experienced and potentially valuable Board members as a result of an arbitrary determination. The Board believes that it is better served with a regular assessment of the effectiveness of the Board, Board committee and individual directors rather than on arbitrary term limits.