



**LITHOS GROUP LTD.**

**Suite 2380 – 1055 West Hastings Street  
Vancouver, British Columbia, V6E 2E9**

**CSE FORM 2A  
LISTING STATEMENT**

**April 1, 2025  
(except as otherwise indicated)**

This Listing Statement is intended to provide full, true and plain disclosure about the Company. It is not, and is not to be construed as, a prospectus. It has not been reviewed by a securities regulatory authority and no securities are being sold or qualified for distribution by the filing of this Listing Statement.”

## TABLE OF CONCORDANCE SCHEDULES

<b>Information Required by Form 2A Listing Statement</b>	<b>Disclosure Document</b>	<b>Page #</b>
Corporate Structure	See Corporate Structure below	9
General Development of the Business	Also see General Development of The Business of the Company below	10
Narrative Description of the Business	See Description of the Business below	16
Use of Available Funds	See Sources of Available Funds and Principal Purposes below	30
Selected Consolidated Financial Information	See Selected Consolidated Financial Information below	32
Management's Discussion and Analysis	Annual MD&A Interim MD&A	33
Market for Securities	See Description of Securities below	35
Consolidated Capitalization	See Consolidated Capitalization below	36
Options to Purchase Securities	See Options to Purchase Securities below	36
Description of the Securities	See Description of the Securities below	33
Prior Sales	See Description of Securities below	34
Escrowed Securities and Securities subject to Resale Restrictions	See Escrowed Securities below	37
Principal Shareholders	See Principal Securityholders below	37
Directors and Officers	See Directors and Officers below	38
Capitalization	See Capitalization below	43
Convertible Securities	See Capitalization below	43
Executive Compensation	Circular	10
Indebtedness of Directors and Executive Officers	See Indebtedness of Directors and Executive Officers below	46
Risk Factors	See Risk Factors below	51
Promoters	See Promoters below	52
Legal Proceedings	See Legal Proceedings and Regulatory Actions below	52
Interest of Management and Others in Material Transactions	See Interest of Management and Others in Material Transactions below	53
Auditors, Transfer Agents and Registrars	See Auditors, Transfer Agents and Registrar below	53
Material Contracts	AIF	82
Interest of Experts	See Interest of Experts below	53
Other Material Facts	See Other Material Facts below	53
Financial Statements	Annual Financial Statements Interim Financial Statements	53
Additional Information	See Additional Information below	54

**Schedule A – Audit Committee Charter**

**Schedule B – Equity Incentive Plan**

## ADVISORIES

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In this Form 2A – Listing Statement (this “**Listing Statement**”), unless otherwise specified or if the context otherwise requires, references to “we”, “us”, “our”, “its”, “the Company” or “LiTHOS” mean LiTHOS Group Ltd. and its subsidiaries, 1282112 BC Ltd., Iron Forge Holdings (1) Ltd., LiTHOS Technology LLC, Lithos Alabama LLC and Aqueous Resources LLC. The information in this Listing Statement is stated as of the date hereof unless otherwise indicated. For additional information and details, readers are referred to the audited consolidated financial statements for the year ended April 30, 2024 and notes that follow, as well as the accompanying annual Management’s Discussion and Analysis (“**MD&A**”), which are available on the Canadian Securities Administrator’s SEDAR+ System at [www.SEDAR-plus.ca](http://www.SEDAR-plus.ca). Unless otherwise indicated, the Company’s filings through SEDAR+ are not incorporated by reference in this Listing Statement.

### Forward-Looking Information and Statements

This Listing Statement contains forward-looking information and statements (collectively, “**forward-looking statements**”). These forward-looking statements relate to LiTHOS’ current expectations, estimates and projections as to future events or LiTHOS’ future performance and are provided to allow readers a better understanding of LiTHOS’ business and prospects and may not be suitable for other purposes. All statements, other than statements of historical fact, may be considered forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in, or suggested by, such forward-looking statements. LiTHOS believes the expectations reflected in the forward-looking statements included in this Listing Statement are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date of this Listing Statement and are expressly qualified, in their entirety, by this cautionary statement. LiTHOS assumes no obligation to revise or update these statements except as required pursuant to applicable securities laws. For more information on the forward-looking statements and risk factors that relate to LiTHOS, LiTHOS’ business and prospects, and other future oriented like statements, see “*Cautionary Statement Regarding Forward-Looking Information and Statements*” and “*Risk Factors*” on pages 1 and 57 of the Company’s 2024 AIF (as defined herein) as well as “*Caution Regarding Forward Looking Statements*” on page 52 of the Company’s MD&A for the nine months ended January 31, 2025.

Readers are cautioned that the preparation of financial statements in accordance with international financial reporting standards in Canada requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available and as the economic environment changes. The information contained in this Listing Statement, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Company. Readers are encouraged to carefully consider such factors.

Readers are cautioned against placing undue reliance on forward-looking statements, which are given as of the date expressed in this Listing Statement or the AIF and MD&A disclosure incorporated by reference herein, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Company undertakes no obligation to publicly update or revise any forward-looking statements in this Listing Statement or the MD&A or other disclosure incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law.

## Technical Information

Unless otherwise noted, the disclosure contained in this Listing Statement of a scientific or technical nature for the Rhodes Marsh Project is based on the technical report prepared by Chris M. Healey, P. Geo., Principal Geologist for Healex Consulting Ltd., dated September 1, 2023 and entitled “*Rhodes Marsh Lithium Brine Project, Mineral County, Nevada, NI 43-101 Technical Report*” prepared in accordance with the requirements of NI 43-101.

Any mineral reserve or resource figures, and scientific, technical, or projected economic information or estimates referred to in this Listing Statement are estimates, and no assurances can be given that the information will materialize. Such information is based on expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the information included in this Listing Statement is well established, the information by its nature is imprecise and depends, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates of such information are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

Reference should be made to the full text of the Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company’s profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

Chris M. Healey, P. Geo, is a “Qualified Person” under NI 43-101 has reviewed and approved the written scientific and technical disclosure contained in this Listing Statement.

## Market and Industry Data

This Listing Statement includes market and industry data that has been obtained from third party sources, including industry publications. The Company believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, LiTHOS has not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

## Monetary References

Except as otherwise indicated, all dollar amounts in this Listing Statement are expressed in Canadian dollars and references to \$ are to Canadian dollars. References to US\$ are to United States dollars.

## DOCUMENTS INCORPORATED BY REFERENCE

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Information has been incorporated by reference in this Listing Statement from documents filed with provincial securities commissions or similar authorities in Canada. A copy of each of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary at Suite 2380 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, and are also available electronically on the Canadian Securities Administrator’s SEDAR+ System at [www.SEDARplus.ca](http://www.SEDARplus.ca). Unless otherwise indicated, the Company’s filings through SEDAR+ are not incorporated by reference in this Listing Statement.

The following documents, filed by the Company with the various provincial securities commissions or similar authorities in Canada, are specifically incorporated by reference into, and form an integral part of, this Listing Statement:

- the 2024 AIF dated July 29, 2024, for the fiscal year ended April 30, 2024;

- the Annual Financial Statements, and the related notes thereto and auditor report thereon;
- the Annual MD&A;
- the Interim Financial Statements, and the related notes thereto;
- the Interim MD&A;
- the Information Circular dated August 14, 2024, in respect of the Company's annual general and special meeting of shareholders held on September 13, 2024; and
- the Technical Report dated September 1, 2023 prepared by the Author in respect of the Rhodes Marsh Project.

Any statement contained in this Listing Statement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Listing Statement to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed to constitute a part of this Listing Statement, except as so modified or superseded.

## GLOSSARY OF TERMS

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In this Listing Statement, unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

<b>"1481450"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"2023 AIF"</b>	means the Company's From 51-102F2 – <i>Annual Information Form</i> dated December 5, 2023.
<b>"2024 AIF"</b>	means the Company's From 51-102F2 – <i>Annual Information Form</i> dated July 29, 2024.
<b>"3PL"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"Affiliate"</b>	means a company that is affiliated with another company as described below. A company is an Affiliate of another company if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same person. A company is "controlled" by a person if (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the company. A person beneficially owns securities that are beneficially owned by (a) a company controlled by that person, or (b) an Affiliate of that person or an Affiliate of any company controlled by that person.
<b>"Alinea"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"All Nations"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"Amalgamation Agreement"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"AMP"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .
<b>"Annual Financial Statements"</b>	means the audited consolidated annual financial statements of the Company for the fiscal years ended April 30, 2024 and April 30, 2023.
<b>"Annual MD&amp;A"</b>	means the Company's MD&A for the fiscal years ended April 30, 2024 and April 30, 2023.
<b>"Aqueous"</b>	means Aqueous Resources LLC, a company incorporated under the laws of the State of Colorado and wholly-owned subsidiary of the Company.
<b>"Aqueous Transaction"</b>	has the meaning ascribed to such term under the heading <i>"General Development of the Business of the Company –Three Year History"</i> .

<b>“Audit Committee”</b>	means the audit committee of the Company.
<b>“Author”</b>	means Chris M. Healey, P. Geo., Principal Geologist for Healex Consulting Ltd., and author of the Technical Report.
<b>“BCBCA”</b>	means the <i>Business Corporations Act</i> (British Columbia), and the regulations thereunder, as amended from time to time.
<b>“BCSC”</b>	British Columbia Securities Commission.
<b>“Benchmark”</b>	has the meaning ascribed to such term under the heading <i>“Description of the Business of the Company – LiTHOS Technology – Rise of DLE will open new sources of lithium supply this decade”</i> .
<b>“BLM”</b>	means US Bureau of Land Management.
<b>“Board”</b>	means the board of directors of the Company.
<b>“CBoe Canada”</b>	means the CBoe Canada exchange, operated by CBoe® Global Markets.
<b>“CEO”</b>	means chief executive officer.
<b>“CFI”</b>	means conductive fracture imaging.
<b>“CFO”</b>	means chief financial officer.
<b>“Closing”</b>	means the closing of the Transaction pursuant to the terms of the Share Exchange Agreement.
<b>“Common Share”</b>	means a common share in the capital of the Company.
<b>“company”</b>	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
<b>“Company” or “LiTHOS”</b>	means LiTHOS Group Ltd, a company incorporated under the laws of the Province of British Columbia.
<b>“Compensation Committee”</b>	means the compensation committee of the Company.
<b>“Consolidation”</b>	means the consolidation of Common Shares effective November 19, 2021 on the basis of 20 pre-consolidation Common Shares for each 1 post-consolidation Common Share.
<b>“Consolidation Ratio”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“Corporate Governance Committee”</b>	means the corporate governance committee of the Company.
<b>“COO”</b>	means Chief Operating Officer.

<b>“CSE”</b>	means the Canadian Securities Exchange, operated by CNSX Markets Inc.
<b>“DLE”</b>	means direct lithium extraction.
<b>“DOE”</b>	means the United States Department of Energy.
<b>“DSU”</b>	means deferred share unit of the Company.
<b>“ENAMI”</b>	means Chilean National Mining Company.
<b>“Equity Incentive Plan”</b>	means the omnibus equity incentive plan adopted by the Board on November 22, 2022, and as ratified by shareholders of the Company on September 13, 2024.
<b>“Escrow Agreement”</b>	means the NP 46-201 escrow agreement dated January 29, 2023 among the Company, Endeavor Trust Corporation and certain insiders of LiTHOS.
<b>“Field Pilot Plant”</b>	means field-based pilot plant.
<b>“Information Circular”</b>	means the management information circular of the Company dated August 14, 2024 prepared on Form 51-102F5 – <i>Information Circular</i> in respect of the Company’s annual general and special meeting of shareholders on September 13, 2024.
<b>“Interim Financial Statements”</b>	means the interim consolidated financial statements of the Company for the nine-months ended January 31, 2025 and January 31, 2024.
<b>“Interim MD&amp;A”</b>	means the Company’s MD&A for the nine-months ended January 31, 2025 and January 31, 2024.
<b>“Iron Forge”</b>	means Iron Forge Holdings (I) Ltd., a company incorporated under the laws of the Province of British Columbia and wholly-owned subsidiary of the Company.
<b>“Iron Forge Securities”</b>	means the Iron Forge Shares and any other securities or other indebtedness of Iron Forge convertible or exercisable into, or exchangeable for, Iron Forge Shares.
<b>“Iron Forge Shares”</b>	means all of the issued and outstanding shares in the capital of Iron Forge, being 9,800,000 common shares in the capital of Iron Forge.
<b>“Lab Pilot Plant”</b>	means lab scale pilot plant.
<b>“LCE”</b>	means lithium carbonate equivalent
<b>“LiOH-H<sub>2</sub>O”</b>	means lithium hydroxide monohydrate.
<b>“Listing Statement”</b>	means this CSE Form 2A – <i>Listing Statement</i> dated April 1, 2025.
<b>“LiTHOS Technologies”</b>	means LiTHOS Technologies Corp., a company continued under the Province of British Columbia.
<b>“LiTHOS Technologies Closing”</b>	has the meaning ascribed to such term under the heading “ <i>General Development of the Business of the Company – Three Year History</i> ”.



<b>“LiTHOS Technologies Transaction”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“LOI”</b>	means the letter of intent dated January 24, 2022 between the Company and Iron Forge setting out the fundamental terms of the Transaction.
<b>“MD&amp;A”</b>	means Form 51-102F1 – <i>Management’s Discussion &amp; Analysis</i> .
<b>“Membership Interests”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“NI 43-101”</b>	means National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
<b>“NI 51-102”</b>	means National Instrument 51-102 – <i>Continuous Disclosure Obligations</i> .
<b>“NI 52-110”</b>	means National Instrument 52-110 – <i>Audit Committees</i> .
<b>“NI 58-101”</b>	means National Instrument 58-101 – <i>Disclosure of Corporate Governance Practices</i> .
<b>“Notes”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“NP 46-201”</b>	means National Policy 46-201 – <i>Escrow for Initial Public Concurrent Financings</i> .
<b>“NPOM”</b>	means net proceeds of mines.
<b>“Oak Hill”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“Oak Hill Agreement”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“OEDIT”</b>	has the meaning ascribed to such term under the heading <i>“Description of the Business of the Company – LiTHOS Technology – Government Grants”</i> .
<b>“Options”</b>	means options to purchase Common Shares.
<b>“Performance Share”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“Person”</b>	is to be construed broadly and includes any individual, company, partnership, joint venture, association, trust, trustee, executor, administrator, unincorporated association, governmental entity or other entity, whether or not having legal status.
<b>“PSU”</b>	means performance share unit of the Company.
<b>“Qualified Person”</b>	has the meaning ascribed to such term in NI 43-101.
<b>“Related Person”</b>	has the meaning ascribed to such term in CSE Policy 1 – <i>Interpretation</i> .
<b>“Reporting Issuer”</b>	has the meaning ascribed to such term in the <i>Securities Act</i> (British Columbia), as amended.

<b>“Rhodes Marsh Project”</b>	means the exploration property comprised of 46 placer leases, covering a total area of 947 acres (383 hectares) located in portions of Sections 11 and 23 of Township 5 North - Range 35 East, Mount Diablo Meridian, Mineral County, West-central Nevada.
<b>“RIS”</b>	has the meaning ascribed to such term under the heading <i>“General Development of the Business of the Company – Three Year History”</i> .
<b>“RSU”</b>	means a restricted share unit of the Company.
<b>“SEDAR+”</b>	means the System for Electronic Document Analysis and Retrieval.
<b>“Share Exchange Agreement”</b>	means the share exchange agreement dated April 8, 2022, as amended, among the Company, Iron Forge and the shareholders of Iron Forge.
<b>“Technical Report”</b>	means the technical report of the Author dated September 1, 2023 entitled <i>“Rhodes Marsh Lithium Brine Project, Mineral County, Nevada, NI 43-101 Technical Report”</i> prepared in accordance with the requirements of NI 43-101.
<b>“Transaction”</b>	means the acquisition by the Company of all the securities of Iron Forge from the shareholders of Iron Forge and all other transactions contemplated by the Share Exchange Agreement in order to effect the business combination to combine the businesses of the Company and Iron Forge.
<b>“Trenchant”</b>	means Trenchant Technologies Capital Corp.
<b>“TRL”</b>	has the meaning ascribed to such term under the heading <i>“Description of the Business of the Company – Background – Membranes and Stack Technology Readiness Level”</i> .
<b>“TSXV”</b>	means the TSX Venture Exchange Inc.
<b>“Units”</b>	means units of the Company.
<b>“United States”, “USA” or “US”</b>	means, collectively, the United States of America, its territories and possessions.
<b>“Warrants”</b>	means Common Share purchase warrants of the Company.

## CORPORATE STRUCTURE

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### Name, Address and Incorporation

The Company was incorporated on October 22, 2010 pursuant to the provisions of the BCBCA under the name “NY85 Capital Inc.”. On October 16, 2012, the Company filed articles of amendment changing its name from “NY85 Capital Inc.” to “Alchemist Mining Incorporated”. On August 15, 2023, the Company filed articles of amendment changing its name from “Alchemist Mining Incorporated” to “LiTHOS Energy Ltd.”. On January 24, 2023, the Company filed articles of amendment changing its name from “LiTHOS Energy Ltd.” to “LiTHOS Group Ltd.”.

Effective November 19, 2021, the Company completed the Consolidation which was a consolidation of the Common Shares of the Company on the basis of 20 pre-Consolidation Common Shares for every one post-Consolidation Common Share.

The Company’s head office is located at Suite 2380 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, and its registered office is located at Bentall 5, Suite 2501 – 550 Burrard Street Vancouver, British Columbia, V6C 2B5.

LiTHOS is a Reporting Issuer in British Columbia, Alberta and Ontario and files its continuous disclosure documents on SEDAR+ at [www.SEDAR+plus.ca](http://www.SEDAR+plus.ca). Prior to having its Common Shares listed for trading on the CSE, LiTHOS had its Common Shares traded on CBoe Canada under the symbol “LITS” since December 7, 2023.

### Intercorporate Relationships

As of the date of this Listing Statement, the Company has the following subsidiaries:

Subsidiary	Jurisdiction of Incorporation/Continuation	Ownership Percentage
1282112 B.C. Ltd.	British Columbia	100%
Iron Forge Holdings (I) Ltd.	British Columbia	100%
Lithos Technologies Corp.	British Columbia	100%
Lithos Technology LLC	Delaware	100%
Lithos Alabama LLC	Alabama	100%
Aqueous Resources LLC	Colorado	100%

1282112 B.C. Ltd. was incorporated on December 31, 2020 pursuant to the laws of the provisions of the BCBCA. The head office of 1282112 B.C. Ltd. is located at Suite 142 – 757 West Hastings Street, Vancouver, British Columbia, V6C 1A1, and its registered office is located at Cozen O’Connor LLP of Suite 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

Iron Forge Holdings (I) Ltd. was incorporated on August 23, 2021 pursuant to the provisions of the BCBCA. The head office of Iron Forge Holdings (I) Ltd. is located at Suite 142 – 757 West Hastings Street, Vancouver, British Columbia, V6C 1A1, and its registered office is located at 520 – 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2.

Lithos Technologies Corp. was continued on April 27, 2023 pursuant to the laws of the provisions of the BCBCA. The head office of Lithos Technologies Corp. is located at Suite 2380 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, and its registered office is located at Cozen O’Connor LLP of Suite 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

Lithos Technology LLC was formed on August 8, 2022 pursuant to the laws of the provisions of the State of Delaware. The head office of Lithos Technology LLC is located at 10807 Timberdash Avenue, Highlands Ranch, CO 80126, and its registered office is located at 108 West 13<sup>th</sup> Street, Wilmington, Delaware 19801.

Lithos Alabama LLC was formed on April 11, 2024 pursuant to the laws of the provisions of the State of Alabama. The head office of Lithos Alabama LLC is located at 515 19<sup>th</sup> Street North, Bessmer, Alabama 35020, and its registered office is located at 515 19<sup>th</sup> Street North, Bessmer, Alabama 35020.

Aqueous Resources LLC was organized on May 18, 2022 under the Colorado Limited Liability Company Act. The head office and registered office of Aqueous Resources LLC is located at 901 N Pennsylvania Street, Denver, Colorado, 80203-3118, USA.

## **GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY**

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The principal business of the Company Includes:

- *Technology:* LiTHOS owns AcQUA™ – a patented<sup>1</sup> selective conditioning, pre-treatment, concentrating, and polishing production process (also commonly referred to as direct lithium extraction or DLE) for extracting lithium salts from a variety of brine reservoirs enriched with lithium in aqueous form. AcQUA™ is a unique modular technology which optimizes the pre-treatment, selective purification, and concentration of lithium-enriched brines prior to extracting lithium chloride and subsequent polishing into either lithium hydroxide monohydrate or lithium carbonate. These are the input feedstocks preferred for modern electric vehicle batteries. The Company's DLE, AcQUA™ technology forms the primary business of LiTHOS.
- *Exploration:* The Company has the exploration and development rights to the Rhodes Marsh Project, which is maintained on the Company's books for the sole convenience of potentially securing lithium brine, should third-party sources of supply not be available in the future. At this time, the Company does not intend to proceed with any further exploration or development of the Rhodes Marsh Project. However, the Company reserves the right to revisit the Rhodes Marsh Project and pursue additional exploration or development at its sole discretion, should market conditions or strategic needs evolve. There have been no material developments with respect to the Rhodes Marsh Project since the date of the Technical Report.

### **Three Year History**

A detailed description on the significant developments of the business of the Company for the past three years is set out below.

On September 2, 2020, the Company announced that it had entered a non-binding letter of intent, dated August 31, 2020, for the acquisition of All Nations Cannabis Corporation ("**All Nations**"), a company that was in the final stages of receiving a Health Canada License for the cultivation and processing of cannabis and associated products. The Company and All Nations signed an asset purchase agreement on December 7, 2020 which was then amended on March 1, 2021. In August 2021, the Company terminated the asset purchase agreement with All Nations.

On August 23, 2021, the Company entered into a letter of intent for the acquisition of all of the assets of Alinea Cannabis Inc., a Health Canada licensed, federally registered corporation ("**Alinea**"). On September 16, 2021, the Company entered into a share exchange agreement respecting the acquisition of all of the issued and outstanding shares of Alinea. On November 1, 2021, the Company terminated the share exchange agreement with Alinea.

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<sup>1</sup> LiTHOS has received an Issue Notification received from the USPTO for United States Patent Application Serial No. 17/862,572. The Issue Notification indicates that "*Electro-Pressure Membrane Method for Recovery and Concentration of Lithium from Aqueous Sources*" will issue as U.S. Patent No. 12,151,211 on November 26, 2024. Hence, any product covered by this patent and any associated packaging enclosing the covered product can now progress from "Patent Pending" to "U.S. Pat. No. 12,151,211" or equivalent marking.

On November 10, 2021, the Board approved the Consolidation of the Company's issued share capital on the basis of twenty (20) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share (the "**Consolidation Ratio**"). The Company had 76,610,714 Common Shares outstanding prior to the Consolidation and had 3,830,536 Common Shares outstanding after completion of the Consolidation on November 19, 2022. The number of outstanding Options and Warrants of the Company was adjusted by the Consolidation Ratio, and the exercise prices were adjusted accordingly.

On January 13, 2022, the Company completed a non-brokered private placement and issued an aggregate of 11,983,333 Units at a price of \$0.075 per Unit for aggregate gross proceeds of \$898,750. Each Unit was comprised of one Common Share and one Warrant. Each Warrant entitles the holder to purchase one additional Common Share for a period of four years from the closing date at an exercise price of \$0.20 per Common Share. Proceeds from the offering were used for payment of current payables and for general working capital purposes.

On January 24, 2022, the Company and Iron Forge entered into the LOI setting out the essential terms and conditions by which the Company and Iron Forge proposed to complete a business combination and, in connection therewith, the Company proposed to acquire all of the issued and outstanding shares of Iron Forge from the shareholders of Iron Forge in exchange for the issuance of the Common Shares and Warrants.

On February 18, 2022, the Company issued 2,497,080 Common Shares at a deemed price of \$0.12 per Common Share in settlement of an aggregate of \$299,650 debt owing to Kwanokeng Holdings Ltd., OIG Overseas Investment Group Ltd., Gang3 Capital Ltd., Nickel Arriere Inc. and Winsight Technology Canada Ltd., a company controlled by Paul Mann, the former President, CEO and a director of the Company. Accordingly, \$100,000 of the \$299,650 in debt was settled with Winsight Technology Canada Ltd.

On February 24, 2022, the Company closed a non-brokered private placement of 150,000 Common Shares at a price of \$0.70 per Common Share for gross proceeds of \$105,000, and which subscription was to be included in a pre-Consolidation private placement undertaken by the Company. Accordingly, the \$0.70 Common Share issuance price was the result of the adjustment caused by the Consolidation Ratio. Proceeds from the offering were used for general working capital purposes.

On March 29, 2022, the Company paid \$32,000 in settlement of a \$60,000 debt to Sukh Sandhu, a former director of the Company.

On March 30, 2022, Paul Mann resigned as President, CEO and a director of the Company and Brian Clay resigned as a director of the Company. The Company appointed Eric Boehnke as the CEO and a director to replace Mr. Mann and appointed Jennie Choboter, the Company's CFO, as a director to replace Mr. Clay.

On March 31, 2022, Zeta Ceti and Awet Kidane resigned as directors of the Company. Effective March 31, 2022, the Company appointed James Carter as a director.

On April 8, 2022, the Company entered into the Share Exchange Agreement, as amended, which replaced and superseded the LOI. On January 9, 2023, a majority of the Company's shareholders approved the Transaction by way of written consent resolution, and on January 27, 2023 the CSE conditionally approved the Transaction including the continued listing of the Common Shares on the CSE following completion of the Transaction.

On June 8, 2022, the Company issued 648,706 Units of the Company at a deemed price of \$0.145 per Unit in settlement of \$94,062.50 debt owing to Gang3 Capital Ltd., an arm's length creditor. Each Unit was comprised of one Common Share and one Warrant. Each Warrant entitles the holder to purchase one additional Common Share for a period of four years from the closing date at an exercise price of \$0.145 per Common Share.

On January 20, 2023, the Company closed a non-brokered private placement of 5,860,853 Common Shares at a price of \$0.145 per Common Share for gross proceeds of \$849,824. Proceeds from the offering were used for general working capital purposes and to fund the Company's Phase 1 exploration program on the Rhodes Marsh Project.

On January 27, 2023, the Company acquired all of the issued and outstanding shares of Iron Forge and any other securities or other indebtedness of Iron Forge convertible or exercisable into, or exchangeable for shares of Iron Forge from the shareholders of Iron Forge in exchange for the issuance by the Company, to the shareholders of Iron Forge, on a pro rata basis, of an aggregate of 7,499,999 Common Shares at a deemed price of \$0.145 per Common Share as well as the issuance of an aggregate of 3,749,999 Warrants. Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.20 per Common Share for a period of two years.

On April 27, 2023, the Company closed the transactions contemplated in an amalgamation agreement dated March 6, 2023, as amended by an amendment agreement dated March 23, 2023 (together, the “**Amalgamation Agreement**”) with LiTHOS Technologies Corp. (“**LiTHOS Technologies**”), a private arm’s length company continued under the Province of British Columbia, and 1404366 B.C. Ltd. (“**NewCo**”), a wholly-owned subsidiary of the Company, pursuant to which the Company completed a business combination with LiTHOS Technologies and acquired all of the outstanding securities of LiTHOS Technologies from the securityholders of LiTHOS Technologies (the “**LiTHOS Technologies Transaction**”).

LiTHOS Technologies invested in and aided commercial and technical development of AcQUA™ – a patented wastewater solutions technology for conditioning, pre-treatment and DLE from brine reservoirs enriched with lithium. AcQUA™ is a unique modular technology which optimizes the pre-treatment, selective purification, and concentration of lithium-enriched brines prior to extracting lithium chloride. The unique AcQUA™ technology avoids the typical challenges faced by chemically-intensive DLE technologies currently in development phase. AcQUA™ enables lithium brine resource operators to deploy economically viable and sustainable field-ready extraction solutions that will substantially reduce fresh water and chemical reagent consumption by utilizing a novel, commercially mature electro-pressure membrane approach. The aim of AcQUA™ is to substantially eliminate the use of evaporation ponds in the conditioning, pre-treatment and concentration phases of lithium salt production. The Company filed for a trademark on September 5, 2023, with the USPTO and filed on August 30, 2023, with the Canadian Intellectual Property Office to protect the branding of this service as AcQUA™.

LiTHOS Technologies also invested in the Company’s proprietary cloud solution technology known as conductive fracture Imaging or CFI in March, 2023. The CFI technology was acquired prior to the LiTHOS Transaction from Reservoir Imaging Solutions (“**RIS**”), a company controlled by LiTHOS’ Chief Executive Officer, pursuant to the terms of an asset purchase agreement dated April 20, 2023. The CFI subsurface imaging technology has the potential to reduce the risks of induced seismicity and optimize the pressure drive, and overall reservoir management for all brine assets. Following the acquisition of the CFI technology, LiTHOS Technology and RIS entered into a license agreement dated April 20, 2023 pursuant to which LiTHOS Technology granted back to RIS the right to use the CFI Technology. Pursuant to the terms of the license agreement, the license of the CFI technology to RIS is for an indefinite period in consideration for the payment by RIS to LiTHOS Technology of an amount equal to all fees generated from use of the CFI technology by RIS less any costs incurred by RIS in using the CFI technology. CFI shall be applied to professionally manage and diagnose the re-injection of spent brine as a result of the AcQUA™ process. The Company filed for a trademark with the USPTO on September 5, 2023 and on August 30, 2023 with the Canadian Intellectual Property Office to protect the branding of this service as TiERRA™.

Pursuant to the terms of the Amalgamation Agreement, LiTHOS acquired all of the issued and outstanding common shares in the capital of LiTHOS Technologies by way of “three-cornered” amalgamation whereby NewCo and LiTHOS Technologies amalgamated to form a new entity which became a wholly-owned subsidiary of LiTHOS upon the closing of the LiTHOS Transaction (the “**LiTHOS Technologies Closing**”). At the effective time of the LiTHOS Technologies Closing, each outstanding common shares of LiTHOS Technologies was cancelled and, in consideration for such common shares of LiTHOS Technologies, each respective LiTHOS Technologies shareholder received their pro rata portion of an aggregate of 15,000,000 Common Shares, at a deemed price of \$0.30 per Common Share. In addition, the Company issued an aggregate of 10,000,000 performance Shares (each, a “**Performance Share**”), on terms and conditions mutually agreed upon by the parties, to certain employees and consultants of LiTHOS Technologies, each at a deemed price of \$0.30 per Performance Share. Accordingly, each Performance Share vested upon the achievement upon the receipt by LiTHOS of its first brine shipment from 3 Proton Lithium (“**3PL**”) at its Denver-based testing facility. Pursuant to the terms of a finder’s fee agreement dated April 25, 2023, an arm’s length

finder's fee was issued for 2,000,000 Common Shares at a deemed price of \$0.30 per Common Share in connection with the LiTHOS Transaction.

On May 18, 2023, the Colorado Office of Economic Development and International Trade awarded Aqueous Resources up to a USD\$250,000 early stage capital retention grant. During the year ended April 30, 2024, the company received US\$54,346 (\$73,705) (2023 - \$nil) in grant funding under the program.

On May 31, 2023, the Company appointed Dana Jurick to its advisory board.

On June 5, 2023, the Company appointed Michael Kevin McKenna to its advisory board.

On June 6, 2023, the Company appointed Joseph Fuqua to its advisory board.

On June 7, 2023, the Company appointed Martín Corredera Silván to its advisory board.

On July 10, 2023, the DOE awarded Aqueous a USD\$1.3 million FASTRACK grant entitled "*Sustainable Direct Lithium Extraction for the Recovery, Concentration, and Production of Lithium Chloride from Aqueous Sources*".

On July 17, 2023, the Company appointed Robert Barnwell to its advisory board.

On June 13, 2023, the Company entered into a securities exchange agreement with Aqueous, a private arm's length limited liability company based in Denver, Colorado, USA, pursuant to which the Company acquired all of the outstanding membership interests of Aqueous (collectively, the "**Membership Interests**") from the holders of the Membership Interests, in exchange for 17,500,000 Common Shares at a deemed price of \$0.52 per Common Share (the "**Aqueous Transaction**"). Upon Closing, Aqueous became a wholly-owned subsidiary of the Company. Upon Closing, in accordance with the terms of conditions of the Agreement, Fredrik Klaveness was appointed as a director to the Board. Pursuant to the terms of a finder's fee agreement dated August 4, 2023, the Company issued an aggregate of 1,000,000 Common Shares at a deemed price of \$0.47 per Common Share to one finder in connection with the Aqueous Transaction.

On August 4, 2023, the Company closed the securities exchange agreement with Aqueous.

On August 15, 2023, the Company changed its name from "Alchemist Mining Incorporated" to "LiTHOS Energy Ltd." and its Common Shares were listed for trading on the CSE under the symbol "LITS".

On August 17, 2023, Michael Kevin McKenna, Michael Westlake and Martín Corredera Silván were elected as independent directors at the annual general meeting of the Company. Eric Boehnke elected not to stand for re-election at the annual general meeting.

LiTHOS Technologies filed for a trademark on September 5, 2023 with the USPTO and filed on August 30, 2023 with the Canadian Intellectual Property Office to protect the branding of AcQUA™ and TiERRA™.

On October 4, 2023, the Company began trading on the OTCQB market in the United States under the symbol LITSF

On October 23, 2023, the Company received the necessary Chilean government authorizations to send brine samples from Salar de Atacama.

On November 3, 2023, the Company closed a non-brokered private placement of non-convertible notes (the "**Notes**") in the aggregate principal amount of USD\$550,000 and 999,900 Warrants. The Notes have a term of 91 days and bear interest at the rate of 15% per annum payable on closing of the offering. Each Warrant entitles the holder thereof to acquire one Common Share of the Company at a price of USD\$0.55 per Common Share until November 3, 2028. The proceeds were used for working capital and for the scaling up of the Company's processing testing facility.

The Company entered into an engagement agreement (the “**Oak Hill Agreement**”) with Oak Hill Financial Inc. (“**Oak Hill**”), whereby Oak Hill agreed to provide investor relations and capital markets advisory services to the Company for an initial four-month period, effective from November 7, 2023, with provisions for automatic renewals unless a written notice is provided by the Company or Oak Hill within five business days of a monthly renewal. This Agreement remains in effect. As part of the Agreement, Oak Hill will receive \$12,000 per month plus expenses pre-approved by the Company during the term of the Agreement. In addition, the Company granted Oak Hill 300,000 Options, at an exercise price of \$0.56. The Options vest on a quarterly basis commencing on the date that is three months from the date of execution of the Agreement. If the Agreement is terminated for any reason, Oak Hill shall have 60 days to exercise all vested Options, after which point they are cancelled. The Options shall have an 18-month term.

On November 20, 2023, the Company received several brine samples from the Salar de Atacama (Chile).

On December 6, 2023 the Company filed its 2023 AIF on SEDAR+ and was accepted by CBoe Canada for the listing of its Shares. The Company delisted from the CSE on December 7, 2023 and began trading on the CBoe Canada under the same “LITS” symbol on December 8, 2023. The Company is seeking a switch back to the CSE at this time due to business reasons. No change of business, transactions (reverse takeover or otherwise) and/or financings are being contemplated by LITHOS concurrently with the switch from Cboe to the CSE.

On December 14-15 the Company performed a project review with Customer A in its Alabama processing facility.

On January 22, 2024, the Company announced a name change from “Lithos Energy Ltd. to “Lithos Group Ltd.”, to be effective on January 24, 2024. The Common Shares trade under the new name and existing ticker symbol “LITS” on CBoe Canada as of the start of trading on January 24, 2024. In connection with the name change, the Company’s new CUSIP is 53687L102 and the new ISIN is CA53687L1022.

On January 24, 2024, the Company was awarded a purchase order from a major American lithium producer for lab scale testing and was subsequently sent field brines for processing.

On January 29, 2024, Fredrik Klaveness resigned from an operations and management position but remained as an director of the Company.

On February 26, 2024, Lithos Technology was awarded a purchase order from a major international lithium producer for lab testing and was sent field brines for processing.

On March 18, 2024, the Company completed a first tranche of its non-brokered private placement, pursuant to which it has issued an aggregate of 992,871 Units at a price of \$0.70 per Unit raising gross proceeds of \$695,010.10. Each Unit was comprised of one Common Share and one Warrant. Each Warrant entitles the holder to purchase one additional Common Share for a period of three years from the closing date at an exercise price of \$0.90 per Common Share.

On March 25, 2024, the Company commenced manufacturing of a demonstration scale AcQUA™ modular field unit. Once the modular AcQUA™ system passes factory acceptance testing it will immediately be deployed to the field for site acceptance testing which requires 1,500 hours (approximately ~2.5 months) of operational performance validation with each customer.

On March 27, 2024, the Company announced the promotion of Joe Fuqua to COO and corporate secretary and the appointments of Michael Westlake as President, and Gabe Segal as Vice President – Strategy & Finance.

On April 15, 2024, the Company completed a second tranche of its non-brokered private placement, pursuant to which it has issued an aggregate of 644684 Units at a price of \$0.70 per Unit raising gross proceeds of \$451,278.8. The Company has received an aggregate of \$1,146,288.90 from the closing of this financing two tranches.



On April 25, 2024, the Company was selected from the first phase of the ENAMI's direct lithium extraction project for further review. LiTHOS was one of 26 global DLE companies announced after an initial request for information was sent to 76 DLE companies. LiTHOS offered its innovative AcQUA™ pre-treatment, and concentration technology for ENAMI's High Andean Salt Flats project in the Atacama Region.

On April 26, 2024, the Board unanimously approved the appointment of Seth Coblentz as Corporate Secretary.

On May 29, 2024, the Company announced Judson LaCapra as its new Chief Development Officer, Seth Coblentz as General Counsel and Elyssia Patterson as VP of Corporate Communications.

On June 5, 2024, the Company announced the entry into of a non-binding letter of intent with 1481450 B.C. Ltd. ("**1481450**") pursuant to which the Company agreed to acquire all of the outstanding securities of 1481450 from the securityholders of 1481450 (the "**1481450 Transaction**"). In connection with the 1481450 Transaction, 1481450 has entered into a separate agreement whereby it, at the time of closing of the 1481450 Transaction, will hold all of the outstanding securities of RIS. Pursuant to the terms of the letter of intent with 1481450, the parties had until July 29, 2024 to complete the 1481450 Transaction. The 1481450 Transaction was not completed prior to this deadline.

On June 17, 2024, the Company announced its Alabama Mobility and Power ("**AMP**") Center. This strategic alliance includes esteemed partners such as the University of Alabama, Alabama Power, and Mercedes-Benz U.S. International. The AMP Center is a premier research and development hub for EV and battery technologies, dedicated to pioneering solutions across the entire EV ecosystem, from raw material extraction to end-of-life battery recycling. This partnership seeks to enable LiTHOS to leverage the center's extensive network of industry, government, and academic partners to advance its innovative patent-pending AcQUA™ technology. The collaboration also aims to tackle critical challenges in lithium extraction and battery technology, contributing to the overall growth and sustainability of the EV sector.

On August 24, 2024, Seth Coblentz passed away unexpectedly. Following the passing of Mr. Coblentz, the Company announce the appointment of Hannah Benson as Corporate Secretary.

On September 20, 2024, the Company granted an aggregate of 1,422,350 RSUs to certain executive officers of the Company. Each RSU entitles the holder thereof to one Common Share under the terms and conditions of the agreement representing the RSUs.

On October 2, 2024, Joe Fuqua was terminated as COO of the Company.

On October 28, 2024, the Company announced the allowance by the USPTO of its U.S. patent for the "*Electro-Pressure Membrane Method for Recovery and Concentration of Lithium from Aqueous Sources*". The patent, which is to be issued on November 26, 2024, secures LiTHOS' ability to operate across the full lithium extraction and refinement process, covering essential stages from pre-treatment through lithium concentration to final processing for lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) or lithium hydroxide (LiOH) production. It also seek to safeguard LiTHOS' flexibility to integrate any DLE method, supporting an adaptable approach to refining.

On January 14, 2025, Chris Green was terminated as Chief Technology Officer of the Company and Hannah Benson resigned as Corporate Secretary of the Company. Following Ms. Benson's resignation, Scott Taylor was appointed as Corporate Secretary of the Company.

### **Significant Acquisitions**

The Company did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 of NI 51-102.

## DESCRIPTION OF THE BUSINESS OF THE COMPANY

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### General Overview

The Company's business includes:

- *Technology:* LiTHOS owns 100% of AcQUA™ – a patented<sup>2</sup> process which spans the complete value chain from brine to battery grade lithium: selective conditioning, pre-treatment, concentrating DLE, and upgrading technology for extracting lithium salts from a variety of brine reservoirs enriched with lithium in aqueous form. AcQUA™ is a unique modular technology which optimizes the fluid chemistry of lithium-enriched brines prior to extracting lithium chloride and subsequent polishing into either lithium hydroxide monohydrate or lithium carbonate. These are the input feedstocks preferred for modern electric vehicle batteries.
- *Exploration:* The Company has the exploration and development rights to the Rhodes Marsh Project and intends on acquiring additional land positions in other prospective lithium-enriched continental brine basins.

The Company's proprietary lithium extraction technology makes it a vertically integrated lithium exploration company with a cost advantage and a technical advantage which seeks to allow it to understand rapidly the quality and viability of any continental brine exploration target.

### Background

LiTHOS acquired 100% of Aqueous and its AcQUA™ technology in August of 2023. AcQUA™ originates from an existing Technology Readiness Level -9 frac-water recycling technology currently recycling between 10,000 to 30,000 barrels per day.

The DOE awarded LiTHOS a grant entitled "*Sustainable Direct Lithium Extraction for the Recovery, Concentration, and Production of Lithium Chloride from Aqueous Sources*" in July of 2023. For more information, see "*General Development of the Business of the Company – Three Year History*".

### Membranes and Stack Technology Readiness Level

Today, through use of the DOE grant funds and testing contracts with several large lithium producers, the AcQUA™ system has a Technology Readiness Level ("TRL") of 6. Lithos has multiple field demonstration proposals under review by these large lithium producers. The Company projects the deployment of these projects into the field will accelerate the currently-proven bench scale lithium extraction technologies above TRL-8 within 12 months, with a goal to achieve a TRL-9 rating after demonstrating operating performance in the field in collaboration with these customers.

LiTHOS expects to secure an exclusive supply agreement together with technical and manufacturing support from a European manufacturer who has been in operations for over 40 years. Securing this exclusive agreement should greatly enhance the ability of Lithos to scale up its projects from pilot to commercial scale quickly, and continue to regularly supply systems to the largest producers.

The membranes, electro dialysis stacks, and filtration membranes are all TRL-9. Based on our tests to date, these membranes are the highest fatigue component with a proven cycle time up to two years of continuous throughput.

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<sup>2</sup> LiTHOS has received an Issue Notification received from the USPTO for United States Patent Application Serial No. 17/862,572. The Issue Notification indicates that "*Electro-Pressure Membrane Method for Recovery and Concentration of Lithium from Aqueous Sources*" will issue as U.S. Patent No. 12,151,211 in the near future. Hence, any product covered by this patent and any associated packaging enclosing the covered product can now progress from "Patent Pending" to "U.S. Pat. No. 12,151,211" or equivalent marking.

We have been told the pilot field system will need to be run for at least 1,500 hours, producing results close to the lab results in order to validate its viability before the scale-up to a battery of commercial-scale systems can be approved.

### **LiTHOS Technology**

LiTHOS performs conditioning, pre-treatment, selective purification, and concentration of lithium salts from brines using the Issue Notification received from the USPTO for United States Patent Application Serial No. 17/862,572. Accordingly, LiTHOS has received an Issue Notification from the USPTO for United States Patent Application Serial No. 17/862,572 which indicates that “*Electro-Pressure Membrane Method for Recovery and Concentration of Lithium from Aqueous Sources*” will issue as U.S. Patent No. 12,151,211 on November 26, 2024. Hence, any product covered by this patent and any associated packaging enclosing the covered product can now progress from “Patent Pending” to “U.S. Pat. No. 12,151,211” or equivalent marking. This is our Electro-pressure membrane method for recovery and concentration of lithium from aqueous sources. LiTHOS is the 100% owner of this intellectual property. The lithium brine pre-treatment, extraction, and process consumable generation technology enabled service is offered under the registered trademark name AcQUA™. LiTHOS’ managed fluid re-injection technology enabled service is offered under the registered trademark name TiERRA™. LiTHOS refers to the integrated brine to battery process as e-BRINE™.

### **The LiTHOS Service Offers Unique Benefits**

Customers are projected to realize many benefits through the implementation of this solution. LiTHOS has designed an operation using its patented and world-class brine pre-treatment technology, AcQUA™:

- **Service Solution**

The implementation and management of this service is the responsibility of LiTHOS. Customers provide support in the importation of the systems to the field location, sufficient land for the installation of all equipment sufficient electrical power to run the system consistently, and minor site prep to include civil works and engineering to support the AcQUA™ location.

LiTHOS will provide, operate, and maintain the AcQUA™ system for the project.

- **Modular Approach Allows Scalability and Reconfiguration with Growth**

LiTHOS can relocate and scale its systems to meet expected expansion and reconfiguration plans of our customers. The AcQUA™ field processing units are designed to be delivered and operated in remote conditions within standard 40 ft sea containers. Each system is designed with a 24 cubic meter per day brine feed rate throughput capacity. We plan to provide a network of AcQUA™ field processing units will connect to a multiplicity of wellheads to meet the desired industrial capacity.

- High purity Lithium Chloride Cation Monovalent concentrate product suitable to any downstream concentration approach or technology
- Reduced fresh water and chemical reagents in process

Opportunity to boost re-injection ratio substantially with spent divalent pre-treated fluid stream devoid of reagents or chemicals. (Suitable to optimally re-inject). LiTHOS will be able to share the latest trends in pre-treatment and re-injection.

## Brine Fluid Processing Facility

LITHOS operates facilities and equipment in downtown Bessemer, Alabama. Bessemer is an adjacent city to Birmingham, Alabama and only 30 miles to the University of Alabama. The complex consists of three buildings that are 6,000, 7,000, and 42,000 sq. ft. each. Each building has an office, laboratory, and warehouse space.

There is no guarantee that the proposed testing facility will be successful or that a commercial lithium production facility will be developed. See “*Cautionary Statement Regarding Forward-Looking Information and Statements*” and “*Risk Factors*” on pages 1 and 57 of the Company’s 2024 AIF.

## Go-To Market Strategy

Utilize a novel combination of proven technologies, existing supply-chain, and industry expertise to disrupt current lithium salt production from brine reservoirs in a sustainable manner without evaporation ponds.

- Use Existing Infrastructure for Rapid Market Entry:
  - Leverage existing manufacturing capacity of membrane suppliers and electro dialysis stack system integrators
  - Already assembled team of technical experts with proven experience in systems engineering and scaling of the technologies for applications like desalination and industrial water treatment
- Strategically Approach Value Chain:
  - Rather than attacking entire value chain, initial focus is on upstream brine pre-treatment and conditioning using AcQUA™
  - Model in place to be cashflow positive in short order and expand manufacturing, supply chain, and field services teams
  - Expand to downstream operations as customer relationships strengthen and free cashflows permit
- Prioritize Specific Customer Profile:
  - Possess extensive DLE experience
  - Have strong and committed financial resources for process transformation away from evaporation ponds
  - Operate existing DLE pilot(s) where AcQUA™ can immediately demonstrate value
  - Show willingness to invest and partner with innovative companies
  - Have invested substantial time and resources performing technical due diligence on AcQUA™ using the field brines of large lithium producers
  - Collaborate with other, more established DLE companies wherever possible
  - Leverage State and Federal Grant programs and tax credits wherever possible

## Rise of DLE will open new sources of lithium supply this decade

The rise of DLE technology promises to open up new sources of lithium supply this decade, helping to avert a forecast shortfall of supply, according to a new Benchmark Mineral Intelligence (“**Benchmark**”) special report. DLE is an umbrella term for a group of technologies that selectively extracts lithium from brines.

There are currently 13 operating DLE projects forecast to produce around 124,000 tonnes LCE of lithium chemicals in 2024.<sup>3</sup> By 2035, DLE is expected to contribute 14% of total lithium supply, at around 470kt LCE, according to Benchmark’s Lithium Forecast.<sup>4</sup>

The majority of the 2035 supply is set to come from continental brines, but with geothermal and oil fields expected to take a 9%, 14% share respectively, according to Benchmark.

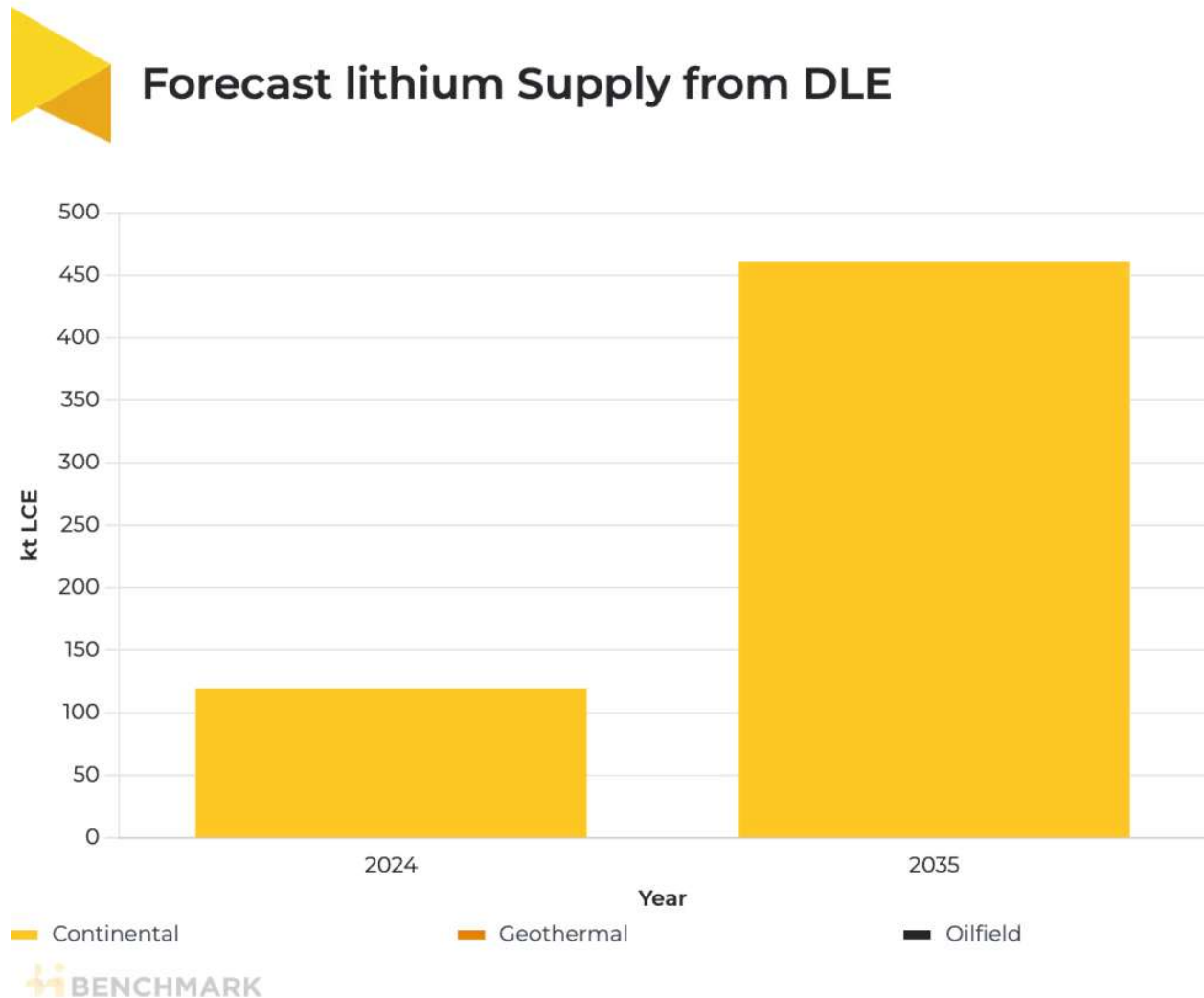


Figure 1<sup>5</sup>

<sup>3</sup> “Rise of DLE will open up new sources of lithium supply this decade”, (July 23, 2024), online: Benchmark Source <[https://source.benchmarkminerals.com/article/rise-of-dle-will-open-up-new-sources-of-lithium-supply-this-decade?mc\\_cid=7402855e3e&mc\\_eid=38ead0846c](https://source.benchmarkminerals.com/article/rise-of-dle-will-open-up-new-sources-of-lithium-supply-this-decade?mc_cid=7402855e3e&mc_eid=38ead0846c)>.

<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

Almost three-fourths of new brine projects will use some form of DLE, according to Benchmark.<sup>6</sup>

The rise of DLE highlights a reality for supply over the next decade: the growing importance of unconventional supply and the expanding ecosystem of new players in the lithium value chain – particularly oil companies – who will bring capital and expertise to the industry.

However, DLE’s path to commercialization could also take time, due to challenges around scalability, inflationary pressures, and delays at new brine projects. Technical risk also provides a hurdle for new investors in the sector.

Benchmark’s DLE special report provides an overview of the different DLE technology types including adsorption, ion exchange, solvent extraction, and membranes.

Adsorption is the most widely adopted and best-established technology, having been commercially applied by Arcadium and various companies in China.

Due to the uniqueness of each brine in terms of impurity levels and lithium concentration, there is no ‘one-size-fits-all solution’. Therefore, for each project, the DLE solution will likely need to be modified to meet the specific environmental and economic conditions.

### **Oil-field brines**

The utilization of DLE will open up previously undeveloped sources, namely those with low concentrations of lithium such as petro brines, and geothermal deposits. DLE has the potential for 80-90% recovery rates compared with the current evaporation yields of 20-50%.

DLE could also unlock vast “unconventional” brine resources located in western jurisdictions, at a time when building localized and diversified streams of critical minerals is increasingly a political priority in the US and European Union.

These “unconventional” resources include previously untapped geothermal and oilfield lithium-bearing brine resources, currently considered uneconomic due to lower lithium concentrations and an inability to extract lithium via traditional evaporation methods.

For this reason, DLE’s potential is attracting major players to the table. Amongst whom oil and gas companies are increasingly allocating capital and resources to the technology’s development, due to DLE’s similarities with upstream oil extraction and refining.

Standard Lithium Ltd.’s Stage 1A project in Arkansas is forecast to be the first petrobrine project to come online in 2026 bringing an initial 5,000 tonnes a year to the market.

Oil giant Exxon Mobil is also investing in the state. Last month Exxon Mobil said it had signed a non-binding memorandum of understanding with battery producer SK On Co. for supply of up to 100,000 tonnes from the company’s DLE lithium project in Arkansas.

### **Key Partnerships and Customers**

LiTHOS has agreements signed with major existing producers for the pilot projects to process the brine samples, and will also use the technology to process the brine from the exploration on its own properties.

In May 2023, LiTHOS announced a partnership with 3PL to process an initial shipment of salt saturated superbrine from 3PL’s Railroad Valley playa leasehold. Phase 1 of the partnership focuses on the application of LiTHOS pre-treatment technology to eliminate the use of evaporation ponds and to extract and concentrate three or more

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<sup>6</sup> *Ibid.*

minerals of interest: sodium carbonate, boron, and lithium. This project is in abeyance until 3PL is able to supply brine fluids after their current drilling program

On October 23, 2023, the Company received the necessary Chilean government authorizations to send brine samples from Salar de Atacama.

On November 20, 2023, the Company received several brine samples from the Salar de Atacama, Chile.

On December 14-15, 2023, the Company performed a project review with a confidential client in its Alabama processing facility.

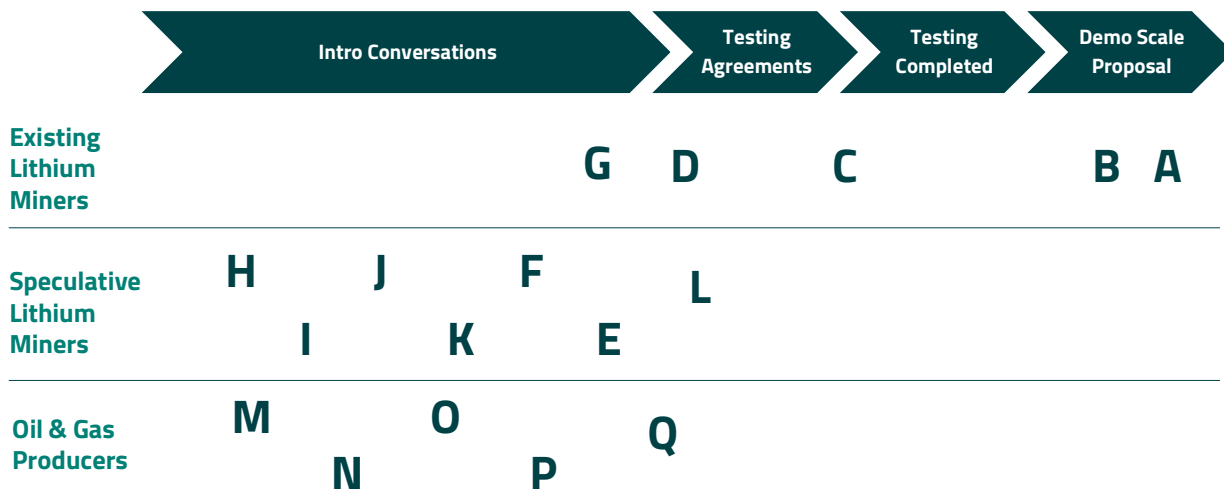
On January 24, 2024, the Company was awarded a purchase order from a major American lithium producer for lab scale testing and was subsequently sent field brines for processing.

On February 26, 2024, the Company was awarded a purchase order from a major international lithium producer for lab testing and was sent field brines for processing.

On August 20, 2024, LiTHOS announced positive results from its AcQUA™ technology lithium brine tests with Sociedad Química y Minera on Salar de Atacama Brines.

## CUSTOMER RELATIONSHIP SUMMARY

Lithos senior executives have been developing relationships with the target customers since early 2023 and have advanced to testing agreements and pilot system proposals with the largest and best possible customers.



Each letter above refers to a unique customer who is at various stages of the sales process with LiTHOS currently as of the date of this Listing Statement.

## EXAMPLE GENREAL CUSTOMER ADOPTION PROCESS SUMMARY

Relationships with large customers take some time to develop, moving from testing brine samples to pilot scale systems, and eventually to scaling up to manage 50-100% of their brine operations.

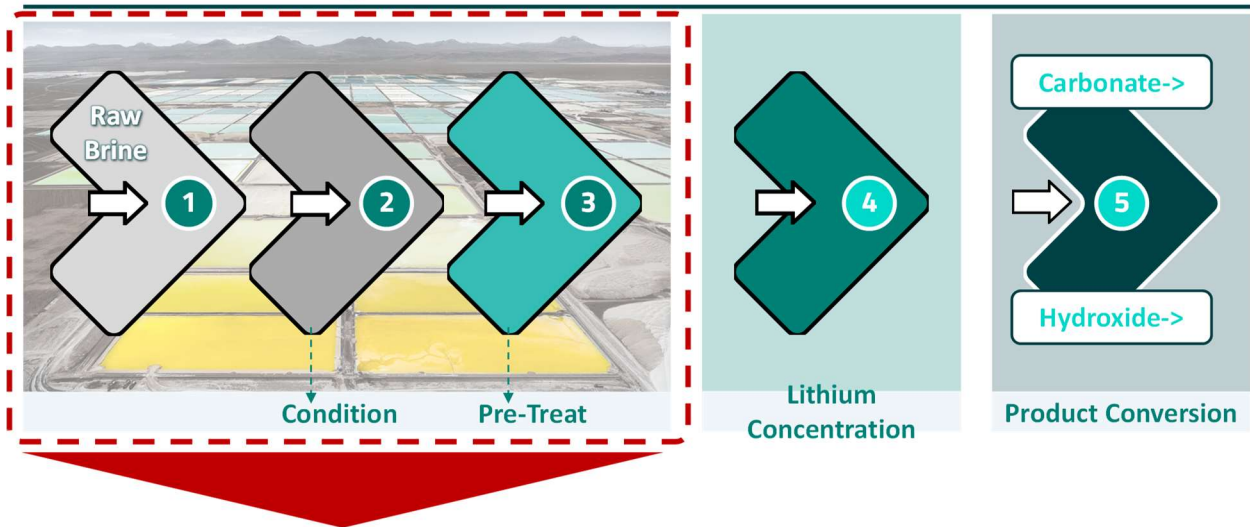
### Milestones

- Brine chemistry sent to Lithos for efficiency calculations
- Cubic meter(s) of actual field brine shipped to testing facility in Alabama
- Test results presented to customer for approval
- Pilot scale system designed, built and deployed for field test
- Larger systems deployed in series as customer moves brine pre-treatment over to ACQUA at larger scale.

LiTHOS Opportunity	Demo Scale Proposal	Full Scale Up Example
Fluid Processing (m <sup>3</sup> /Day)	240	100,000+
Annual Revenue Potential (\$ in Millions)	\$2.4	\$1,000+

Customer Status	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Introduction	0											
Company Visit				0								
Pilot Testing / Results					0	0						
Demo System Negotiation						0						
Demo System Mfg.												
Field Deployment												
Scale Up Negotiations												
Manufacture Scale Up												
Deploy Scale Up												

## Existing Lithium Brine Extraction Value Chain



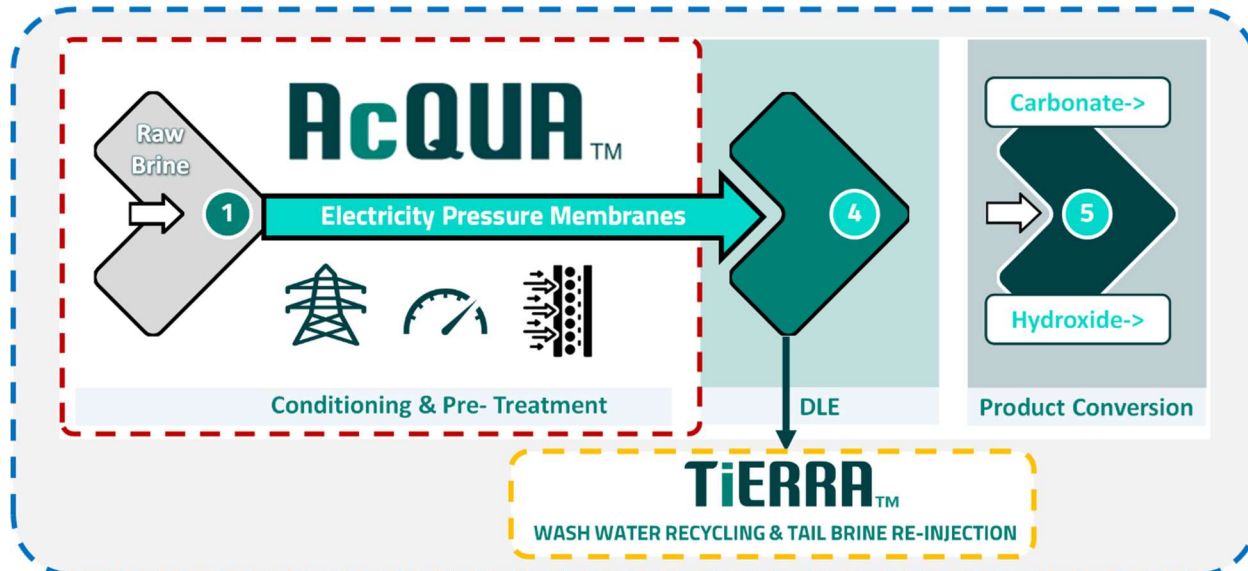
This is what evaporation ponds do now

### Development of AcQUA™, a Patented Lithium Extraction Technology

With a potential source of lithium secured with the Rhodes Marsh Project, the Company's focus has shifted to demonstrating the commercial scale production viability of the patented AcQUA™ lithium extraction technology by partnering with existing and prospective major producers. The Company's process of delivering high grade lithium hydroxide or carbonate to the market is segmented into 5 steps within the complete value chain.



## LITHOS IP PROTECTION COVERS ENTIRE VALUE CHAIN



### The Five Step Process

**Step 1** involves pumping the brine to the surface using new or existing infrastructure, or a combination of both. This process is well understood in the United States through oil and gas production which has demonstrated that large volumes of brine can be cycled to surface and back into the reservoir. The use of the Company's proprietary TiERRA™ subsurface imaging technology has the potential to reduce the risks of induced seismicity and optimize the pressure drive, and overall reservoir management for all brine assets.

**Steps 2 & 3** is the conditioning and pre-treatment of the raw brine where the aim is selective, targeted impurity removal, and slight concentration of lithium. This step is often minimized or overlooked by other competing DLE technology providers. However, this is the critical step which is currently addressed at-scale with evaporation ponds. Evaporation ponds are heavily chemical intensive, not currently being permitted in North America and are expected to be phased out in Chile starting in 2026. It is this step which imparts excessive operating expenses on many of the well-known DLE processes with fouling or sludge contamination. This is the phase of the process (value chain) that LiTHOS is currently most focused on delivering results and pivoting to revenue generating field demonstration systems.

**Step 4** is the DLE concentration technology to selectively extract and further concentrate lithium from the brine. The process both concentrates the brine and removes most of the remaining impurities with a highly adaptable process. This technology development is the key link between optimizing the recovery factor and economics from existing brine (Salar) production and readily available polishing technology utilized for the fifth step of lithium production.

**Step 5** is the production of high purity lithium salts and involves refining the concentrate generated from the Company's DLE process to further remove the last of the impurities and produce a high-grade lithium product for direct sale into the battery market.

All process steps may utilize LiTHOS' existing patented technology modified and calibrated for the specifics of each end user reservoir. The Company believes the key to delivering successful commercial extraction projects at-scale in the future is the continued development of our AcQUA™ extraction technology and demonstrating its ability to concentrate lithium and remove brine impurities from a multiplicity of raw brines sourced from the United States, Chile, and Argentina, as well as working with multiple DLE providers as precursor to their process, and hence getting access to their existing customers. There is no guarantee that the Company will be successful in developing the

AcQUA™ extraction technology. For more information, see “*Cautionary Statement Regarding Forward-Looking Information and Statements*” and “*Risk Factors*” on pages 1 and 57 of the Company’s 2024 AIF (as defined herein) as well as “*Caution Regarding Forward Looking Statements*” on page 52 of the Company’s MD&A for the nine months ended January 31, 2025.

The Company is currently in the process of demonstrating the AcQUA™ conditioning and pre-treatment technology with multiple multibillion dollar lithium producers who are already in full scale production. This is planned to be a series of steps increasing the operating scale and scope of demonstrated performance of the AcQUA™ extraction technology across the 5 key process steps outlined above. The Company opened its Denver-based testing facility in early 2023 with a focus on improving the pre-treatment process for electro-pressure membrane flowsheet. The pre-treatment process has been tested rigorously on multiple oilfield brines spanning a majority of the shale oil and gas basins in the United States: Williston Basin, DJ Basin, Permian Basin, and Delaware Basin since early in 2017. The technology has achieved high performance represented by selectively high removal of impurities, while demonstrating a robust cycle life at field scale.

AcQUA™ extraction technology has been continuously tested throughout Q4 to present testing of multiple candidate brines from reservoirs in the United States, Chile and Argentina. As part of this validation phase, the Company has sanctioned a Lab Pilot Plant which is currently conducting optimization testing in the complex in Bessemer, Alabama.

The Company anticipates that the continuous flow testing process and further Lab Pilot Plant evaluations will continue throughout the remainder of 2024 and continue to onboard new credible customers.

The Company is currently negotiating contracts for AcQUA™ field pilot plants with three large lithium producers in Chile and Argentina. The Company believes that a successful field pilot program with each customer will enable the demonstration of AcQUA™ as a commercially-scalable, economically and technically viable conditioning and pre-treatment process. The Company aims to achieve the foregoing milestones and necessary construction activities required to complete an operational commercial pre-treatment lithium field production facility by Q2 of 2025. At this time the longest lead input system components were ordered on March 25, 2024. A large deposit was paid and the Factory Acceptance Test of these components is anticipated by the end of Q1 of 2025. There is no guarantee that the Field Pilot Plant testing and evaluations will be successful or that a commercial lithium production facility or obtaining funding related to these activities within these timeframes or at all. For more information, see “*Cautionary Statement Regarding Forward-Looking Information and Statements*” and “*Risk Factors*” on pages 1 and 57 of the Company’s 2024 AIF (as defined herein) as well as “*Caution Regarding Forward Looking Statements*” on page 52 of the Company’s MD&A for the nine months ended January 31, 2025.

## **Current Outlook**

### *Business Goals*

#### Q1 2024: Chilean Customer B Validation Value Chain Elements 2 & 3

Tier 1 customer is conducting market review and management has proposed initial technical-economic specifications for client defined requirements. Management has secured brine samples and received a purchase order framing specific paid binary test plan.

Chilean Customer B sent its DLE management team to LiTHOS Bessemer, Alabama facility in mid-May 2024 for a review of the Company’s facilities and technical performance. LiTHOS delivered a live fluid processing test for this customer and subsequently shipped a volume of AcQUA™ pre-treated cation monovalent LiCl concentrate for customer independent testing and verification within their existing adsorption DLE stack. This takes LiTHOS steps 2 and 3 from the value chain and marries it with Customer B’s DLE at step 4.

LiTHOS management presented interim results to Customer A at the end of May 2024 and final results in mid July 2024. Customer B requested a proposal for a 100 ton per annum LCE pilot system. This proposal was submitted in early July and has been iterated multiple times and is pending award at the time of this Listing Statement.

Q1 2024: Argentinian Customer C Validation (Value Chain Elements 2 & 3)

Management secured all contractual agreements and export permits from the Argentinian Ministry of Energy to receive multiple brine samples from various stages of the evaporation pond network in the Salar de Rincon in January of 2024.

A draft flowsheet and test plan has been proposed and the definition of a successful pre-treatment and selective purification and lithium concentrate output for each of the sample brine chemistries is explicitly articulated to yield binary tests of the Company's patented technology.

This test proposal expands the scope to include direct lithium extraction and additional downstream processing to optimize the overall recovery yields and reduce the utilization of fresh water and chemicals.

Management has secured brine samples and received a purchase order framing specific paid binary test plan. Interim results were presented in mid-June and additional results are to be delivered in July 2024. Customer C requested a proposal for a 100 ton per annum LCE pilot system. This proposal was submitted in July and is pending award at the time of this Listing Statement.

H1 2025: Factory Acceptance Testing for Chilean System

Full demonstration scale, modular conditioning and pre-treatment (Value Chain Elements 2 & 3) system shall be run to specification in the manufacturing facility.

H1 2025: Site Acceptance Testing for Chilean System

H1 2025: Factory Acceptance Testing for Argentinian System

H2 2025: Site Acceptance Testing for Argentinian System

YE 2025: Site Acceptance Testing complete and Funding Investment Decisions expected from Customers A and / or B.

**LiTHOS Focused Path to First AcQUA™ Pre-Treatment Field Deployment**

LiTHOS' primary focus is to achieve its major milestones in Q2 of 2025 and commence successful demonstration scale pre-treatment and selective purification results to 2 large Chilean customers in the Atacama. LiTHOS believes that reaching these goals, culminating with the completion of a demonstration scale AcQUA™ field deployable pre-treatment system, will be the catalyst for LiTHOS to move towards broader commercial development of its AcQUA™ pre-treatment systems with a variety of different customers. The Company is focusing on assessing low-risk processes and technologies to be included in its initial AcQUA™ pre-treatment system design, which will result in commercially available solutions with the potential to reduce the time to design and construct and increase the likelihood of success of the initial commercial operations. This strategy should enable LiTHOS to move quickly through the next stages of system development once its lab-scale results have been successfully validated by the customer.

Producing battery-grade lithium from a continental brine resource involves bringing together four well known and understood processes into a combined flowsheet. Within each of these processes are commercially operating solutions that LiTHOS believes can materially accelerate the timeline to commercial adoption by leveraging its organizational experience and patented AcQUA™ technology:

- **Brine Production:** A series of shallow wells using industry standard pipelines connected wells delivers the brine from the shallow reservoirs to the pre-treatment processing facility.
- **Selective Conditioning, and Pre-Treatment for Purification of Lithium Chloride salts:** This is the process step which principally drives the requirement for evaporation ponds. This is the segment of the value chain that LiTHOS is most likely to add maximum value given the historical performance of AcQUA™ technology to recycle produced water from hydrocarbon and chemically laced oilfield brines at scale. This is the step of the process where LiTHOS has the fastest pathway to commercial validation and revenue generation.
- **Direct Lithium Extraction:** Consists of selective lithium purification, concentration and further divalent (purge) stream removal, designed specifically for the extraction of lithium and other aqueous minerals of value, employs a patented electro-pressure membrane approach. The specifically implemented sequence of process steps are tuned to the unique chemical characteristics of each continental brine reservoir.
- **Lithium Production:** Conversion from lithium sulphate or chloride to lithium hydroxide using conversion technology is utilized in most current lithium hydroxide and carbonate production, which LiTHOS expects will be designed together with Sand Spirit.

LiTHOS has assembled a team of qualified process, chemical, and project engineers with experience building oilfield brine processing facilities in the United States similar in size to LiTHOS' contemplated first modular, field-deployable commercial lithium pre-treatment production facility. The Company's management team has a clear vision for accomplishing this goal, robust working relationships with an established supply chain, and contracted lab scale pilot projects with world class lithium brines to get to market expeditiously.

#### *De-Risking Factors for LiTHOS' Path to First Lithium*

- **Early-To-Market Pre-Treatment Processing Advantages:** Recent announcements of major investments in the lithium industry highlight the need for LiTHOS to bring lithium pre-treatment processing solutions to commercial, field-proven scale expeditiously. LiTHOS predicts the early-to-market advantage specifically focused on the pre-treatment and selective purification of raw brines provides the Company with the potential to capture market share in this segment of the value chain.
- **Validating LiTHOS Processing Technology on Significant Resources:** LiTHOS has focused initially on validating its AcQUA™ pre-treatment and selective purification technology only on producing assets in Chile and Argentina. The reason for this approach is to prove commercial readiness on world-class lithium brine reservoirs, systematically eliminating the use of evaporation ponds and becoming an indispensable technology partner for multi-billion-dollar mining companies. This approach may offer opportunities to partner with larger companies on developing their assets that may assist in securing substantial capital funding and advancing LiTHOS' growth trajectory.
- **Global Sustainable Lithium without Evaporation Ponds:** In the global landscape, the search for critical minerals to fuel the race to electrify transport has brought the focus to the supply chain and the impacts of acquiring these minerals. By eliminating the evaporation ponds with our modular AcQUA™ units, we anticipate using only about 1% of the land relative to conventional and currently operating lithium production systems in Chile and Argentina. The pre-treatment AcQUA™ units are closed loop systems that do not interact with or consume the local fresh water sources. The divalent (purge) waste stream is readily amenable for re-injection. Given our operations resemble those of the oil and gas industry, there is long-standing support and relationships with stakeholders where LiTHOS will be operating in the United States.
- **Lithium Hydroxide Facility in Bessemer Alabama:** Positioning itself for the future, LiTHOS continues its strategic partnership with Sand Spirit at the Bessemer, Alabama Crimson Tide complex. The Crimson Tide facility will be the first LiOH-H<sub>2</sub>O production facility in the Southeastern United States. Lithos has found a

robust partner in Sand Spirit who bring engineering expertise, a large 55,000 sq ft complex, and the necessary regulatory permits to produce LiOH-H<sub>2</sub>O. The facility is strategically located next to the Smackover reservoir which is the most prospective lithium enriched brine reservoir in the United States. ExxonMobil, Standard Lithium, Galvanic Energy, TerraVolta, and Vital Energy, Inc. are all actively developing Smackover lithium projects which present production offtake opportunities for the Crimson Tide facility. The Crimson Tide facility will leverage a license to LiTHOS' patented pre-treatment to LiOH-H<sub>2</sub>O process.

- **Offtake Contracts:** LiTHOS is active in developing relationships with the battery and automotive industries in the Southeastern United States through the Alabama Mobility and Power (AMP) Consortium as it moves through the next phase of project development in 2024. LiTHOS' strategy has been to develop meaningful agreements that provide binding provisions for the development of future sales contracts on the supply side with resource owners in the Smackover (Arkansas) reservoir. LiTHOS is working with battery and automotive manufacturers situated in the Southeastern United States. LiTHOS is now working with the first American-based physical delivery exchange for the delivery of American sourced battery grade Lithium Carbonate

## Other

The Company is continuing to review its options with respect to the current and other prospective brine pilot projects with major energy and mining companies in the United States, Chile and Argentina.

## Government Grants

In June 2023, the Company's subsidiary, Aqueous, was awarded a definitive contract for the US\$250,000 (CDN\$330,000) grant previously announced by the Colorado Global Business Development division of the Office of Economic Development and International Trade ("OEDIT"). On May 18, 2023, OEDIT announced that Aqueous was selected for an Early-Stage Capital and Retention grant that supports businesses commercializing innovative and disruptive technologies in the advanced industries that will be created or manufactured in Colorado.

In July 2023, Aqueous was awarded one (1) of ten (10) Fast-Track grants by the U.S. Department of Energy (DOE). The USD\$1,300,000 (CDN\$1,727,000) grant was announced on July 10, 2023 by the DOE. The DOE funded a total of \$72 million for 296 projects for leading small businesses to pursue scientific, clean energy, and climate research, development, and demonstration projects. Only ten (10) Fast-Tracks (combined Phase I and Phase II awards) were awarded out of these 296 projects. The median Phase I award is \$200,000 for a period of six to twelve months.

On September 6, 2023, the DOE announced that it will provide US\$150 million of additional grant funding opportunities to support U.S. critical metals projects with bench- and pilot-scale research, development, and demonstration processing plants to produce and refine critical minerals and materials in the United States. According to the DOE, the funds, provided by the Bipartisan Infrastructure Law, will help to strengthen domestic critical material supply chains, and meet the growing demand for critical minerals and materials while reducing reliance on foreign sources. Aqueous has pre-qualified and has submitted its application for up to US\$30 Million in awards under area of interest 1B Phase II from the this DOE funding opportunity. The Company hopes to secure up to US\$30 million of total grant funding to support its pilot scale facility development and the construction of its lithium hydroxide processing plant to produce and refine critical minerals and materials in the United States. As of the date of writing this Listing Statement, the Company's US\$30 million grant application is currently in the DOE review process.

## Exploration

The Company has the exploration and development rights to the Rhodes Marsh Project and may seek to acquire additional land positions in other prospective lithium-enriched continental brine basins if and when determined desirable by LiTHOS.

## Rhodes Marsh Project

The total area of the Rhodes Marsh Project is approximately 920 acres (372 hectares) and is located in portions of Sections 11, 14 and 23 of Township 5 North - Range 35 East, Mount Diablo Meridian, Mineral County, west-central Nevada. The Rhodes Marsh Project area is located approximately 65 kilometers (40 miles) by road south of Hawthorne, Nevada. The Rhodes Marsh Project consists of 46 unpatented placer mining claims at a nominal 20 acres each. The claim block covers the eastern and southern margins of a well-developed playa in the eastern part of a large closed sedimentary basin.

During fiscal 2023, the Company was planning a discovery well program at the Rhodes Marsh Project. Rangefront Mining Services was retained to work with Bureau of Land Management in Nevada to get permitting approved on identified drill sites, pursuant to which the Company sought to test down through conductive brine reservoir at ~2,500ft TVD subsurface.

The Company currently holds the Rhodes Marsh Project as a vestige from the Company's transaction with Iron Forge and is maintained on the Company's books for the sole convenience of potentially securing lithium brine, should third-party sources of supply not be available in the future. At this time, the Company does not intend to proceed with any further exploration or development of the Rhodes Marsh Project. The property will be retained in its current state for the time being, with no immediate plans for active exploration or investment. However, the Company reserves the right to revisit the Rhodes Marsh Project and pursue additional exploration or development at its sole discretion, should market conditions or strategic needs evolve. There have been no material developments with respect to the Rhodes Marsh Project since the date of the Technical Report.

For more information on the Rhodes Marsh Project, see the Technical Report on the Rhodes Marsh Project by the Author, a Qualified Person, prepared in accordance with the requirements of NI 43-101 as well as "*Rhodes Marsh Project*" on page 25 of the 2024 AIF. A complete copy of the Technical Report is available for review under the Company's profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

## Specialized Skills and Knowledge

Successful exploration, development and operation of the Company's lithium projects require access to personnel in a wide variety of disciplines, including geologists, geophysicists, chemical engineers, drillers, managers, project managers, accounting, financial and administrative staff, and others. Since the project locations are also in jurisdictions familiar with and friendly to resource extraction, management believes that the Company's access to the skills and experience needed for success is sufficient.

In addition to the professional and mineral exploration experience of the Company's management and the Board, the Company has established the Advisory Board. The function of the Advisory Board is to advise and make non-binding recommendations to the Board with respect to matters within the areas of each Advisory Board member's relevant experience and expertise. Accordingly, each Advisory Board member has entered into an advisor agreement with the Company. Pursuant to each advisory agreement, the advisor has agreed to provide services to the Company specific to their specialized skill and knowledge in accordance with, amongst other things, the Company's Advisory Board charter.

Members of the Board of Directors are as follows:

### **Kevin McKenna**

Mr. McKenna serves on the Executive Leadership Team of Centric Infrastructure Group ("**Centric**") as Senior Vice President, Business Development. At Centric, Mr. McKenna focuses on the company's strategic growth initiatives and revenue delivery, overseeing a period of unprecedented expansion in the company's gas utility and fiber-to-the-home businesses. Most recently prior to joining Centric, Mr. McKenna served as Managing Partner at Teleios Commodities, LLC ("**Teleios**") in The Woodlands, TX, where he managed operations for the company in the

competitive retail electric space. Before Teleios, Mr. McKenna was VP of Business Development at a Houston-based oilfield technology company serving the upstream exploration and production sector in North America. Mr. McKenna has over twenty years of experience in business development and executive management helping public and privately held businesses increase revenues, margins, and market share. Mr. McKenna holds a MSc in Global Energy Management from the University of Colorado in Denver and a BS in Geology from Trinity University.

#### ***Martín Corredera Silván***

Mr. Silván has over 25 years of international managerial experience in private capital, and financial analysis. Throughout his involvement at several international organizations, he has actively contributed to advancing regional development of the private sector in Latin America and the Caribbean, and Europe, with a strong focus on investing for growth and sustainability. Over the years, Mr. Silván has been involved in several advisory and consultative roles at different organizations in the Americas and Europe.

He began his career in public accounting, in Spain and the United States, serving a variety of clients in the technology and telecommunication industries.

Mr. Silván holds an Executive MBA from Georgetown University (U.S.), an LL.B. from Universidad Nacional de Educación a Distancia (Spain), and a MSc. in Business Administration from Universidad Complutense (Spain). Mr. Silván also holds a current U.S. CPA license.

Members of the Advisory Board are as follows:

#### ***Dana Jurick***

Mr. Jurick is an experienced business and industrial operations manager with 40 years of experience in the energy sector. With roles ranging from field operations geophysicist to Fortune 500 energy company technical group manager to Executive Vice President of an international fiber optics equipment and services enterprise, Mr. Jurick brings a wealth of practical, real-world experience to the enterprise. Mr. Jurick currently works as Executive Vice President for Neubrex Energy Services (US), LLC.

Mr. Jurick holds a B.S. in Geology from Syracuse University and an M.Sc. in Geophysics from University of Texas at El Paso. Dana was a commissioned officer in the U.S. Army and served eight years as a Strategic Intelligence Officer (USAR MIRC) during 2005-2012. In 2009, he was awarded the Army Achievement Medal for exceptionally meritorious service to the U.S. Army.

#### ***Robert Barnwell IV***

Mr. Barnwell serves as the Chief Executive Officer and Director of Centric. Centric builds strategic natural gas and fiber-optic telecom assets to high-growth markets across the United States – bridging consumer demand for an affordable, reliable, timely, and best-in-class internet and natural gas company. During his 15-year tenure, he has been an integral contributor to the strategic growth of the company. Mr. Barnwell has worn multiple hats at Centric, ranging from field construction to billing, accounting, business development, and executive management. Currently, Mr. Barnwell is responsible for the successful execution of Centric’s strategic vision and growth plans. Leaning on his strong financial background, he guides and supports executive management with respect to the Company’s capital allocation strategy and the oversight of all aspects of daily operations.

Prior to joining Centric Infrastructure, Mr. Barnwell worked as an Associate for a Dallas-based private equity firm focused on middle-market oil and gas investments. He began his career in Wells Fargo’s financial analyst program.

Mr. Barnwell holds a Bachelor of Business Administration from Southern Methodist University in Accounting and Finance and a Master of Accountancy in Taxation from the University of Houston. He is a member of the Texas Gulf

Coast Chapter of YPO, where he currently presides as the Learning Officer. He is also active in the north Houston Fellowship of Christian Athletes organization, where he serves on the Board of Directors.

### ***Ricardo Escobar***

Mr. Escobar is an entrepreneurial and results-oriented senior leader with the ability to set strategy, deliver growth and implement operational transformations to achieve visible results within the resources industry. Adept in safety, digital technology, general management, business development, and operations management with an extensive international experience in the minerals industry. An experienced turnaround leader who played a pivotal role in returning several organizations to profitability by significantly alignment of stakeholders, increasing productivity levels and reducing costs. He has worked for BHP for some 30 years in different executive positions including his final pre-retirement role as VP Technology – Petroleum where he was responsible for setting up the Technology Business Partner model within the Petroleum business, as a member of the Petroleum Exco. This is about integrating the technology strategies and services for the off-shore multi-geography assets, the onshore/shale business and the active exploration activities. He earned his B.Sc., Mining Engineering from the Colorado School of Mines in 1982 and also holds basics for CIOs, Risk Management, Six Sigma, ERP Systems, HR Development, Strategic Planning, Quality Management and ISO 9000 and Project Management.

### **Competitive Conditions**

For more information, see “*Competitive Conditions*” on page 54 of the 2024 AIF.

### **Business Cycles**

For more information, see “*Business Cycles*” on page 54 of the 2024 AIF.

### **Intangible Properties**

For more information, see “*Intangible Properties*” on page 54 of the 2024 AIF. For more information on Aqueous’ patented pre-treatment to LiOH-H<sub>2</sub>O process, AcQUA™ technology, see “*General Description of the Business – LiTHOS Technology*”.

### **Environmental Protection**

For more information, see “*Environmental Protection*” on page 54 of the 2024 AIF.

### **Employees**

As of the date of this Listing Statement, the Company did not have any employees and the services of CEO, CFO and Corporate Secretary were provided by contractors.

## **SOURCES OF AVAILABLE FUNDS AND PRINCIPAL PURPOSES**

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### **Available Funds**

As at February 28, 2025, the Company had a working capital deficiency of \$3,094,095. LiTHOS has previously raised capital via the issuance of equity, and will continue to raise capital as it requires through equity or debt financing. The Company intends to use the funds available to it to further the business objectives as follows:



	Monthly (\$)	Yearly (\$)
Secure a pilot project with one of the Company's 3 core clients	100,000	1,200,000
Secure initial contracts with shale gas producers in marcellus shale	100,000	1,200,000
General and administrative expenses <sup>(1)</sup>	15,000	180,000
<b>TOTAL:</b>	<b>215,000</b>	<b>2,580,000</b>

<sup>(1)</sup> Estimated general and administrative expenses for the next 12 months comprised of: \$5,000 for transfer agent fees; \$100,000 for legal and accounting fees; \$25,000 for CSE and regulatory fees and \$50,000 for travel related expenses.

However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the LiTHOS to achieve those objectives. There is no assurance that the Company will be successful in raising additional capital or that if additional capital is required, that it will be available on terms acceptable to LiTHOS. The Company intends to access the capital markets during the next twelve month period, in order to continue work towards the milestones and business objectives stated below.

### Business Objectives and Milestones

LiTHOS' intended uses of the available funds are as follows:

- *Objective #1 – Fiscal 2025 – Secure a pilot project with one of the Company's 3 core clients:*
  - *Customer A results and commercial proposal requested and delivered. Working to secure Venture Funding from Customer A Corporate Venture Capital unit together with a purchase order for pilot AcQUA system validation in the field. Negotiations are ongoing with Customer A and anticipated to be completed in Q1, 2025.*
  - *Customer B results and commercial proposal requested and delivered. Working to secure Venture Funding from Customer B Corporate Venture Capital unit together with a purchase order for pilot AcQUA system validation in the field. Negotiations are ongoing with Customer B and anticipated to be completed in Q3, 2025.*
  - *Customer C results and commercial proposal requested and delivered. Working to secure Venture Funding from Customer C Corporate Venture Capital unit together with a purchase order for pilot AcQUA system validation in the field. Negotiations are ongoing with Customer C and anticipated to be completed in Q4, 2025.*
- *Objective #2 – Fiscal 2025 – Secure initial contracts with shale gas producers in marcellus shale. Pending successful validation, commence sales of pre-treatment and DLE technology.*
  - A. *Explore various revenue models with large domestic natural gas producers to monetize lithium trapped in produced water.*
  - B. *Optimize the CAPEX per unit throughput capacity.*
  - C. *Commission first pilot scale system(s) on site in field in Q4, 2025.*
- *Objective #3 – On going fiscal 2025 – Secure additional funding in debt and/or equity.*

- *Objective #4 – Fiscal 2025 – Formalize partnerships with lithium refiners and other technology providers in downstream value chain – Develop working relationships with key DLE providers to be their preferred upstream partner*

Labour shortages, inflationary pressures, rising interest rates, the consistently evolving nature of the conflicts between Russia and the sovereign state of the Ukraine and Israel and Palestine as well as their respective effects on the broader global economy and capital markets, may have a negative effect on the Company and the advancement of the of the Company’s business objectives. Accordingly, the actual amount that the Company spends, time take to complete and with each intended use of funds may vary significantly from the disclosures specified above and will depend on a number of factors including those listed under the heading “Risk Factors.”

## SELECTED CONSOLIDATED FINANCIAL INFORMATION

### Annual Information

The following table summarizes financial information of LiTHOS for the last two completed financial years ended April 30, 2024 and 2023.

Description	April 30, 2024 (\$)	April 30, 2023 (\$)
Revenue	-	-
Net loss for the year	(7,324,033)	(2,023,470)
Comprehensive loss for the year	(7,026,178)	(2,023,470)
Basic and diluted loss per share	(0.10)	(0.09)
Total Assets	26,216,974	17,227,600
Total Liabilities	2,905,371	476,326
Cash dividends per share	-	-

The above summary financial information should only be read in conjunction with the Annual Financial Statements including the notes thereto. Copies of the Annual Financial Statements are available for review under the Company’s profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

### Quarterly Information

The following table summarizes the financial information of LiTHOS for each of the eight most recently completed quarters:

For the Quarterly Periods ended:	January 31, 2025 (\$)	October 31, 2024 (\$)	July 31, 2024 (\$)	April 30, 2024 (\$)
Total revenues	-	-	-	-
Net loss for the period	(933,063)	(3,194,363)	(2,003,504)	(2,867,761)
Net loss per common share, basic and diluted	(0.01)	(0.04)	(0.02)	(0.04)

For the Quarterly Periods ended:	January 31, 2024 (\$)	October 31, 2023 (\$)	July 31, 2023 (\$)	April 30, 2023 (\$)
Total revenues	-	-	-	-
Net (loss) earnings for the period	(1,706,115)	(2,138,021)	(612,136)	(1,672,178)
Net (loss) earnings per common share, basic and diluted	(0.02)	(0.03)	(0.01)	(0.07)

Copies of the Interim Financial Statements and Annual Financial Statements are available for review under the Company's profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

## DIVIDENDS AND DISTRIBUTIONS

The Company has not declared or paid a dividend. Other than the requirements of the BCBCA, there are no restrictions on the Company that would prevent it from paying a dividend. However, as of the Effective Date, the Board intends to retain any future earnings (when available) for reinvestment in the Company's business, and therefore, it has no current intention to declare or pay dividends on the Common Shares in the foreseeable future. Any future determination to pay dividends on the Common Shares will be at the sole discretion of the Board after considering a variety of factors and conditions existing from time to time including its earnings, financial condition and other relevant factors.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

LITHOS' Interim MD&A and Annual MD&A have been incorporated by reference. Accordingly, copies of the Interim MD&A and Annual MD&A are available for review under the Company's profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

## DESCRIPTION OF THE SECURITIES

The Company's authorized share structure consists of an unlimited number of Common Shares. As of the date hereof, 84,617,578 Common Shares are issued and outstanding, 1,845,000 Options, each exercisable for one Common Share, 3,017,350 RSUs, each exercisable for one Common Share, 6,468,888 PSUs, each exercisable for one Common Share, and 13,460,676 Warrants, each exercisable for one Common Share. For more information, see "Market for Securities – Prior Sales".

### Common Shares

The holders of Common Shares are entitled to dividends if, as and when declared by the Board. The holders of the Common Shares shall be entitled to vote at all meetings of shareholders of the Company and at all such meetings each such holder has one (1) vote for each Common Share held. Each holder of Common Shares is, upon liquidation, entitled to share equally in such assets of the Company as are distributable to the holders of Common Shares.

In the event of a liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or other distribution of assets or property of the Company amongst its shareholders for the purpose of winding up its affairs, shareholders will be entitled to receive all property and assets of the Company properly distributable to the shareholders.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

### Prior Sales

The following table summarizes the issuances of securities of LiTHOS distributed in the 12 month period prior to the date of this Listing Statement:

Date of Issuance	Type of Security	Number of Common Shares Issued/Issuable or Aggregate Amount	Exercise Price per Security (\$)
November 3, 2023	Debentures <sup>(1)</sup>	\$550,000	N/A
November 3, 2023	Warrants <sup>(1)</sup>	999,900	US\$0.55
March 15, 2024	Warrants <sup>(2)</sup>	992,871	\$0.90
April 15, 2024	Warrants <sup>(3)</sup>	644,684	\$0.90
June 5, 2023	Options <sup>(4)</sup>	1,020,000	\$0.70
July 11, 2023	Options <sup>(5)</sup>	255,000	\$0.60
July 17, 2023	Options <sup>(6)</sup>	250,000	\$0.60
November 7, 2023	Options <sup>(7)</sup>	300,000	\$0.56
October 31, 2023	RSUs <sup>(8)</sup>	255,000	N/A
January 29, 2024	RSUs <sup>(9)</sup>	520,000	N/A
January 29, 2024	RSUs <sup>(10)</sup>	410,000	N/A
April 3, 2024	RSUs <sup>(9)</sup>	60,000	N/A
April 26, 2024	RSUs <sup>(11)</sup>	350,000	N/A
January 29, 2024	PSUs <sup>(12)</sup>	3,360,000	N/A
April 26, 2024	PSUs <sup>(12)</sup>	2,288,888	N/A
June 8, 2024	RSUs <sup>(13)</sup>	348,750	N/A
September 20, 2024	RSUs <sup>(14)</sup>	1,422,350	N/A

(1) These debentures and Warrants were issued in connection with a private placement which closed on November 3, 2023. The debentures mature on February 2, 2024 and bear interest at the rate of 15% per annum. Each Warrant entitles the holder thereof to purchase one additional Common Share of the Company at a purchase price of US\$0.55 per Common Share until November 3, 2028.

(2) These Warrants were issued in connection with a private placement which closed on March 15, 2024. Each Warrant entitles the holder thereof to purchase one additional Common Share of the Company at a purchase price of \$0.70 per Common Share until March 15, 2027.

(3) These Warrants were issued in connection with a private placement which closed on March 15, 2024. Each Warrant entitles the holder thereof to purchase one additional Common Share of the Company at a purchase price of \$0.70 per Common Share until April 15, 2027.

- (4) These Options are exercisable at a price of \$0.70 per Common Share until June 5, 2026 and vest as follows: (i) 85,000 vest on June 5, 2023, (ii) 85,000 vest on June 5, 2024 and (iii) 85,000 vest on June 5, 2025.
- (5) These Options are exercisable at a price of \$0.60 per Common Share until July 11, 2026 and vest as follows: (i) 85,000 vest on July 11, 2023, (ii) 85,000 vest on July 11, 2024 and (iii) 85,000 vest on July 11, 2025.
- (6) These Options are exercisable at a price of \$0.60 per Common Share until July 17, 2026 and vest as follows: (i) 83,333 vest on July 17, 2023, (ii) 83,333 vest on July 17, 2024 and (iii) 83,334 vest on July 17, 2025.
- (7) These Options are exercisable at a price of \$0.56 per Common Share until May 7, 2025 and vest on a quarterly basis.
- (8) These RSUs vest as follows: (i) 85,000 on October 31, 2023, (ii) 85,000 on October 31, 2024 and (iii) 85,000 on October 31, 2025.
- (9) These RSUs vest as to 1/6 every month.
- (10) These RSUs vest on January 1, 2024.
- (11) 75,000 of these RSUs vest as to 1/5 every month commencing February 1, 2024 and 275,000 of these RSUs vest at to 1/7 every month commencing June 1, 2024.
- (12) These PSUs vest as to 25% for each sale by the Company of at least US\$5,000,000.
- (13) These RSUs vest on November 1, 2024.
- (14) These RSUs vest on October 1, 2024.

### Trading Price and Volume of Common Shares

Prior to being listed on the facilities of the CSE, the Common Shares were listed and posted for trading on Cboe Canada under the symbol "LITS" since December 7, 2023. Previously, the Common Shares traded on the CSE under the symbol "LITS" from August 15, 2023 to December 2, 2023 and "AMS" from February 2, 2023 to August 15, 2023.

The following table sets forth the price range (high and low prices) in Canadian dollars of the Common Shares and volume traded on Cboe Canada and the CSE, for the periods indicated.

Date	High (\$)	Low (\$)	Volume
March 2025	0.03	0.015	959,414
February 2025	0.03	0.025	1,166,610
January 2025	0.055	0.025	3,220,144
December 2024	0.05	0.025	6,157,835
November 2024	0.085	0.04	2,212,218
October 2024	0.15	0.035	14,593,976
September 2024	0.20	0.09	1,275,711
August 2024	0.25	0.14	1,779,156
July 2024	0.285	0.21	810,515
June 2024	0.465	0.24	1,934,599
May 2024	0.60	0.43	2,047,904
April 2024	0.73	0.54	2,558,975
March 2024	0.76	0.67	3,549,240
February 2024	0.86	0.70	5,948,598
January 2024	0.98	0.55	2,677,161
December 2023	0.65	0.51	1,753,049
November 2023	0.68	0.53	1,479,353

## CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of LiTHOS as of the date of this Listing Statement:

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of April 30, 2024 (Audited)	Amount Outstanding as of the date of this Listing Statement
Common Shares	Unlimited	84,537,988	84,617,578 <sup>(1)</sup>
Warrants	Unlimited	16,402,896	13,460,676
Stock Options	16,923,515 <sup>(2)</sup>	1,845,000	1,845,000
RSUs	16,923,515 <sup>(2)</sup>	1,595,000	3,017,350
DSUs	16,923,515 <sup>(2)</sup>	-	-
PSUs	16,923,515 <sup>(2)</sup>	5,868,888	6,468,888

<sup>(1)</sup> This figure represents the total issued and outstanding Common Shares as at the date of this Listing Statement on a non-diluted basis.

<sup>(2)</sup> This figure represents the number of stock options, restricted share units, deferred share units and performance share units of LiTHOS reserved for issuance as at the date of this Listing Statement, representing 20% of the issued and outstanding Common Shares.

## OPTIONS TO PURCHASE SECURITIES

### Equity Incentive Plan

The Board adopted its Equity Incentive Plan on November 22, 2022 and the shareholders of LiTHOS last ratified and confirmed the adoption of the Equity Incentive Plan on September 13, 2024. The Omnibus Plan provides flexibility to the Company to grant equity-based incentive awards in the form of Options, RSUs, PSUs and DSUs. The purpose of the Omnibus Plan is to, among other things, provide the Company with a share related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and to reward such of those directors, officers, employees and consultants for their contributions toward the long-term goals and success of the Company and to enable and encourage such directors, employees and consultants to acquire Shares as long-term investments and proprietary interests in the Company.

The Omnibus Plan is a rolling plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Common Shares), provides that the aggregate maximum number of Common Shares that may be issued upon the exercise or settlement of awards granted under the Omnibus Plan shall not exceed 20% of the Company's issued and outstanding Common Shares from time to time. The Omnibus Plan is considered an "evergreen" plan, since the Common Shares covered by awards which have been exercised, settled or terminated shall be available for subsequent grants under the Omnibus Plan and the number of awards available to grant increases as the number of issued and outstanding Common Shares increases.

For more information on the Equity Incentive Plan including a description of the plan's key terms, see "*Particulars of Matters to be Acted Upon – Key Terms of the Omnibus Equity Incentive Plan*" on page 31 of the Information Circular. A copy of the Information Circular is available for review under the Company's profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca). The full text of the Company's Equity Incentive Plan is included as Schedule B to the Listing Statement.

As of the date of this Listing Statement, the Company had granted 1,845,000 Options, each exercisable for one Common Share, 3,017,350 RSUs, each exercisable for one Common Share, 6,468,888 PSUs, each exercisable for one Common Share and nil DSUs.

The Company's authorized share structure consists of an unlimited number of Common Shares. As of the date hereof, 84,617,578 Common Shares are issued and outstanding, 1,845,000 Options, each exercisable for one Common Share, 3,017,350 RSUs, each exercisable for one Common Share, 6,468,888 PSUs, each exercisable for one Common Share, and 13,460,676 Warrants, each exercisable for one Common Share

## ESCROWED SECURITIES

The following table summarizes the Company's securities that remain in escrow or subject to restrictions on transfer as of the date hereof:

Designation of Class	Number of securities held in escrow or that are subject to contractual restriction on transfer	Percentage of Class
Common Shares	331,036 <sup>(1)</sup>	0.58% <sup>(2)</sup>
Common Shares	6,750,013 <sup>(3)</sup>	7.98% <sup>(2)</sup>
Common Shares	5,250,000 <sup>(4)</sup>	6.20% <sup>(2)</sup>
Warrants	450,000 <sup>(1)</sup>	3.34% <sup>(5)</sup>

<sup>(1)</sup> In connection with the listing of the Common Shares for trading on the CSE, an aggregate of 1,103,448 Common Shares and 1,000,000 Warrants were deposited in escrow with Endeavor Trust Corporation. 10% of such Common Shares were released from escrow on the date the Common Shares were listed on the CSE (being February 2, 2023), 1/6 of the remainder of Common Shares were released from escrow on the date that was six months after the Common Shares were listed on the CSE, 1/5 of the remainder of Common Shares were released from escrow on the date that is twelve months after the Common Shares were listed on the CSE (February 2, 2024), 1/4 of the remainder of Common Shares were released from escrow on the date that is eighteen months after the Common Shares were listed on the CSE (August 2, 2024), 1/3 of the remainder of Common Shares were released from escrow on the date that is twenty-four months after the Common Shares were listed on the CSE (February 2, 2025), 1/2 of the remainder of Common Shares will be released from escrow on the date that is thirty months after the Common Shares were listed on the CSE, and the remainder of Common Shares will be released from escrow on the date that is thirty-six months after the Common Shares were listed on the CSE, subject to acceleration provisions provided for in National Policy 46-201 – *Escrow for Initial Public Offerings*.

<sup>(2)</sup> Percentages based on 84,617,578 Common Shares issued and outstanding as of the date hereof.

<sup>(3)</sup> In connection with the LiTHOS transaction, these Common Shares are subject to a voluntary lock up such that 2,249,997 will be released from escrow on April 27, 2025, 2,249,997 will be released from escrow on October 27, 2025, and 2,250,018 will be released from escrow on April 27, 2026.

<sup>(4)</sup> In connection with the Aqueous Transaction, these Common Shares are subject to a voluntary lock up such that 2,625,000 will be released from escrow on February 4, 2025, August 4, 2025, February 4, 2026 and August 4, 2026.

<sup>(5)</sup> Percentage based on 13,460,676 Warrants outstanding as of the date hereof.

## PRINCIPAL SECURITYHOLDERS

### Principal Securityholders

To the knowledge of LiTHOS' directors and executive officers, as of the date of this Listing Statement, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
Scott Taylor	12,105,481 <sup>(2)</sup>	14.31%
Anton Fredrik Klaveness	15,000,000 <sup>(3)</sup>	17.73%

- (1) Based on 84,617,578 Shares issued and outstanding as of March 31, 2025.
- (2) This number includes 1,300,548 Shares held directly and 10,804,933 Shares held indirectly through Reservoir Imaging Solutions LLC, a limited liability company wholly owned by Mr. Taylor, who is the Chief Executive Officer and a director of the Company. Does not include 503,158 RSUs, all of which have vested but Common Shares not yet issued. Does not include 1,580,000 PSUs, which have not vested.
- (3) Does not include 50,000 RSUs, all of which have vested but Common Shares not yet issued.

## DIRECTORS AND OFFICERS

### Directors and Officers

As at the date hereof, the Board is comprised of six individuals. The following table sets forth the names and municipalities of residence of the current directors and executive officers of the Company, their respective positions and offices with the Company and the date first appointed or elected as a director and/or officer and their principal occupation(s) within the past five years.

#### Name, Occupation and Security Holding

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the past five years	Number of Shares Held and Percentage of Shares Held
<b>Scott Taylor</b> <sup>(3)</sup> <i>Highlands Ranch, Colorado, USA</i>	Chief Executive Officer and Director (April 27, 2023) Corporate Secretary (January 14, 2025)	Scott Taylor has over 20 years' direct experience in finance, energy, mining, defense, and civil engineering industries. Mr. Taylor started his career raising money in both public and private markets for a variety of resource projects including physical intermediation of international commodities trades. Mr. Taylor co-founded Reservoir Imaging Solutions (RIS) in 2019, a technology driven subsurface imaging company that was recognized by Darcy Partners as one of the top 10 subsurface oilfield technologies in 2021. Mr. Taylor has prior technical and financial experience in exploration, development, and pilot scale production on private mines in Canada, Mexico, and Internationally. His experience also includes five years working for an engineering company in the mining and energy space which included subsurface characterization, resource development, exploration and in-fill drill programs, and production remediation on mines. He is a published author, invited speaker, and member of the Society of Petroleum Engineers and the Society of Exploration Geophysicists.	12,105,481 <sup>(7)</sup> Shares 14.31%
<b>Jennie Choboter</b> <i>Mission, British Columbia, Canada</i>	Chief Financial Officer and (December 15, 2021) Director (March 30, 2022)	Jennie Choboter holds CPA-CA designations in the provinces of British Columbia and Alberta. Ms. Choboter is currently a director and the CFO of Trenchant, an investment issuer, listed on the CSE, Terrace Energy Corp., Rockshield Opportunities Corp. Previously, she served as the CFO of the British Columbia Innovation Council for 11 years. She has served as a director and/or officer of numerous other public companies in finance, oil & gas, mining pulp & paper and insurance industries. Ms. Choboter holds a Bachelor of Commerce degree from the University of Calgary.	Nil



Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the past five years	Number of Shares Held and Percentage of Shares Held
<b>Judson LaCapra</b> <i>Miami, Florida, USA</i>	Chief Development Officer (January 1, 2024)	Mr. LaCapra brings extensive international management experience, having developed long-term partnerships and operations worldwide. He has a proven track record in homeland security and renewable energy projects, and his multilingual abilities and background in international business from Georgetown University are invaluable to our global operations.	15,000 Shares 0.03%
<b>Gabriel Segal</b> <i>Denver, Colorado, USA</i>	Vice President of Strategy and Finance (February 1, 2024)	Mr. Segal brings over a decade of experience in private equity, investment banking, and consulting, specializing in energy investments. He has actively participated in the underwriting and due diligence of numerous investments, both in advisory and principal investor roles. Mr. Segal began his career as a Consultant at PA Consulting, where he provided strategic advice to power & utilities clients. His interest in energy led him to join the Agriculture, Cleantech, and Renewables group at Piper Jaffray (now Piper Sandler) where he advised growth-stage businesses on capital raising and mergers & acquisitions. In his most recent position as Vice President at Norwest Mezzanine Partners, Gabe focused on making junior capital investments in middle-market private-equity backed businesses. He holds a Bachelor of Science and a Master of Science in Industrial Engineering from the University of Wisconsin-Madison.	73,114 Shares 0.09%
<b>Elyssia Patterson</b> <i>Vancouver, British Columbia, Canada</i>	VP of Corporate Communications (May 29, 2024)	Elyssia brings a wealth of experience in capital markets and has been instrumental in leading companies through public listings. In her new role, she will focus on enhancing investor relations and articulating our strategic priorities to the financial community.	Nil
<b>Anton Fredrik Klaveness<sup>(1)</sup></b> <i>Englewood, Colorado, USA</i>	Director (August 4, 2023)	Anton Fredrik Klaveness worked as a private, early-stage investor in Europe for nearly 20 years before founding NLB Water LLC an oil and gas waste water solutions company and Aqueous Resources LLC, an innovative, technology-driven solution developer for the lithium industry. He holds a BSBA from the University of Denver (1991) and an MBA from the Columbia Business School in New York (1997).	15,000,000 Shares 17.73%
<b>Martín Corredera Silván<sup>(1)(2)(3)(5)</sup></b> <i>Luxembourg, Grand Duchy of Luxembourg</i>	Director (August 17, 2023)	Martín Silván has been the principal investment officer, lead of Geographical Center of European Investment Fund, member of the European Investment Bank (EIB) Group since June 2017.	100,000 Shares 0.12%

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the past five years	Number of Shares Held and Percentage of Shares Held
<b>Michael Westlake</b> <sup>(3)(5)(6)</sup> <i>Ottawa, Ontario, Canada</i>	Chief Technology Officer (January 27, 2025), President (February 25, 2024) and Director (August 17, 2023)	Mr. Westlake has been the strategic lead, Indigenous Led Area Based Conservation of Present Environment and Climate Change Canada since 2022. He was a project advisor with Crown-Indigenous Relations and Northern Affairs Canada from 2015 to 2022. Michael has extensive experience in stakeholder relations, intergovernmental affairs as well working on the remediation of contaminated mine sites, where an in-depth understanding of mine processes as well as the application of sustainable technologies is paramount. Westlake holds a B.Sc. in Chemistry and Environmental Studies from the University of Victoria and a M.Sc. from the University of Edinburgh in Environmental Change and Sustainability.	650,000 Shares 0.77%
<b>Michael Kevin McKenna</b> <sup>(1)(3)(4)(5)</sup> <i>The Woodlands, Texas, USA</i>	Director (August 17, 2023)	Michael McKenna has served on the Executive Leadership Team of Centric Infrastructure Group as senior vice president from 2021 to present. He was the managing partner at Teleios Commodities from 2017 to 2021.	Nil

(1) Member of the Audit Committee.

(2) Chair of the Audit Committee.

(3) Member of the Corporate Governance Committee.

(4) Chair of the Corporate Governance Committee.

(5) Member of the Compensation Committee.

(6) Chair of the Compensation Committee Charter.

(7) 1,300,548 Shares are held directly by Mr. Taylor and 10,804,933 Shares are held indirectly by Reservoir Imaging Solutions, a company wholly owned by Mr. Taylor.

As at the date hereof, the directors and senior officers of LiTHOS, as a group, beneficially own or control, directly or indirectly, 27,943,595 Common Shares or 33.02% of the issued and outstanding Common Shares on an undiluted basis and 35,261,899 Common Shares (including the issuance of Common Shares on exercise and/or vesting of 760,000 stock options, 2,141,302 RSUs, 4,068,888 PSUs and 348,114 Warrants) or 38.35% of the issued and outstanding Common Shares on a partially diluted basis.

Mr. Taylor expects to devote 100% of his time to perform the work required in connection with acting as CEO, Corporate Secretary and a director of the Company.

Ms. Choboter expects to devote 50% of her time to perform the work required in connection with acting as CFO and a director of the Company.

Mr. LaCapra expects to devote 50% of his time to perform the work required in connection with acting as Chief Development Officer of the Company.

Mr. Segal expects to devote 50% of his time to perform the work required in connection with acting as Vice President of Strategy and Finance of the Company.

Ms. Patterson expects to devote 15% of her time to perform the work required in connection with acting as VP of Corporate Communications of the Company.

Mr. Klaveness expects to devote 5% of his time to perform the work required in connection with acting as a director of the Company.

Mr. Silván expects to devote 5% of his time to perform the work required in connection with acting as a director of the Company.

Mr. Westlake expects to devote 100% of his time to perform the work required in connection with acting as a director of the Company.

Mr. McKenna expects to devote 5% of his time to perform the work required in connection with acting as a director of the Company.

The directors listed above will hold office until the next annual meeting of the Company or until their successors are elected or appointed.

### **Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Other than disclosed below, to the knowledge of management, no director or executive officer as at the date hereof, is or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including LiTHOS), that (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer 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. For the purposes hereof, "order" means (a) a cease trade order, (b) an order similar to a cease trade order, or (c) 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, other than as disclosed herein, no director or executive officer of LiTHOS, or a shareholder holding a sufficient number of securities of LiTHOS to affect materially the control of the company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including LiTHOS) 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 (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

In August 2015, when Jennie Choboter was a director and/or officer of Trenchant, BCSC issued a cease trade order against Trenchant for failure to file its annual audited financial statements and management discussion and analysis for the year ended March 31, 2015, and trading in the common shares of Trenchant was halted by the TSXV. In January 2016, the BCSC issued a partial revocation order in respect of the cease trade order, pursuant to which Trenchant was permitted to undertake a \$600,000 private placement, in order to enable the company to complete its delinquent filings. The BCSC revoked the cease trade order on April 25, 2016, when the outstanding filings were completed, and the TSXV reinstated trading in the common shares of Trenchant on the NEX board of the TSXV on May 3, 2016.

### **Penalties or Sanctions**

No director, executive officer or shareholder holding a sufficient number of securities of LiTHOS to materially affect the control of the Company has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **Advisory Board**

The Company's advisory board consists of Dana Jurick, Ricardo Escobar, and Robert Barnwell IV.

### *Dana Jurick*

Dana Jurick is an experienced business and industrial operations manager with 40 years of experience in the energy sector. With roles ranging from field operations geophysicist to Fortune 500 energy company technical group manager to Executive Vice President of an international fiber optics equipment and services enterprise, Dana brings a wealth of practical, real-world experience to the enterprise. Mr. Jurick holds a B.S. in Geology from Syracuse University and an M.Sc. in Geophysics from University of Texas at El Paso. Dana was a commissioned officer in the U.S. Army and served 8 years as a Strategic Intelligence Officer (USAR MIRC) during 2005-2012. In 2009, he was awarded the Army Achievement Medal for exceptionally meritorious service to the U.S. Army. Mr. Jurick currently works as Executive Vice President for Neubrex Energy Services (US), LLC.

### *Ricardo Escobar*

Mr. Escobar is an entrepreneurial and results-oriented senior leader with the ability to set strategy, deliver growth and implement operational transformations to achieve visible results within the resources industry. Adept in safety, digital technology, general management, business development, and operations management with an extensive international experience in the minerals industry. An experienced turnaround leader who played a pivotal role in returning several organizations to profitability by significantly alignment of stakeholders, increasing productivity levels and reducing costs. Worked for BHP some 30 years in different executive positions including his final pre-retirement role as *VP Technology – Petroleum where he was* Responsible for setting up the Technology Business Partner model within the Petroleum business, as a member of the Petroleum Exco. This is about integrating the technology strategies and services for the off-shore multi-geography assets, the onshore/shale business and the active exploration activities. B.Sc., Mining Engineering – Colorado School of Mines in 1982. Also holds Basics for CIOs, Risk Management, Six Sigma, ERP Systems, HR Development, Strategic Planning, Quality Management and ISO 9000, Project Management.

### *Robert Barnwell IV*

Mr. Barnwell serves as the Chief Executive Officer and Director of Centric Infrastructure. Centric builds strategic natural gas and fiber-optic telecom assets to high-growth markets across the United States – bridging consumer demand for an affordable, reliable, timely, and best-in-class internet and natural gas company. During his 15-year tenure, he has been an integral contributor to the strategic growth of the company. Mr. Barnwell has worn multiple hats at Centric, ranging from field construction to billing, accounting, business development, and executive management. Currently, Mr. Barnwell is responsible for the successful execution of the Company's strategic vision and growth plans. Leaning on his strong financial background, he guides and supports executive management with respect to the Company's capital allocation strategy and the oversight of all aspects of daily operations. Prior to joining Centric Infrastructure, Mr. Barnwell worked as an Associate for a Dallas-based private equity firm focused on middle-market oil & gas investments. Mr. Barnwell began his career in Wells Fargo's financial analyst program. Mr. Barnwell holds a Bachelor of Business Administration from Southern Methodist University in Accounting and Finance and a Master of Accountancy in Taxation from the University of Houston. Mr. Barnwell is a member of the Texas Gulf Coast Chapter of YPO, where he currently presides as the Learning Officer. He is also active in the north Houston Fellowship of Christian Athletes organization, where he serves on the Board of Directors.

## **Conflicts of Interest**

There are potential conflicts of interest to which the directors and officers of LiTHOS will be subject to in connection with the operations of LiTHOS. In particular, certain of the directors and officers of LiTHOS are involved in managerial or director positions with other companies whose operations may, from time to time, be in direct competition with

those of LiTHOS or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of LiTHOS.

In accordance with the applicable corporate and securities legislation, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with LiTHOS are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of LiTHOS. Certain of the directors and each of the executive officers of LiTHOS have either other employment or other business or time restrictions placed on them and accordingly, these directors of LiTHOS will only be able to devote part of their time to the affairs of LiTHOS. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable corporate law.

#### **Involvement with Other Issuer**

The following table sets out information regarding other director or officer positions presently held by the directors and officers of the Company with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction within the last 5 years:

Name of Director	Name of Other Reporting Issuers	Securities Exchange
Jennie Choboter	Trenchant Technologies Capital Corp.	CSE
	Vinza Capital Management Inc.	N/A
	Alt House Cannabis Inc.	N/A

#### **CAPITALIZATION**

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##### **Issued Capital**

LiTHOS has the following issued and outstanding securities according to the below table:

Issued Capital <sup>(1)</sup>	Number of Securities (non-diluted)	Number of Securities (fully-diluted) <sup>(2)</sup>	% of Issued (non-diluted)	% of Issued (fully diluted) <sup>(2)</sup>
<b>Public Float</b>				
Total Outstanding (A)	<b>84,617,578</b>	<b>109,409,492</b>		
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	27,943,595	35,261,899	33.02%	32.23%
<b>Total Public Float (A-B)</b>	<b>56,673,983</b>	<b>74,147,593</b>	<b>66.98%</b>	<b>67.77%</b>
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in shareholder agreement and securities held by control block holders (C)	12,946,566	13,393,566	15.30%	12.24%
<b>Total Tradeable Float (A-C)</b>	<b>71,671,012</b>	<b>96,015,926</b>	<b>84.70%</b>	<b>87.76%</b>

#### Public Securityholders (Registered)

The following table sets forth information regarding the number of registered “public securityholders” of the Company, being persons other than persons enumerated in section (B) of the Issued Capital table above:

#### Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities <sup>(1)</sup>
1 – 99 securities	1	9
100 – 499 securities	1	100
500 – 999 securities	1	500
1,000 – 1,999 securities	3	3,500
2,000 – 2,999 securities	2	4,272
3,000 – 3,999 securities	4	13,250
4,000 – 4,999 securities	0	0
5,000 or more securities	49	56,652,352
Unable to confirm	0	0
<b>TOTAL:</b>	<b>61</b>	<b>56,673,983</b>

#### Public Securityholders (Beneficial)

The following table sets forth information regarding the number of beneficial “public securityholders” of the Company<sup>(1)</sup>, being persons other than persons enumerated in section (B) of the Issued Capital table above who

either: (i) hold securities in their own name as registered Shareholders; or (ii) hold securities through an intermediary where the Company has been given written confirmation of shareholdings:

**Class of Security: Common Shares**

Size of Holding	Number of Holders	Total Number of Securities <sup>(1)</sup>
1 – 99 securities	1,181	39,970
100 – 499 securities	1,251	253,910
500 – 999 securities	362	226,973
1,000 – 1,999 securities	460	553,885
2,000 – 2,999 securities	155	335,532
3,000 – 3,999 securities	76	250,612
4,000 – 4,999 securities	57	241,757
5,000 or more securities	406	54,771,344
Unable to confirm	0	0
<b>TOTAL:</b>	<b>3,948</b>	<b>56,673,983</b>

**Non-Public Securityholders (Registered)**

Non-Public Securityholders (Registered) LiTHOS has the following issued and outstanding securities according to the below table:

**Class of Security: Common Shares**

Size of Holding	Number of Holders	Total Number of Securities <sup>(1)</sup>
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	7	27,943,595
Unable to confirm	0	0
<b>TOTAL:</b>	<b>7</b>	<b>27,943,595</b>

For the purposes of this chart, “non-public securityholders” are persons enumerated under (B) in the Issued Capital table above.

**Convertible Securities**

The following table summarizes the outstanding securities convertible into common shares in the Company’s authorized capital as of the date of this Listing Statement:

Description of Security (include conversion/exercise terms, including conversion/exercise price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Stock Options <sup>(1)</sup>	1,845,000	1,845,000
Warrants <sup>(2)</sup>	13,460,676	13,460,676
RSUs <sup>(3)</sup>	3,017,350	3,017,350
PSUs <sup>(4)</sup>	6,468,888	6,468,888
DSUs	Nil	Nil

(1) 350,000 Stock Options are exercisable at a price of \$0.30 per Common Share until April 27, 2025 all of which have vested, 225,000 Stock Options are exercisable at a price of \$0.56 per Common Share until May 7, 2025 of which 75,000 have vested, 1,020,000 Stock Options are exercisable at a price \$0.70 per Common Share until June 6, 2026 of which 680,000 have vested and 250,000 Stock Options are exercisable at a price of \$0.60 per Common Share until July 17, 2026 of which 166,667 have vested.

(2) 10,419,515 Warrants are exercisable at a price of \$0.20 per Common Share until January 13, 2026, 403,706 Warrants are exercisable at a price of \$0.145 until June 8, 2026, 992,871 Warrants are exercisable at a price of \$0.90 per Common Share until March 15, 2027, 644,684 Warrants are exercisable at a price of \$0.90 per Common Share until April 15 2027 and 999,900 Warrants are exercisable at a price of USD\$0.55 per Common Share until November 3, 2028.

(3) Vesting of the RSUs was deferred by the Board until April 2025.

(4) These PSUs vest as to 25% for each sale by the Company of at least USD\$5,000,000. As of the date of this Listing Statement, no PSUs have vested.

### Other Listed Securities

The Company has no other listed securities reserved for issuance that are not included in this section of the Listing Statement.

### EXECUTIVE COMPENSATION

For more information, see “*Statement of Executive Compensation*” on page 10 of the Information Circular. A copy of the Information Circular is available for review under the Company’s profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former directors or executive officers, or associate of such persons is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former directors or executive officers, or associate of such persons is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### AUDIT COMMITTEE

#### Audit Committee Charter

The full text of the Company’s Audit Committee Charter is included as Schedule A to the Listing Statement.



## Audit Committee Composition

The following are the members of the Audit Committee as at the date hereof:

<b>Audit Committee Members</b>		
Martín Corredera Silván (Chairman)	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Michael Kevin McKenna	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Anton Fredrik Klaveness	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of the issuer, is considered to have a material relationship with the issuer.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

### Martín Corredera Silván - Chairman

Mr. Silván has been the principal investment officer, lead of Geographical Center of European Investment Fund, member of the European Investment Bank (EIB) Group since June 2017. Mr. Silván has over 25 years of international managerial experience in private equity investments, financial analysis, and accounting. Currently, Mr. Silván serves as Principal at the European Investment Fund, targeting investments in the lower-mid market segment. He is currently an active member in 35+ advisory boards, and acts as observer in a number of investment committees. Previously, he held several positions at the Inter-American Development Bank Group, based in Washington, D.C., where he focused on developing, promoting, and structuring investments to support the private sector in advancing regional development in Latin America and the Caribbean. Mr. Silván started his career with PricewaterhouseCoopers, in Spain and the US, serving a variety of clients in the technology and telecommunication industries. He holds an Executive MBA from Georgetown University (US), a Law Degree from Universidad Nacional de Educación a Distancia (Spain), and a MSc. in Business Administration from Universidad Complutense (Spain). Mr. Silván also holds a current US CPA license.

### Michael Kevin McKenna

Mr. McKenna serves on the Executive Leadership Team of Centric Infrastructure Group as Senior Vice President, Business Development from 2021 to present. At Centric, Mr. McKenna focuses on the company's strategic growth initiatives and revenue delivery, overseeing a period of unprecedented expansion in the company's gas utility and fiber-to-the-home businesses. Most recently prior to joining Centric from 2017 to 2021, Mr. McKenna served as Managing Partner at Teleios Commodities in The Woodlands, Texas, where he managed operations for the company in the competitive retail electric space. Before Teleios, Mr. McKenna was VP of Business Development at a Houston-based oilfield technology company serving the upstream E&P sector in North America. Mr. McKenna has over twenty years of experience in business development and executive management helping public and privately held businesses increase revenues, margins, and market share. Mr. McKenna holds a MSc in Global Energy Management from the University of Colorado in Denver and a BS in Geology from Trinity University.

## **Anton Fredrik Klaveness**

Mr. Klaveness worked as a private, early-stage investor in Europe for nearly 20 years before founding NLB Water LLC an oil and gas waste water solutions company and Aqueous Resources LLC, an innovative, technology-driven solution developer for the lithium industry. He holds a BSBA from the University of Denver (1991) and an MBA from the Columbia Business School in New York (1997).

Each member of the Audit Committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

## **Audit Committee Oversight**

At no time since the commencement of the Company's financial year ended April 30, 2024, was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

## **Reliance on Certain Exemptions**

At no time since the commencement of the Company's financial year ended April 30, 2024, has the Company relied on the exemptions contained in Sections 2.4, 6.1.1(4), 6.1.1(5) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

## **Pre-Approval Policies and Procedures**

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

## **External Auditor Service Fees**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup> (\$)	Audit Related Fees <sup>(2)</sup> (\$)	Tax Fees <sup>(3)</sup> (\$)	All Other Fees <sup>(4)</sup> (\$)
2024	\$75,000	Nil	Nil	Nil
2023	\$63,000	Nil	Nil	Nil

(1) **“Audit Fees”** include fees necessary to perform the annual audit and quarterly reviews of our financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) **“Audit-Related Fees”** for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported as audit fees. The services provided in this category include due diligence assistance, accounting consultations on proposed transactions, and consultation on International Financial Reporting Standards conversion.

(3) **“Tax Fees”** include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice.

(4) **“All Other Fees”** includes all fees other than those reported as Audit Fees, Audit-Related Fees or Tax Fees.

## CORPORATE GOVERNANCE

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Pursuant to NI 58-101, the Company is required to disclose its corporate governance practices as follows:

### General

NI 58-101, as adopted by the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company’s management through meetings of the Board and through consultation with the Corporate Governance Committee. The Corporate Governance Committee’s primary responsibilities include reviewing the skills, areas of expertise, backgrounds, independence, and qualifications of the members of the Board, reviewing the size and composition of the Board to ensure there remain an appropriate number of “unrelated” and “independent” directors, recommending to the Board structures and procedures to enable the Board to function independently of management, overseeing the development and implementation of any structures and procedures approved by the Board, and reviewing the relationship of the Board with management and recommending, where appropriate, limits on management’s authority to act without the express approval of the Board.

Each of Anton Fredrik Klaveness, Martín Corredera Silván and Michael Kevin McKenna are considered to be independent in that each of them are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director’s ability to act with the best interests of the Company, other than the interests and relationships arising from being Shareholders.

Each of Scott Taylor, Michael Westlake and Jennie Choboter are not considered to be independent on the basis that each is or has been an executive officer or employee of the Company within the last three years, as is consistent with the “Meaning of Independence” under section 1.2 of NI 58-101.

## **Orientation and Continuing Education**

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Corporate Governance Committee oversees the development and implementation of orientation programs for new directors and continuing education for all directors.

## **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board develops appropriate criteria for selection and nomination of new directors in consultation with the Corporate Governance Committee. The Corporate Governance Committee periodically reviews the criteria adopted by the Board and recommends changes to such criteria if deemed necessary or desirable.

The Corporate Governance Committee identifies and recommends qualified candidates to the Board who meet the selection criteria approved by the Board, and recommends the slate of nominees for election by shareholders at the annual meeting. The Corporate Governance Committee has the sole authority to retain and terminate any search firm to be used to identify director candidates or to otherwise assist the Committee in the discharge of its responsibilities, including the sole authority to approve the search firm's fees and other retention terms.

## **Compensation**

Compensation is determined by the Board in consultation with the Compensation Committee, whose roles include reviewing and recommending to the Board the appropriate compensation for the Company's executive officers and directors, overseeing the Company's compensation and benefit plans, policies and practices, and monitoring and evaluating matters relating to the compensation and benefits structure of the Company.

With respect to compensation of executive officers, the Compensation Committee reviews and approves corporate goals and objectives relevant to the compensation of the CEO and CFO and recommends them to the Board for approval, and leads the evaluation of the CEO's and CFO's performance in light of such goals and objectives and recommend the compensation of the CEO and the CFO based on this evaluation.

With respect to compensation of directors, the Compensation Committee reviews the adequacy and form of compensation of directors and ensures that the compensation realistically reflects the responsibilities and risks of such positions and fixes the amount and composition of compensation to be paid to members of the Board and the committees thereof.

## **Other Board Committees**

The Board has no committees other than the Audit Committee, Corporate Governance Committee and Compensation Committee.

## Assessments

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

## RISK FACTORS

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For more information, see “*Cautionary Statement Regarding Forward-Looking Information and Statements*” and “*Risk Factors*” on pages 1 and 57 of the Company’s 2024 AIF (as defined herein) as well as “*Caution Regarding Forward Looking Statements*” on page 52 of the Company’s MD&A for the nine months ended January 31, 2025.

### Risks Related to Doing Business in Emerging Markets in South America

LITHOS’ business may in the near future operate in South America. As an emerging market, the area is subject to a variety of risks inherent in conducting business in emerging market regions. These risks include, but are not limited to, economic instability, political volatility, currency fluctuations, and changes in regulatory and legal environments. Emerging markets in South America such as Argentina and Chile may present additional challenges due to the evolving nature of their markets, infrastructure limitations, and less developed legal and institutional frameworks.

- **Political and Economic Instability:** Several countries in South America have experienced periods of political instability, social unrest, and changes in government policies, which could adversely affect potential LiTHOS operations, financial condition, and the overall business environment. Political decisions, including changes in leadership or shifts in government priorities, may lead to the imposition of new laws, regulations, or restrictions that could negatively impact our operations or business strategies.
- **Currency Fluctuations and Inflation:** In general, business in South America may be subject to significant risks related to exchange rate fluctuations and inflation. Sudden or extreme changes in currency values could affect the profitability of LiTHOS’ potential operations, increase the cost of doing business, or hinder the ability to repatriate profits. In countries with high inflation rates, such as those in certain South American nations, there may be additional risks related to price volatility and the erosion of purchasing power.
- **Regulatory and Legal Risks:** The legal and regulatory environments in South American countries can be complex and subject to frequent changes. These markets may have less developed legal systems, which could make the enforcement of contracts more difficult or costly. In addition, issues such as corruption, bureaucratic inefficiencies, and inconsistent application of laws may present challenges to LiTHOS’ ability to operate effectively and in compliance with local regulations if and when any operations in these jurisdictions occurs.
- **Infrastructure and Resource Availability:** South American emerging markets may face infrastructure challenges, including limitations in transportation, energy supply, and communication networks, which could hinder LiTHOS’ ability to execute its business plans efficiently. These issues can result in delays, higher operational costs, or difficulties in accessing resources, all of which could adversely affect operations.
- **Environmental and Social Risks:** Operations in South America may also involve environmental risks, particularly in relation to the extraction and processing of natural resources. In some regions, there may be increased public scrutiny, opposition from local communities, and potential regulatory changes related to environmental protection. Social unrest, land rights disputes, or conflicts with local populations could disrupt operations or lead to reputational risks.

Given these factors, the business environment in South America may pose uncertainties that could adversely impact LiTHOS' operations, financial performance, and overall growth prospects should the Company seek to enter these markets for business.

## PROMOTERS

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Scott Taylor, the CEO and a director of the Company, may be considered to be the promoter of the Company, as such term is defined under the *Securities Act* (British Columbia), as he is primarily responsible for the organization and managing of the business of LiTHOS. Mr. Taylor beneficially owns 12,105,481 Common Shares representing 14.31% of the issued and outstanding Common Shares and has been granted an aggregate of 503,158 RSUs, and 1,580,000 PSUs. Mr. Taylor has not received, and is not expected to receive, anything of value, including money, property, contracts, options or rights of any kind, directly or indirectly, from the Company in his capacity as the promoter of the Company and the Company has not received, nor is expected to receive, any assets, services or other consideration in return.

Mr. Taylor is not, as at the date of this Listing Statement, nor has been, within 10 years before the date hereof:

- (i) a director, CEO or CFO of any Person that was subject to an order that was issued:
  - (a) while he was acting in the capacity as director, CEO or CFO, or
  - (b) after he ceased to be a director, CEO or CFO and which resulted from an event that occurred while he was acting in the capacity as director, CEO or CFO;
- (ii) a director or executive officer of any Person that, while he was acting in that capacity, or within a year of him 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;
- (iii) 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 his assets;
- (iv) subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement with a provincial and territorial securities regulatory authority; or
- (v) subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

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Except as otherwise disclosed below, LiTHOS is not, and has not been at any time within the most recently completed financial year, a party to any legal proceedings, nor is or was LiTHOS' property the subject of any legal proceedings, known or contemplated, that involves a claim for damages exclusive of interest and costs that met or exceeded 10% of the Company's current assets.

On January 10, 2025, a notice of civil claim was filed against the Company with respect to sum of \$106,647.93, plus interest at a rate of 14% per annum, in connection with prior professional services provided to LiTHOS. The matter remains outstanding as at the date of this Listing Statement.

Further, there have not been any (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended April 30, 2024, (b) any other

penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, or (c) settlement agreements entered into by the Company before a court relating to securities legislation or with a securities regulatory authority during the year ended April 30, 2024.

#### **INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

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Other than as set forth herein, or as previously disclosed, the Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction within the three most recently completed financial years or during the current financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company.

#### **INTERESTS OF EXPERTS**

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There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Company during, or related to, the Company's most recently completed financial year other than Charlton and Company, the Company's auditors.

Charlton and Company are the auditors of the Company and have confirmed that they are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada and any applicable legislation or regulations.

#### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

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##### **Auditors**

The auditors of the Company are Charlton & Company, Chartered Professional Accountants, located at 1110 Melville Street, Suite 1100, Vancouver, British Columbia, V6E 4A6.

##### **Transfer Agent and Registrar**

The transfer agent and registrar for the Common Shares is Endeavor Trust Corporation, located at Suite 702, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S2.

#### **MATERIAL CONTRACTS**

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For more information, see "*Material Contracts*" on page 82 of the 2024 AIF.

#### **OTHER MATERIAL FACTS**

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There are no other material facts other than as disclosed herein that are necessary to be disclosed in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Common Shares.

#### **FINANCIAL STATEMENTS**

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The Interim Financial Statements and Annual Financial Statements of LiTHOS have been incorporated by reference. Copies of the Annual Financial Statements are available for review under the Company's profile on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

## **ADDITIONAL INFORMATION**

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Additional information relating to the Company may be found on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca). Shareholders may contact the Chief Financial Officer of LiTHOS at 2380 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 to request copies of the Company's Interim Financial Statements, Annual Financial Statements, Interim MD&A, Annual MD&A or a copy of this Listing statement, or any of the other Company documents incorporated by reference herein. The documents will also be located on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).



**CERTIFICATE OF THE ISSUER**

The foregoing contains full, true and plain disclosure of all material information relating to Lithos Group Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, BC, this 1st day of April, 2025.

*“Scott Taylor”*

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Name: Scott Taylor  
Title: Chief Executive Officer and Director

*“Jennie Choboter”*

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Name: Jennie Choboter  
Title: Chief Financial Officer and Director

*“Michael Westlake”*

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Name: Michael Westlake  
Title: President and Director

*“Anton Fredrik Klaveness”*

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Name: Anton Fredrik Klaveness  
Title: Director

## SCHEDULE A

### AUDIT COMMITTEE CHARTER (Adopted as of August 17, 2023)

#### 1. PURPOSE OF THE AUDIT COMMITTEE

The Audit Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of the Company. The role of the Committee is to:

- (a) assist the Board in its oversight responsibilities by reviewing: (i) the Company’s consolidated financial statements, the financial and internal controls and the accounting, audit and reporting activities, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the external auditors’ qualifications and independence, and (iv) the scope, results and findings of the Company’s external auditors’ audit and non-audit services;
- (b) prepare any report of the Committee required to be included in the Company’s annual report or proxy material; and
- (c) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

#### 2. COMPOSITION, OPERATIONS AND AUTHORITY

##### *Composition*

The Committee shall be composed of a minimum of three members of the Board. Unless otherwise permitted by Applicable Law (as defined herein), each member of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities (collectively, the “Applicable Law”). Each member of the Committee shall be “financially literate” and at least one member of the Audit Committee shall be a “financial expert”, as such terms are defined by the Applicable Law.

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

##### *Authority*

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to: (i) retain (at the Company’s expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices and ethical behavior within the Company. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company’s management or the Company’s outside legal counsel and external auditors, to meet with the Committee

or any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

### *Operations*

The Board may appoint one member of the Committee to serve as chair of the Committee (the “Chair”), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a director of the Board or Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company’s constating documents or this Charter.

The Committee shall meet (in person or by telephonic meeting) at least quarterly or more frequently as circumstances dictate. As a part of each meeting of the Committee at which the Committee recommends that the Board approve the annual audited financial statements, the Committee shall meet in a separate session with the external auditors and, if desired, with management and/or the internal auditor. In addition, the Committee or the Chair shall meet with management quarterly to review the Company’s financial statements and the Committee or a designated member of the Committee shall meet with the external auditors to review the Company’s financial statements on a regular basis as the Committee may deem appropriate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company’s records.

Except as otherwise required by the Company’s constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

### **3. RESPONSIBILITIES AND DUTIES**

The Committee’s primary responsibilities are to:

#### *General*

- (a) review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board;
- (b) report to the Board regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;
- (c) follow the process established for all committees of the Board for assessing the Committee’s performance;

### *Review of Financial Statements, MD&A and other Documents*

- (d) annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board and publicly disclosed;
- (e) review with the Company's management and, if applicable, the external auditors, the Company's quarterly financial statements and related management's discussion and analysis, before they are released;
- (f) ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
- (g) review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- (h) review with the Company's management any press release of the Company which contains financial information;
- (i) review analyses prepared by management and/or the external auditors setting forth significant reporting issues and judgments made in connection with the preparation of the Company's financial statements;

### *External Auditors*

- (j) recommend external auditors' nominations to the Board to be put before the shareholders for appointment and, as necessary, the removal of any external auditors in office from time to time;
- (k) approve the fees and other compensation to be paid to the external auditors;
- (l) pre-approve all significant non-audit engagements to be provided to the Company with the external auditors;
- (m) require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Company and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
- (n) recommend to the Board any action required to ensure the independence of the external auditors;
- (o) advise the external auditors of their ultimate accountability to the Board and the Committee;
- (p) oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the Company;
- (q) evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Company, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and

- the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
- (r) present the Committee's conclusions with respect to its evaluation of external auditors to the Board and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board as it considers necessary;
  - (s) obtain and review a report from the external auditors at least annually regarding the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Company;
  - (t) establish policies for the Company's hiring of employees or former employees of the external auditors;
  - (u) monitor the relationship between management and the external auditors including reviewing any management letters or other reports of the external auditors and discussing any material differences of opinion between management and the external auditors;

#### *Financial Reporting Process*

- (v) periodically discuss the integrity, completeness and accuracy of the Company's internal controls and the financial statements with the external auditors in the absence of the Company's management;
- (w) in consultation with the external auditors, review the integrity of the Company's financial internal and external reporting processes;
- (x) consider the external auditors' assessment of the appropriateness of the Company's auditing and accounting principles as applied in its financial reporting;
- (y) review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Company's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;
- (z) review and discuss with the Chief Executive Officer ("CEO") and the Chief Financial Officer (the "CFO") the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
- (aa) review disclosures made by the CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls;
- (bb) establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements,

including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;

- (cc) discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
- (dd) resolve any disagreements between management and the external auditors regarding financial reporting;
- (ee) review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;
- (ff) retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board for such purposes);
- (gg) discuss any management or internal control letters or proposals to be issued by the external auditors of the Company;

#### *Corporate Controls and Procedures*

- (hh) receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions and any other applicable regulatory agency: (a) have been prepared in accordance with the Company's disclosure controls and procedures; and (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
- (ii) receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by such reports;
- (jj) discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

#### *Code of Conduct and Ethics*

- (kk) review and discuss the Company's Code of Business Conduct and Ethics and the actions taken to monitor and enforce compliance with the Code;
- (ll) establish procedures for: i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters;

#### *Legal Compliance*

- (mm) confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy Applicable Law;
- (nn) review legal compliance matters with the Company's legal counsel;

- (oo) review with the Company's legal counsel any legal matter that the Committee understands could have a significant impact on the Company's financial statements;
- (pp) conduct or authorize investigations into matters within the Committee's scope of responsibilities;
- (qq) perform any other activities in accordance with the Charter, the Company's constating documents and Applicable Law the Committee or the Board deems necessary or appropriate;

#### *Related Party Transactions*

- (rr) review the financial reporting of any transaction between the Company and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;
- (ss) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures;

#### *Reporting and Powers*

- (tt) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate; and
- (uu) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

#### **4. LIMITATION OF RESPONSIBILITY**

While the Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Committee performs an oversight function) and the external auditors.

**SCHEDULE B**

**EQUITY INCENTIV PLAN  
(Adopted as of November 22, 2022)**

***[See Attached]***



**LITHOS GROUP LTD.**

**OMNIBUS EQUITY INCENTIVE PLAN**

November 22, 2022

## TABLE OF CONTENTS

<b>ARTICLE 1 PURPOSE .....</b>	<b>1</b>
1.1 Purpose .....	1
<b>ARTICLE 2 INTERPRETATION .....</b>	<b>1</b>
2.1 Definitions.....	1
2.2 Interpretation .....	9
<b>ARTICLE 3 ADMINISTRATION .....</b>	<b>10</b>
3.1 Administration .....	10
3.2 Delegation to Committee .....	11
3.3 Determinations Binding .....	11
3.4 Eligibility .....	11
3.5 Plan Administrator Requirements .....	11
3.6 Total Shares Subject to Awards .....	12
3.7 Award Agreements .....	12
3.8 Non-transferability of Awards .....	12
<b>ARTICLE 4 OPTIONS.....</b>	<b>13</b>
4.1 Granting of Options .....	13
4.2 Exercise Price .....	13
4.3 Term of Options .....	13
4.4 Vesting and Exercisability .....	13
4.5 Payment of Exercise Price.....	13
<b>ARTICLE 5 RESTRICTED SHARE UNITS .....</b>	<b>14</b>
5.1 Granting of RSUs .....	14
5.2 RSU Account.....	15
5.3 Vesting of RSUs .....	15
5.4 Settlement of RSUs .....	15
<b>ARTICLE 6 PERFORMANCE SHARE UNITS .....</b>	<b>16</b>
6.1 Granting of PSUs .....	16
6.2 Terms of PSUs .....	16
6.3 Performance Goals .....	16
6.4 PSU Account.....	16
6.5 Vesting of PSUs .....	16
6.6 Settlement of PSUs .....	17
<b>ARTICLE 7 DEFERRED SHARE UNITS.....</b>	<b>17</b>
7.1 Granting of DSUs.....	17
7.2 DSU Account .....	19
7.3 Vesting of DSUs.....	19
7.4 Settlement of DSUs.....	19
7.5 No Additional Amount or Benefit .....	19

<b>ARTICLE 8 ADDITIONAL AWARD TERMS .....</b>	<b>20</b>
8.1 Dividend Equivalents .....	20
8.2 Black-out Period.....	20
8.3 Withholding Taxes .....	20
8.4 Recoupment.....	21
<b>ARTICLE 9 TERMINATION OF EMPLOYMENT OR SERVICES .....</b>	<b>21</b>
9.1 Termination of Employee, Consultant or Director .....	21
9.2 Discretion to Permit Acceleration.....	23
<b>ARTICLE 10 EVENTS AFFECTING THE CORPORATION .....</b>	<b>23</b>
10.1 General.....	23
10.2 Change in Control .....	23
10.3 Reorganization of Corporation’s Capital.....	24
10.4 Other Events Affecting the Corporation .....	25
10.5 Immediate Acceleration of Awards .....	25
10.6 Issue by Corporation of Additional Shares .....	25
10.7 Fractions.....	25
<b>ARTICLE 11 U.S. TAXPAYERS .....</b>	<b>25</b>
11.1 Provisions for U.S. Taxpayers.....	25
11.2 ISOs .....	26
11.3 ISO Grants to 10% Shareholders.....	26
11.4 \$100,000 Per Year Limitation for ISOs.....	26
11.5 Disqualifying Dispositions .....	26
11.6 Section 409A of the Code .....	26
11.7 Section 83(b) Election .....	27
11.8 Application of Article 11 to U.S. Taxpayers.....	28
<b>ARTICLE 12 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN .....</b>	<b>28</b>
12.1 Amendment, Suspension, or Termination of the Plan .....	28
12.2 Shareholder Approval .....	28
12.3 Permitted Amendments .....	29
<b>ARTICLE 13 MISCELLANEOUS .....</b>	<b>29</b>
13.1 Legal Requirement.....	29
13.2 No Other Benefit.....	29
13.3 Rights of Participant.....	30
13.4 Corporate Action.....	30
13.5 Conflict .....	30
13.6 Anti-Hedging Policy.....	30
13.7 Participant Information .....	30
13.8 Participation in the Plan.....	30
13.9 International Participants .....	31
13.10 Successors and Assigns .....	31
13.11 General Restrictions or Assignment .....	31
13.12 Severability .....	31
13.13 Notices .....	31

13.14	Effective Date.....	31
13.15	Governing Law .....	31
13.16	Submission to Jurisdiction .....	32

**Lithos Group Ltd.**  
**Omnibus Equity Incentive Plan**

**ARTICLE 1**  
**PURPOSE**

**1.1 Purpose**

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees and Consultants of the Corporation and its subsidiaries, to reward such of those Directors, Officers, Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long-term goals and success of the Corporation and to enable and encourage such Directors, Officers, Employees and Consultants to acquire Shares as long-term investments and proprietary interests in the Corporation.

**ARTICLE 2**  
**INTERPRETATION**

**2.1 Definitions**

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

- (a) **"Affiliate"** means any entity that is an "affiliate" for the purposes of National Instrument 45-106 – *Prospectus Exemptions of the Canadian Securities Administrators*, as amended from time to time;
- (b) **"Award"** means any Option, Restricted Share Unit, Performance Share Unit or Deferred Share Unit granted under this Plan which may be denominated or settled in Shares, cash or in such other form as provided herein;
- (c) **"Award Agreement"** means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under this Plan and which need not be identical to any other such agreements;
- (d) **"Board"** means the board of directors of the Corporation as it may be constituted from time to time;
- (e) **"Business Day"** means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

- (f) **“Canadian Taxpayer”** means a Participant that is resident of Canada for purposes of the Tax Act;
- (g) **“Cash Fees”** has the meaning set forth in Subsection 7.1(a);
- (h) **“Cashless Exercise”** has the meaning set forth in Subsection 4.5(b);
- (i) **“Cause”** means, with respect to a particular Participant:
  - (i) “cause”(or any similar term) as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee;
  - (ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation or “cause” (or any similar term) is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or
  - (iii) in the event neither (a) nor (b) apply, then “cause” as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where (i) an employer may terminate an individual’s employment without notice or pay in lieu thereof or other damages, or (ii) the Corporation or any subsidiary thereof may terminate the Participant’s contract without notice or without pay in lieu thereof or other termination fee or damages;
- (j) **“Change in Control”** means the occurrence of any one or more of the following events:
  - (i) any transaction at any time and by whatever means pursuant to which any Person or any group of two (2) or more Persons acting jointly or in concert hereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Securities Act* (British Columbia)) of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
  - (ii) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a subsidiary of the Corporation;
  - (iii) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one (1) or more Persons which were Affiliates of the Corporation prior to such event;
  - (iv) the occurrence of a transaction requiring approval of the Corporation’s shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory

arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a subsidiary of the Corporation);

- (v) individuals who comprise the Board as of the date hereof (the “**Incumbent Board**”) for any reason cease to constitute at least a majority of the members of the Board, unless the election, or nomination for election by the Corporation’s shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board; or
- (vi) any other event which the Board determines to constitute a change in control of the Corporation;

provided that, notwithstanding clause (i), (ii), (iii) and (iv) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clause (i), (ii), (iii) or (iv) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (ii) above) (the “**Surviving Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (“**voting power**”) of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the “**Parent Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a “**Non-Qualifying Transaction**” and, following the Non-Qualifying Transaction, references in this definition of “Change in Control” to the “Corporation” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the “Board” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

Notwithstanding the foregoing, for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which is triggered by or would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

- (k) “**Code**” means the United States Internal Revenue Code of 1986, as amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder;

- (l) **“Committee”** has the meaning set forth in Section 3.2(b);
- (m) **“Consultant”** means any individual or entity engaged by the Corporation or any subsidiary of the Corporation to render consulting or advisory services (including as a director or officer of any subsidiary of the Corporation), other than as an Employee, Officer, or Director, and whether or not compensated for such services provided, however, that any Consultant who is in the United States or is a U.S. Person at the time such Consultant receives any offer of Award or executes any Award Agreement must be a natural person, and must agree to provide bona fide services to that Corporation that are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Corporation’s securities;
- (n) **“Control”** means the relationship whereby a Person is considered to be “controlled” by a Person if:
  - (i) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
  - (ii) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and
  - (iii) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, andthe words **“Controlled by”**, **“Controlling”** and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;
- (o) **“Corporation”** means Lithos Group Ltd., or any successor entity thereof;
- (p) **“Date of Grant”** means, for any Award, the date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;
- (q) **“Deferred Share Unit”** or **“DSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 7;
- (r) **“Director”** means a director of the Corporation who is not an Employee;
- (s) **“Director Fees”** means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;



- (t) **“Disabled”** or **“Disability”** means, with respect to a particular Participant:
  - (i) “disabled” or “disability” (or any similar terms) as such terms are defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant;
  - (ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation, or “disabled” or “disability” (or any similar terms) are not defined in such agreement, “disabled” or “disability” as such term are defined in the Award Agreement; or
  - (iii) in the event neither (i) or (ii) apply, then the incapacity or inability of the Participant, by reason of mental or physical incapacity, disability, illness or disease (as determined by a legally qualified medical practitioner or by a court) that prevents the Participant from carrying out his or her normal and essential duties as an Employee, Officer, Director or Consultant for a continuous period of six months or for any cumulative period of 180 days in any consecutive twelve month period, the foregoing subject to and as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;
- (u) **“Effective Date”** means the effective date of this Plan, being November 22, 2022;
- (v) **“Elected Amount”** has the meaning set forth in Subsection 7.1(a);
- (w) **“Electing Person”** means a Participant who is, on the applicable Election Date, a Director;
- (x) **“Election Date”** means the date on which the Electing Person files an Election Notice in accordance with Subsection 7.1(b);
- (y) **“Election Notice”** has the meaning set forth in Subsection 7.1(b);
- (z) **“Employee”** means an individual who:
  - (i) is considered an employee of the Corporation or a subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or
  - (ii) works full-time or part-time, on a regular weekly basis for the Corporation or a subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such subsidiary;
- (aa) **“Exchange”** means the primary exchange on which the Shares are then listed, if applicable;

- (bb) **“Exercise Notice”** means a notice in writing, signed by a Participant and stating the Participant’s intention to exercise a particular Option;
- (cc) **“Exercise Price”** means the price at which an Option Share may be purchased pursuant to the exercise of an Option;
- (dd) **“Expiry Date”** means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;
- (ee) **“In the Money Amount”** has the meaning given to it in Subsection 4.5(b);
- (ff) **“Insider”** means an “insider” as defined in applicable Securities Laws or in the rules of the Exchange;
- (gg) **“Market Price”** at any date in respect of the Shares shall be the greater of the closing market price of the Shares on (i) the trading day prior to the date of grant and (ii) the date of grant, and as otherwise required pursuant to the policies of the Exchange, if applicable. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be (i) the issuance price per Share of the most recent financing completed by the Corporation within the last three (3) months; or (ii) otherwise, the fair market value of such Shares as determined by the Plan Administrator in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the Code;
- (hh) **“Officer”** has the meaning defined in applicable Securities Laws;
- (ii) **“Option”** means a right to purchase Shares under Article 4 of this Plan that is non-assignable and non-transferable, unless otherwise approved by the Plan Administrator;
- (jj) **“Option Shares”** means Shares issuable by the Corporation upon the exercise of outstanding Options;
- (kk) **“Participant”** means a Director, Officer, Employee or Consultant to whom an Award has been granted under this Plan;
- (ll) **“Performance Goals”** means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;
- (mm) **“Performance Share Unit”** or **“PSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

- (nn) **“Person”** means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;
- (oo) **“Plan”** means this Omnibus Equity Incentive Plan, as may be amended from time to time;
- (pp) **“Plan Administrator”** means the Board, or if the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;
- (qq) **“PSU Service Year”** has the meaning given to it in Section 6.1;
- (rr) **“Restricted Share Unit”** or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 5;
- (ss) **“Retirement”** means, unless otherwise defined in the Participant’s written or other applicable employment agreement or in the Award Agreement, the termination of the Participant’s working career at the age of 65 or such other retirement age, with consent of the Plan Administrator, if applicable, other than on account of the Participant’s termination of service by the Corporation or its subsidiary for Cause;
- (tt) **“RSU Service Year”** has the meaning given to it in Section 5.1;
- (uu) **“Section 409A of the Code”** or **“Section 409A”** means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;
- (vv) **“Securities Laws”** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;
- (ww) **“Security Based Compensation Arrangement”** means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers, Employees and/or service providers of the Corporation or any subsidiary of the Corporation, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (xx) **“Share”** means one (1) common share in the capital of the Corporation as constituted on the Effective Date or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 10, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

- (yy) **“subsidiary”** means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary;
- (zz) **“Tax Act”** has the meaning set forth in Section 4.5(d);
- (aaa) **“Termination Date”** means, subject to applicable law which cannot be waived:
- (i) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation as the “Termination Date” (or similar term) in a written employment or other agreement between the Employee and Corporation or a subsidiary of the Corporation, or (ii) if no such written employment or other agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Employee ceases to be an employee of the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given; and in any event, the “Termination Date” shall be determined without including any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, severance pay or other damages paid or payable to the Participant;
  - (ii) in the case of a Consultant whose agreement or arrangement with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Corporation or the subsidiary of the Corporation, as the “Termination Date” (or similar term) or expiry date in a written agreement between the Consultant and Corporation or a subsidiary of the Corporation, or (ii) if no such written agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Consultant ceases to be a Consultant or a service provider to the Corporation or the subsidiary of the Corporation, as the case may be, or on which the Participant’s agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant’s consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given; in any event, the “Termination Date” shall be determined without including any period of notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, termination fees or other damages paid or payable to the Participant; and
  - (iii) in the case of a Director or Officer, the date such individual ceases to be a Director or Officer, as applicable,

in each case, unless the individual continues to be a Participant in another capacity.

Notwithstanding the foregoing, in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" with the Corporation or a subsidiary of the Corporation within the meaning of Section 409A of the Code.

- (bbb) **"U.S."** or **"United States"** means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;
- (ccc) **"U.S. Person"** shall mean a **"U.S. person"** as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act (the definition of which includes, but is not limited to, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any partnership or corporation organized outside of the United States by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized, or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts, and (iv) any estate or trust of which any executor or administrator or trustee is a U.S. Person);
- (ddd) **"U.S. Securities Act"** means the United States Securities Act of 1933, as amended; and
- (eee) **"U.S. Taxpayer"** shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws.

## 2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

**ARTICLE 3  
ADMINISTRATION**

**3.1 Administration**

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants under the Plan may be made;
- (b) make grants of Awards under the Plan relating to the issuance of Shares (including any combination of Options, Restricted Share Units, Performance Share Units or Deferred Share Units) in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
  - (i) the time or times at which Awards may be granted;
  - (ii) the conditions under which:
    - (A) Awards may be granted to Participants; or
    - (B) Awards may be forfeited to the Corporation,including any conditions relating to the attainment of specified Performance Goals;
  - (iii) the number of Shares to be covered by any Award;
  - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
  - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
  - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and

- (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

### **3.2 Delegation to Committee**

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the “**Committee**”) all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on the Corporation and all subsidiaries of the Corporation, all Participants and all other Persons.

### **3.3 Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation, the affected Participant(s), their legal and personal representatives and all other Persons.

### **3.4 Eligibility**

All Directors, Officers, Employees and Consultants are eligible to participate in the Plan, subject to Section 9.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Officer, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Officer, Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the sole and absolute discretion of the Plan Administrator.

### **3.5 Plan Administrator Requirements**

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Plan Administrator shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange, if applicable, and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Without limiting the generality of the foregoing, all Awards shall issued pursuant to the registration requirements of the U.S. Securities Act, or pursuant an exemption or exclusion from such registration requirements. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.

Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

### **3.6 Total Shares Subject to Awards**

- (a) Subject to adjustment as provided for in Article 10 and any subsequent amendment to this Plan, the aggregate number of Shares reserved for issuance pursuant to Awards granted under this Plan shall not exceed 20% of the Corporation's total issued and outstanding Shares from time to time. This Plan is considered an "evergreen" plan, since the shares covered by Awards which have been settled, exercised or terminated shall be available for subsequent grants under the Plan and the number of Awards available to grant increases as the number of issued and outstanding Shares increases.
- (b) To the extent any Awards (or portion(s) thereof) under this Plan terminate or are cancelled for any reason prior to exercise in full, or are surrendered or settled by the Participant, any Shares subject to such Awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Awards granted under this Plan.
- (c) Any Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall not reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.

### **3.7 Award Agreements**

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one Officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, an Award Agreement to a Participant granted an Award pursuant to this Plan.

### **3.8 Non-transferability of Awards**

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.



## **ARTICLE 4 OPTIONS**

### **4.1 Granting of Options**

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

### **4.2 Exercise Price**

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the Date of Grant, unless otherwise permitted by the rules of the Exchange and applicable Securities Laws.

### **4.3 Term of Options**

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date.

### **4.4 Vesting and Exercisability**

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options.
- (b) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable.
- (c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.
- (d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

### **4.5 Payment of Exercise Price**

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by certified cheque, wire transfer, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include (i) through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation) whereby

payment of the Exercise Price is accomplished with the proceeds of the sale of Shares deliverable upon the exercise of the Option, (ii) through the cashless exercise process set out in Section 4.5(b), or (iii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Securities Laws, or any combination of the foregoing methods of payment.

- (b) Unless otherwise specified by the Plan Administrator and set forth in the particular Award Agreement, if permitted by the Plan Administrator, and subject to compliance with the policies of the Exchange and applicable Securities Laws, if applicable, a Participant may, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the Corporation (a “**Cashless Exercise**”) in consideration for an amount from the Corporation equal to (i) the Market Price of the Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate Exercise Price of the Option (or portion thereof) surrendered relating to such Shares (the “**In-the-Money Amount**”), by written notice to the Corporation indicating the number of Options such Participant wishes to exercise using the Cashless Exercise, and such other information that the Corporation may require. Subject to Section 8.3, the Corporation shall satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Shares (rounded down to the nearest whole number) having a fair market value equal to the In-the-Money Amount.
- (c) No Shares will be issued or transferred until full payment therefor has been received by the Corporation, or arrangements for such payment have been made to the satisfaction of the Plan Administrator.
- (d) If a Participant surrenders Options through a Cashless Exercise pursuant to Section 4.5(b), to the extent that such Participant would be entitled to a deduction under paragraph 110(1)(d) of the *Income Tax Act* (Canada) (the “**Tax Act**”) in respect of such surrender if the election described in subsection 110(1.1) of the Tax Act were made and filed (and the other procedures described therein were undertaken) on a timely basis after such surrender, the Corporation will cause such election to be so made and filed (and such other procedures to be so undertaken).

## **ARTICLE 5 RESTRICTED SHARE UNITS**

### **5.1 Granting of RSUs**

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of compensation, a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the “**RSU Service Year**”). The terms and conditions of each RSU grant may be evidenced by an Award Agreement. Each RSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 5.4(a)), upon the settlement of such RSU.
- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any bonus or similar

payment that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the greater of (A) the Market Price of a Share on the Date of Grant; and (B) such amount as determined by the Plan Administrator in its sole discretion.

## **5.2 RSU Account**

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

## **5.3 Vesting of RSUs**

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that, with respect to a U.S. Taxpayer, the terms comply with Section 409A.

## **5.4 Settlement of RSUs**

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU for the following at the election of the Participant but subject to the approval of the Plan Administrator:
  - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct,
  - (ii) a cash payment, or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above.
- (b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within, if applicable.
- (d) Notwithstanding any other terms of this Plan but subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 5.4 any later than the final Business Day of the third calendar year following the applicable RSU Service Year.

**ARTICLE 6**  
**PERFORMANCE SHARE UNITS**

**6.1 Granting of PSUs**

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of compensation, a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the “**PSU Service Year**”). The terms and conditions of each PSU grant shall be evidenced by an Award Agreement, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 6.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

**6.2 Terms of PSUs**

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a Participant’s service and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

**6.3 Performance Goals**

The Plan Administrator will issue Performance Goals prior to or on the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. Following the Date of Grant, the Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation’s corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

**6.4 PSU Account**

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

**6.5 Vesting of PSUs**

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs.

## 6.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, the Participant shall redeem each vested PSU for the following at the election of the Participant but subject to the approval of the Plan Administrator:
  - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct,
  - (ii) a cash payment, or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above.
- (b) Any cash payments made under this Section 6.6 by the Corporation to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within, if applicable.
- (d) Notwithstanding any other terms of this Plan but subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 6.6 any later than the final Business Day of the third calendar year following the applicable PSU Service Year.

## ARTICLE 7 DEFERRED SHARE UNITS

### 7.1 Granting of DSUs

- (a) The Board may fix from time to time a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 7.1(b) to participate in the grant of additional DSUs pursuant to this Article 7. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 7 shall receive their Elected Amount (as that term is defined below) in the form of DSUs. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that would otherwise be paid in cash (the "**Cash Fees**").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs will be required to file a notice of election in the form of Schedule A hereto (the "**Election**

**Notice**”) with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31<sup>st</sup> in the year prior to the year to which such election is to apply (other than for Director Fees payable for the 2022 financial year, in which case any Electing Person who is not a U.S. Taxpayer as of the date of this Plan shall file the Election Notice by the date that is 30 days from the Effective Date with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of the first year in which an Electing Person who is a U.S. Taxpayer first becomes an Electing Person under the Plan (or any plan required to be aggregated with the Plan under Section 409A), an initial Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the end of the 30-day election period. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

- (c) Subject to Subsection 7.1(d), the election of an Electing Person under Subsection 7.1(b) shall be deemed to apply to all Cash Fees paid subsequent to the filing of the Election Notice. In the case of an Electing Person who is a U.S. Taxpayer, his or her election under Section 7.1(b) shall be deemed to apply to all Cash Fees that are earned after the Election Date. An Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs by filing with the Chief Financial Officer of the Corporation a termination notice in the form of Schedule B. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a “black-out” on trading. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 7.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 7, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs for any calendar year (or portion thereof) is irrevocable for that calendar year after the expiration of the election period for that year and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.
- (e) Any DSUs granted pursuant to this Article 7 prior to the delivery of a termination notice pursuant to Section 7.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 7 will be calculated by dividing (i) the amount of Director Fees that are to be paid as DSUs, as determined by the Plan Administrator or Director Fees that are to be

paid in DSUs (including any Elected Amount), by (ii) the Market Price of a Share on the Date of Grant.

- (g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

## **7.2 DSU Account**

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

## **7.3 Vesting of DSUs**

Except as otherwise determined by the Plan Administrator or as set forth in the particular Award Agreement, DSUs shall vest immediately upon grant.

## **7.4 Settlement of DSUs**

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however that if there is no Award Agreement or the Award Agreement does not establish a date for the settlement of the DSUs, then, for a Participant who is not a U.S. Taxpayer the settlement date shall be the date determined by the Participant (which date shall not be earlier than the Termination Date), and for a Participant who is a U.S. taxpayer, the settlement date shall be the date determined by the Participant in accordance with the Election Notice (which date shall not be earlier than the "separation from service" (within the meaning of Section 409A)). On the settlement date for any DSU, the Participant shall redeem each vested DSU for:
  - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct; or
  - (ii) at the election of the Participant and subject to the approval of the Plan Administrator, a cash payment.
- (b) Any cash payments made under this Section 7.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll or in such other manner as determined by the Corporation, if applicable.

## **7.5 No Additional Amount or Benefit**

For greater certainty, neither a Participant to whom DSUs are granted nor any person with whom such Participant does not deal at arm's length (for purposes of the Tax Act) shall be entitled, either

immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the Market Price of the Shares to which the DSUs relate.

## **ARTICLE 8 ADDITIONAL AWARD TERMS**

### **8.1 Dividend Equivalents**

- (a) Unless otherwise determined by the Plan Administrator or as set forth in the particular Award Agreement, an Award of RSUs, PSUs and DSUs shall include the right for such RSUs, PSUs and DSUs be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, PSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's account shall vest in proportion to the RSUs, PSUs and DSUs to which they relate, and shall be settled in accordance with Subsections 5.4, 6.6, and 7.4 respectively.
- (b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

### **8.2 Black-out Period**

In the event that an Award expires at a time when a scheduled blackout is in place or an undisclosed material change or material fact in the affairs of the Corporation exists, the expiry of such Award will be the date that is 10 Business Days after which such scheduled blackout terminates or there is no longer such undisclosed material change or material fact.

### **8.3 Withholding Taxes**

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a subsidiary of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or a subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation or any Affiliate may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (b) require the sale, on behalf of the applicable Participant, of a number of Shares issued upon exercise, vesting, or settlement of such Award and the



remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or  
(c) enter into any other suitable arrangements for the receipt of such amount.

#### **8.4 Recoupment**

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange, if applicable. The Plan Administrator may at any time waive the application of this Section 8.4 to any Participant or category of Participants.

### **ARTICLE 9 TERMINATION OF EMPLOYMENT OR SERVICES**

#### **9.1 Termination of Employee, Consultant or Director**

Subject to Section 9.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, Award Agreement or other written agreement:

- (a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised, surrendered or settled as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;
- (b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then any unvested Options or other Awards shall be immediately forfeited and cancelled as of the Termination Date. Any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled within 90 days after the Termination Date;
- (c) where a Participant's employment, consulting agreement or arrangement terminates on account of his or her becoming Disabled, then any Award held by the Participant that has not vested as of the date of the Participant's Termination Date shall be immediately forfeited and cancelled as of the Termination Date. Any vested Option may be exercised by the Participant at any time until the Expiry Date of such Option. Any vested Award other than an Option will be settled within 90 days after the Termination Date;

- (d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Award that is held by the Participant that has not vested as of the date of the death of such Participant shall immediately forfeited and cancelled as of the Termination Date. Any vested Option may be exercised by the Participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the first anniversary of the date of the death of such Participant. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled with the Participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death;
  
- (e) where a Participant's employment, consulting agreement or arrangement is terminated due to the Participant's Retirement, then (i) any outstanding Award that vests or becomes exercisable based solely on the Participant remaining in the service of the Corporation or its subsidiary will become 100% vested, and (ii) any outstanding Award that vests based on the achievement of Performance Goals and that has not previously become vested shall continue to be eligible to vest based upon the actual achievement of such Performance Goals. Any vested Option may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the third anniversary of the Participant's date of Retirement. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option that is described in (i), such Award will be settled within 90 days after the Participant's Retirement. In the case of a vested Award other than an Option that is described in (ii), such Award will be settled at the same time the Award would otherwise have been settled had the Participant remained in active service with the Corporation or its subsidiary. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the "**Commencement Date**") employment, consulting or acting as a director of the Corporation or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, any Option or other Award held by the Participant that has not been exercised or settled as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;
  
- (f) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:
  - (i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or
  
  - (ii) the date of the death, Disability or Retirement of the Participant;

- (g) notwithstanding Subsection 9.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, but with due regard for Section 409A, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Officer, Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation; and
- (h) notwithstanding any other provision of this Section 9.1, in the case of an Award (other than an Option) granted to a U.S. Taxpayer that is vested or that immediately vests (in whole or in part) as a result of a Participant's termination of service, then such Award will, subject to Section 11.6(d), be settled as soon as administratively practicable following the Participant's termination of service, but in no event later than 90 days following the Participant's termination of service. In the case of an Award (other than an Option) granted to a U.S. Taxpayer that remains eligible to vest (in whole or in part) following a Participant's termination of service based upon the achievement of one or more Performance Goals, such Award will be settled at the originally scheduled settlement date for such Award.

## **9.2 Discretion to Permit Acceleration**

Notwithstanding the provisions of Section 9.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator.

## **ARTICLE 10 EVENTS AFFECTING THE CORPORATION**

### **10.1 General**

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 10 would have an adverse effect on this Plan or on any Award granted hereunder.

### **10.2 Change in Control**

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant and subject to this Section 10.2, but notwithstanding anything else in this Plan or any Award Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights

or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights, then such Award may be terminated by the Corporation without payment); (iv) the replacement of such Award with other rights or property selected by the Board in its sole discretion where such replacement would not adversely affect the holder; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 10.2, the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Section 10.2) any property in connection with a Change in Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted.

- (a) Notwithstanding Subsection 10.2 and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards, other than an Option held by a Canadian Taxpayer for the purposes of the Tax Act, granted under this Plan at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, provided that any vested Awards granted to U.S. Taxpayers will be settled within 90 days of the Change in Control.
- (b) It is intended that any actions taken under this Section 10.2 will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

### **10.3 Reorganization of Corporation's Capital**

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, if applicable, and in compliance with applicable Securities Laws, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

#### **10.4 Other Events Affecting the Corporation**

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number and/or type of Shares that may be acquired, or by reference to which such Awards may be settled, on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange and compliance with applicable Securities Laws, if applicable, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

#### **10.5 Immediate Acceleration of Awards**

In taking any of the steps provided in Sections 10.3 and 10.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 10.3 and 10.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Awards.

#### **10.6 Issue by Corporation of Additional Shares**

Except as expressly provided in this Article 10, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

#### **10.7 Fractions**

No fractional Shares will be issued pursuant to an Award. Accordingly, if, as a result of any adjustment under this Article 10 or a dividend equivalent, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

### **ARTICLE 11 U.S. TAXPAYERS**

#### **11.1 Provisions for U.S. Taxpayers**

Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code (“ISOs”). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option. If an Award Agreement fails to designate an Option as either an ISO or non-qualified stock option, the Option will be a non-qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO. Non-qualified stock options will be granted to a U.S. Taxpayer only if (i) such U.S. Taxpayer performs services for the Corporation or any corporation or other entity in which the Corporation has a direct or indirect controlling interest or otherwise has a significant ownership interest, as determined under Section 409A, such that the Option will constitute

an option to acquire “service recipient stock” within the meaning of Section 409A, or (ii) such option otherwise is exempt from Section 409A.

## **11.2 ISOs**

The terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may only be granted to an individual who is an employee of the Corporation, or of a “parent corporation” or “subsidiary corporation” of the Corporation, as such terms are defined in Sections 424(e) and (f) of the Code.

## **11.3 ISO Grants to 10% Shareholders**

Notwithstanding anything to the contrary in this Plan, if an ISO is granted to a person who owns shares representing more than 10% of the voting power of all classes of shares of the Corporation or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the Option shall not exceed five years from the time of grant of such Option and the Exercise Price shall be at least 110% of the Market Price of the Shares subject to the Option.

## **11.4 \$100,000 Per Year Limitation for ISOs**

To the extent the aggregate Market Price as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation and any “parent corporation” or “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code) exceeds US\$100,000, such excess ISOs shall be treated as non-qualified stock options.

## **11.5 Disqualifying Dispositions**

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

## **11.6 Section 409A of the Code**

- (a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. Any reference in this Plan to Section 409A of the Code shall also include any regulation promulgated thereunder or any other formal

guidance issued by the Internal Revenue Service with respect to Section 409A of the Code. Each Award shall be construed and administered such that the Award either (A) qualifies for an exemption from the requirements of Section 409A of the Code or (B) satisfies the requirements of Section 409A of the Code. If an Award is subject to Section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a "separation from service" under Section 409A of the Code, (III) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

- (b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.
- (c) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions of non-qualified deferred compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six-month anniversary of such separation from service.

#### **11.7 Section 83(b) Election**

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

### **11.8 Application of Article 11 to U.S. Taxpayers**

For greater certainty, the provisions of this Article 11 shall only apply to U.S. Taxpayers.

## **ARTICLE 12 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN**

### **12.1 Amendment, Suspension, or Termination of the Plan**

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, that:

- (a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements; and
- (b) any amendment that would cause an Award held by a U.S. Taxpayer to be subject to income inclusion under Section 409A of the Code shall be null and void ab initio with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

### **12.2 Shareholder Approval**

Notwithstanding Section 12.1 and subject to any rules of the Exchange, if applicable, approval of the holders of Shares shall be required for any amendment, modification or change that:

- (a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions under Article 10 which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) reduces the exercise price of an Option Award except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (c) extends the term of an Option Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant or within 10 Business Days following the expiry of such a blackout period);
- (d) permits an Option Award to be exercisable beyond 10 years from its Date of Grant (except where an Expiry Date would have fallen within a blackout period of the Corporation);
- (e) changes the eligible participants of the Plan; or



- (f) deletes or reduces the range of amendments which require approval of shareholders under this Section 12.2.

### **12.3 Permitted Amendments**

Without limiting the generality of Section 12.1, but subject to Section 12.2, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to the provisions set out in Article 9;
- (c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or
- (e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

## **ARTICLE 13 MISCELLANEOUS**

### **13.1 Legal Requirement**

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed, if applicable.

### **13.2 No Other Benefit**

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

### **13.3 Rights of Participant**

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Consultant, Officer or Director. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

### **13.4 Corporate Action**

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

### **13.5 Conflict**

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Award Agreement shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

### **13.6 Anti-Hedging Policy**

By accepting an Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards.

### **13.7 Participant Information**

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

### **13.8 Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

### **13.9 International Participants**

With respect to Participants who reside or work outside Canada and the United States, the Plan Administrator may, in its sole discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

### **13.10 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Corporation and its subsidiaries.

### **13.11 General Restrictions or Assignment**

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

### **13.12 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

### **13.13 Notices**

- (a) All written notices to be given by a Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as noted on the Corporation's SEDAR profile: Attention: Chief Financial Officer
- (b) All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth Business Day following the date of mailing. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

### **13.14 Effective Date**

This Plan becomes effective on a date to be determined by the Plan Administrator, subject to the approval of the shareholders of the Corporation.

### **13.15 Governing Law**

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without any reference to conflicts of law rules.

**13.16 Submission to Jurisdiction**

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

**SCHEDULE A**

**LITHOS GROUP LTD.  
OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION NOTICE**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 7 of the Plan and to receive [insert amount]% of my Cash Fees in the form of DSUs.

If I am a U.S. Taxpayer, I hereby further elect for any DSUs subject to this Election Notice to be settled on the later of (i) my "separation from service" (within the meaning of Section 409A) or (ii) \_\_\_\_\_.

I confirm that:

- (a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
- (b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.
- (c) The value of DSUs is based on the value of the Shares of the Corporation and therefore is not guaranteed.
- (d) To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Participant)

\_\_\_\_\_  
(Name of Participant)

**SCHEDULE B**

**LITHOS GROUP LTD.  
OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 7 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Participant)

\_\_\_\_\_  
(Name of Participant)

**Note:** An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

**SCHEDULE C**

**LITHOS GROUP LTD.  
OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs  
(U.S. TAXPAYERS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Participant)

\_\_\_\_\_  
(Name of Participant)

**Note:** An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.